

Conforming and Consequential Amendments to the IAASB's Other Standards as a Result of the New and Revised Quality Management Standards: Issues

Objectives of the Agenda Item:

The objective of this Agenda Item is to obtain the Board's approval of the final conforming and consequential amendments to the IAASB's Other Standards as a result of the new and revised quality management standards (QM standards).

I. Introduction

1. As a result of the approval of the QM standards, the IAASB issued an exposure draft covering the necessary conforming and consequential amendments to address inconsistencies between the IAASB's Other Standards and Framework with the QM standards. The IAASB discussed the changes made in response to respondents' comments at its September 2021 meeting.

II. Changes Since the September 2021 IAASB Meeting

2. There were few comments raised at the IAASB meeting in September 2021. The changes made in response to these comments are shown in yellow highlight in **Agenda Item 2-A**. Other than editorial changes, the only change of significance was relocating the requirement for the audit report to not be dated until the completion of the engagement quality review from the reporting requirements to the quality management requirements in ISRE 2400 (Revised),¹ ISRE 4400 (Revised)² and ISRE (Revised) 4410 (Revised).³
3. The conforming and consequential amendments were circulated to the IAASB Consultative Advisory Group (CAG) in September 2021 for comment. No comments were received from the CAG representatives.

III. Due Process Considerations

4. In the Staff's view, the significant matters it has identified as a result of deliberations since the beginning of this project, and its conclusions and recommendations thereon, have been reflected in the agenda material presented to the IAASB at its meetings. In the Staff's view, there are no significant matters discussed in the course of this project that have not been brought to the IAASB's attention.
5. The Staff does not believe that further field testing of the proposals, holding a public forum or roundtable, or issuing a consultation paper are warranted.

¹ International Standard on Review Engagements (ISRE) 2400 (Revised), *Engagements to Review Historical Financial Statements*

² International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*

³ ISRS 4410 (Revised), *Compilation Engagements*

Matter for IAASB Consideration

1. The IAASB is asked to approve the final conforming and consequential amendments to the IAASB's Other Standards as a result of the new and revised quality management standards for issuance.

Need for Re-Exposure

6. The Staff do not recommend re-exposure due to the limited scope of the project and the few changes that were needed in response to the comment letters received.

Matter for IAASB Consideration

2. Does the IAASB agree with the Staff's recommendation that it is not necessary to re-the conforming and consequential amendments?

IV. Other Matters

7. The IAASB is asked to note that, at the September 2021 IAASB meeting, the IAASB agreed that the effective date for the conforming and consequential amendments should be for:
 - a) Reviews of financial statements for periods beginning on or after December 15, 2022; and
 - b) Other assurance and related services engagements beginning on or after December 15, 2022.