

ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA (ANAN)

COMMENTS ON THE PROPOSED AMENDMENTS TO IAASB'S INTERNATIONAL STANDARDS

Responding to Non-Compliance or Suspected Non-Compliance with Laws and Regulations

Responsibility for Compliance with Laws and Regulations (Ref:Para A1-A6)

REFERENCE / PARAGRAPH	COMMENT	REASON FOR COMMENT	SUGGESTIONS FOR PROPOSED CHANGES TO THE WORDING
Para 5, Bullet point 3	The Change from "Court of law" to "an appropriate adjudicative body" is in order	The decision of adjudicative body does not give rise to litigation.	
Para 6 with related Ref Para A5a	The examples, though not exhaustive, have covered substantially the categories of law and regulations referred to in Para. 6(a) and (b)		
Para 8a	The Auditor may have additional responsibilities under relevant ethical requirements (for example in IESBA Code) regarding.....governance)		
Effective Date Para 9	This ISA will be effective after a date to be determined in due course by IAASB in collaboration with IESBA.	This suggestion is informed by the fact that the IESBA aims to improve its restructured Code by Q4 2016 and to determine its date in due course. (See Para 3 lines 6 and 7 at page 6 of the ED)	

Para A12a	The Auditor...requirements such as those contained in IESBA Code....		
Para A13	remove "an"	redundant	
Para A15	The Association does not envisage any foreseeable difficulty in applying this proposed amendment in Nigeria.	In Nigeria, Anti money laundering Act contains provisions that are in tandem with additional provision in Para A15 of the ED.	
Para A16, line 6	insert " in- house" after "entity's" and before "legal counsel's opinion"		
Para A17, line 7	insert "(for example IESBA Code)" after requirements		
Para A18a	The Association agrees with the provisions.	The provisions are in agreement with Nigeria's anti money laundering Acts	
ISQC 1 Para A56,line4	insert "with the knowledge of the engagement partner" after personnel	This is necessary to guide against disclosure of information by lower audit personnel such as audit clerk without the engagement partner's knowledge and thus cause avoidable embarrassment to the firm.	
ISA 240 Para 8a,line 1	insert "(for example IESBA Code)" after requirements		
ISA 240 Para A59a	The Association agrees with the provisions.	The provisions are in tandem with Nigeria's anti money laundering	

		Act.	
ISA 240 Para A65	The Association agrees with the provisions	The provisions are in tandem with Nigeria's Anti Money laundering Act. Besides, it is mandatory for the Auditor to report such matter.	
ISA 260 Para 7	The Association agrees with the provisions	The provisions are in tandem with Nigeria's Anti Money laundering Act. Besides, it is mandatory for the Auditor to report such matter.	
ISA 260 Para A8	The Association agrees with the provisions.	The provisions are in tandem with Nigeria's Anti Money laundering Act.	
ISRE 2400 (Revised) Para A92	This does not apply to our jurisdiction.		

## Comments on Specific Matters

Para 12 The Association agrees with the proposed limited amendments, considers them as sufficient enough to resolve actual or perceived inconsistencies of approach and is convinced that adequate clarifications and emphasis on key aspect of the NOCLAR proposals have been made in the IAASB's international standards.

However, the Association is concerned that since the IESB's Re-ED was yet to be finalized and IESBA Code could be amended in the light of comments on the Re-ED, the IAASB's ED should have waited for the finalization of the IESB's NOCLAR project.

A major question that could be raised is whether IAASB would re - issue this ED if there are major amendments to the IESB's amended Code.

Para 13 Nigeria has already adopted the IESBA Code and therefore has no ethical requirements that are conflicting with the proposed limited amendment under its own jurisdiction.

## Comments on General Matters

- a. Nigeria has fully adopted the International Financial Reporting Standards (IFRS) (including IFRS for SMEs ).The Association does not therefore envisage any difficulty, especially on the part of preparers on compliance with the proposed amendment to the relevant ISAs.
- b. The Nigerian Government, in 2011,passed the Anti Money laundering Bill into law. The Government also passed into law the Bill that established the Financial Reporting Council (FRC) of Nigeria. The Council is expected to enforce all international standards of reporting such as IFRSs, ISAs, IPSASs and IESs. With this development, the Association does not envisage any foreseeable difficulty in applying this proposed amendment in Nigeria.
- c. Nigeria use English as its official language and therefore does not require any translation of the final amendment to its adopted international standards.

- d. The Association agrees with the IESB's position that the effective date should be determined in due course by IAASB in collaboration with IESB

#### Additional Input

The Association agrees with IAASB to continue with the limited amendments as proposed in the current ED. This would guarantee timely finalisation of the proposed changes to the IAASB's international standards and allow the Board to focus its attention on the major projects contained in its Strategy Document for 2015 - 2019

The Association is of the opinion that a wholesome review of ISA 250 would be necessary and beneficial to the practitioners in future. This is because it tends to provide adequate ethical and legal cover to the practitioners.