Meeting: IESBA
Meeting Location: Virtual
Meeting Date: September 14-21, 29 & October 1, 2020

Agenda Item 2

Appropriate Reviewer Objectivity

Objectives of Agenda Item

1. To consider and approve revisions to the project proposal to broaden the scope of the guidance to address threats to objectivity from engagement quality reviewers to appropriate reviewers.

2. To consider, with a view to final approval, revised provisions addressing the objectivity of appropriate reviewers.

The Task Force welcomes any advance comments and drafting suggestions on its proposed text in Agenda Item 2-A by Tuesday, September 8, 2020. Please email comments to: CarlaVijian@ethicsboard.org

Task Force Members

3. The Task Force comprises:
   - Sylvie Soulier, Chair, former IESBA Member
   - Michael Ashley, IESBA Member
   - Denise Canavan, IESBA Technical Advisor

Activities since June 2020 Board Meeting

4. To develop the agenda materials for this meeting, the Task Force met via videoconference over the period of July and August 2020 to:
   (a) Consider the input from IESBA members on the summary of significant comments raised on the Exposure Draft, Proposed Revision to the Code Addressing the Objectivity of Engagement Quality Reviewers (ED) and Task Force responses at the June 2020 Board meeting (Agenda Items 5-A and 5-B of the June 2020 meeting); and
   (b) Discuss the comments raised by the Public Interest Oversight Board (PIOB) pertaining to this project in its July 2020 list of public interest issues on IESBA projects (see Agenda Item 1-B).

5. The Task Force also sought input from the IAASB’s ISQM 2 Task Force as part of the ongoing coordination efforts with the IAASB. The feedback from the ISQM 2 representatives has been considered by the Task Force in developing Agenda Items 2-A and 2-B.

6. The Task Force Chair will present significant matters raised on the ED, matters raised by the PIOB

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1 Proposed International Standard on Quality Management (ISQM) 2, Engagement Quality Reviews
and the Task Force’s final proposals at the September 1, 2020 IESBA CAG meeting. Ms. Soulier will brief the IESBA on the CAG’s feedback during the Board session.

Material Presented

For Discussion

Agenda Item 2-A  Issues and Task Force Proposals
Agenda Item 2-B  Revised Draft of Changes to Sections 300 and 325 (Marked-up from June 2020 Meeting)

For Reference

Agenda Item 2-C  Revised Draft of Changes to Sections 300 Section 325 (Clean)
Agenda Item 2-D  Revised Draft of Changes to Sections 300 and 325 (Marked-up from Extant Code & ED)
Agenda Item 2-E  Appropriate Reviewer Objectivity – Project Proposal (Amended)
Agenda Item 2-F  Due Process

Action Requested

7. IESBA members are asked to:
   (a) Consider the matters raised in Agenda Item 2-A and the revised text in Agenda Item 2-B;
   (b) Consider and approve the revisions to the project proposal in Agenda Item 2-E;
   (c) Consider whether there are any other matters raised by respondents to the ED that should be discussed by IESBA; and
   (d) Approve the revised provisions in Agenda Item 2-B as a final pronouncement.

2 Respondents’ comment letters can be accessed here.