

## Comments from The Institute of Chartered Accountants of Namibia (ICAN)

### Overall Question

#### Public Interest Issues Addressed in ED-4400

1) Has ED-4400 been appropriately clarified and modernized to respond to the needs of stakeholders and address public interest issues?

Yes

### Specific Questions

#### Professional Judgment

2) Do the definition, requirement and application material on professional judgment in paragraphs 13(j), 18 and A14-A16 of ED-4400 appropriately reflect the role professional judgment plays in an AUP engagement?

Yes

#### Practitioner's Objectivity and Independence

3) Do you agree with not including a precondition for the practitioner to be independent when performing an AUP engagement (even though the practitioner is required to be objective)? If not, under what circumstances do you believe a precondition for the practitioner to be independent would be appropriate, and for which the IAASB would discuss the relevant independence considerations with the IESBA?

Yes, the requirement to be objective is sufficient.

4) What are your views on the disclosures about independence in the AUP report in the various scenarios described in the table in paragraph 22 of the Explanatory Memorandum, and the related requirements and application material in ED-4400? Do you believe that the practitioner should be required to make an independence determination when not required to be independent for an AUP engagement? If so, why and what disclosures might be appropriate in the AUP report in this circumstance.

Is it not unnecessary to require disclosure of the fact that a practitioner is not required to be independent, if that is in fact the case? The basis for this view is that, due to the nature of agreed-upon procedures, especially with the additional guidance and clarity added by this exposure draft, whether the practitioner performing the procedures is independent or not is irrelevant and therefore this level of transparency to users does not add any value. It could in fact reduce the value of the report and lead users to question the validity of the report if it states that the practitioner who signed off on the document is not required to be independent. They may not understand that the validity of the document and its procedures is not impacted by the independence of the practitioner. It is therefore recommended that the requirement for disclosure should relate only to those practitioners who are required to be independent by their relevant jurisdictions.

## Findings

5) Do you agree with the term “findings” and the related definitions and application material in paragraphs 13(f) and A10-A11 of ED-4400?

Yes.

## Engagement Acceptance and Continuance

6) Are the requirements and application material regarding engagement acceptance and continuance, as set out in paragraphs 20-21 and A20-A29 of ED-4400, appropriate?

Yes.

## Practitioner’s Expert

7) Do you agree with the proposed requirements and application material on the use of a practitioner’s expert in paragraphs 28 and A35-A36 of ED-4400, and references to the use of the expert in an AUP report in paragraphs 31 and A44 of ED-4400?

Yes.

## AUP Report

8) Do you agree that the AUP report should not be required to be restricted to parties that have agreed to the procedures to be performed, and how paragraph A43 of ED-4400 addresses circumstances when the practitioner may consider it appropriate to restrict the AUP report?

Yes.

9) Do you support the content and structure of the proposed AUP report as set out in paragraphs 30-32 and A37-A44 and Appendix 2 of ED-4400? What do you believe should be added or changed, if anything?

Yes.

## Request for General Comments

10) In addition to the requests for specific comments above, the IAASB is also seeking comments on the matters set out below:

(a) Translations—recognizing that many respondents may intend to translate the final ISRS for adoption in their own environments, the IAASB welcomes comment on potential translation issues respondents note in reviewing the ED-4400.

No comment.

(b) Effective Date—Recognizing that ED-4400 is a substantive revision and given the need for national due process and translation, as applicable, the IAASB believes that an appropriate effective date for the standard would be for AUP engagements for which the terms of engagement are agreed approximately 18–24 months after the approval of the final ISRS. Earlier application would be permitted and encouraged. The IAASB welcomes comments on whether this would provide a sufficient period to support effective implementation of the ISRS. Respondents are also asked to

comment on whether a shorter period between the approval of the final ISRS and the effective date is practicable.

No comment.