

Final Pronouncement

April 2020

IAASB's International Standards

Conforming Amendments to the
IAASB International Standards as
a Result of the Revised IESBA
Code

IAASB

International Auditing
and Assurance
Standards Board

About the IAASB

This document was developed and approved by the International Auditing and Assurance Standards Board.

The objective of the IAASB is to serve the public interest by setting high-quality auditing, assurance, and other related standards and by facilitating the convergence of international and national auditing and assurance standards, thereby enhancing the quality and consistency of practice throughout the world and strengthening public confidence in the global auditing and assurance profession.

The IAASB develops auditing and assurance standards and guidance for use by all professional accountants under a shared standard-setting process involving the Public Interest Oversight Board, which oversees the activities of the IAASB, and the IAASB Consultative Advisory Group, which provides public interest input into the development of the standards and guidance. The structures and processes that support the operations of the IAASB are facilitated by the International Federation of Accountants (IFAC).

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CONFORMING AMENDMENTS TO THE IAASB INTERNATIONAL STANDARDS AS A RESULT OF THE REVISED IESBA CODE¹

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
Glossary	<p><i>Independence</i>¹⁶—Comprises:</p> <p>(a) Independence of mind—the state of mind that permits the provision of an opinion without being affected by influences that compromise professional judgment, allowing an individual to act with integrity, and exercise objectivity and professional skepticism.</p> <p>(b) Independence in appearance—the avoidance of facts and circumstances that are so significant a reasonable and informed third party, having knowledge of all relevant information, including any safeguards applied, would reasonably conclude a firm’s, or a member of the assurance team’s, integrity, objectivity or professional skepticism had been compromised.</p> <p>¹⁶ As defined in the IESBA <i>Code of Ethics for Professional Accountants</i></p>	<p><i>Independence</i>¹⁶—Comprises:</p> <p>(a) Independence of mind—the state of mind that permits the <u>expression</u> provision of an <u>opinion</u> conclusion without being affected by influences that compromise professional judgment, <u>thereby</u> allowing an individual to act with integrity, and exercise objectivity and professional skepticism.</p> <p>(b) Independence in appearance—the avoidance of facts and circumstances that are so significant <u>that</u> a reasonable and informed third party, having knowledge of all relevant information, including any safeguards applied, would <u>be likely to reasonably conclude that</u> a firm’s, or a member of the <u>an audit or assurance team’s</u> member’s, integrity, objectivity or professional skepticism <u>has</u> been compromised.</p> <p>¹⁶ As defined in the <u>International Ethics Standards Board of Accountants’ (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)</u></p>
Glossary (Refer also to standards that	<p>Professional accountant¹⁹—An individual who is a member of an IFAC member body.</p> <p>¹⁹ As defined in the IESBA <i>Code of Ethics for Professional Accountants</i></p>	<p>¹⁹ As defined in the IESBA <u>Code of Ethics for Professional Accountants</u></p>

¹ The comparison is based on the 2018 Handbooks published by IAASB and IESBA

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contain this definition)		
Glossary (Refer also to standards that contain this definition)	<p>Professional accountant in public practice²⁰—A professional accountant, irrespective of functional classification (for example, audit, tax or consulting) in a firm that provides professional services. This term is also used to refer to a firm of professional accountants in public practice.</p> <p>²⁰ As defined in the IESBA <i>Code of Ethics for Professional Accountants</i></p>	<p>²⁰ As defined in the IESBA <i>Code of Ethics for Professional Accountants</i></p>
Glossary (Refer also to standards that contain this definition)	<p><i>Relevant ethical requirements</i>—Ethical requirements to which the engagement team and engagement quality control reviewer are subject, which ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants’ <i>Code of Ethics for Professional Accountants</i> (IESBA Code) together with national requirements that are more restrictive. In the context of ISRE 2400 (Revised), relevant ethical requirements are defined as the ethical requirements the engagement team is subject to when undertaking review engagements. These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants’ <i>Code of Ethics for Professional Accountants</i> (IESBA Code), together with national requirements that are more restrictive. In the context of ISRS 4410 (Revised), relevant ethical requirements are defined as the ethical requirements the engagement team is subject to when undertaking compilation engagements. These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants’ <i>Code of Ethics for Professional Accountants</i> (IESBA Code) (excluding Section 290, <i>Independence—Audit and Review Engagements</i>, and Section 291, <i>Independence—Other Assurance</i></p>	<p><i>Relevant ethical requirements (in the context of ISQC 1)</i>—Ethical requirements to which the engagement team and engagement quality control reviewer are subject <u>when undertaking audits or reviews of financial statements, or other assurance or related services engagements</u>, which ordinarily comprise <u>the provisions of the Parts A and B of the International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code)</u>, together with national requirements that are more restrictive.</p> <p><i>Relevant ethical requirements (in the context of the ISAs)</i>—<u>Ethical requirements to which the engagement team and engagement quality control reviewer are subject when undertaking an audit engagement, which ordinarily comprise the provisions of the International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) related to an audit of financial statements, together with national requirements that are more restrictive.</u></p>

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	<p><i>Engagements</i> in Part B), together with national requirements that are more restrictive.</p>	<p><i>Relevant ethical requirements (in the context of ISRE 2400 (Revised))</i>, relevant ethical requirements are defined as the <u>ethical requirements to which the engagement team is subject to when undertaking a review engagements, which</u>. These requirements ordinarily comprise <u>the provisions of Parts A and B of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) related to a review of financial statements,</u> together with national requirements that are more restrictive.</p> <p><i>Relevant ethical requirements (in the context of ISRS 4410 (Revised))</i>, relevant ethical requirements are defined as the <u>ethical requirements to which the engagement team is subject to when undertaking a compilation engagements, which</u> These requirements ordinarily comprise <u>Parts A and B of the provisions of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) (excluding Section 290, Independence – Audit and Review Engagements, and Section 291, Independence – Other Assurance Engagements in Part B)</u> related to <u>compilation engagements,</u> together with national requirements that are more restrictive.</p>
ISQC 1 Paragraph 12q	<p>Relevant ethical requirements – Ethical requirements to which the engagement team and engagement quality control reviewer are subject, which ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) together with national requirements that are more restrictive.</p>	<p>Relevant ethical requirements – Ethical requirements to which the engagement team and engagement quality control reviewer are subject <u>when undertaking audits or reviews of financial statements, or other assurance or related services engagements,</u> which ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' Code of</p>

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		<i>Ethics for Professional Accountants</i> (IESBA Code <u>the provisions of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</u> (IESBA Code), together with national requirements that are more restrictive.
ISQC 1 Paragraph 21	<p>The firm shall establish policies and procedures designed to provide it with reasonable assurance that the firm, its personnel and, where applicable, others subject to independence requirements (including network firm personnel) maintain independence where required by relevant ethical requirements. Such policies and procedures shall enable the firm to: (Ref: Para. A10)</p> <p>(a) Communicate its independence requirements to its personnel and, where applicable, others subject to them; and</p> <p>(b) Identify and evaluate circumstances and relationships that create threats to independence, and to take appropriate action to eliminate those threats or reduce them to an acceptable level by applying safeguards, or, if considered appropriate, to withdraw from the engagement, where withdrawal is possible under applicable law or regulation.</p>	<p>(b) Identify and evaluate circumstances and relationships that create threats to independence, <u>evaluate whether the identified threats are at an acceptable level, and if not address them by and to take appropriate action to eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level, or withdrawing from the engagement, to eliminate those threats or reduce them to an acceptable level by applying safeguards, or, if considered appropriate, to withdraw from the engagement, where withdrawal is possible under applicable law or regulation.</u></p>
ISQC 1 Paragraph 22	<p>Such policies and procedures shall require: (Ref: Para. A10)</p> <p>(a) Engagement partners to provide the firm with relevant information about client engagements, including the scope of services, to enable the firm to evaluate the overall impact, if any, on independence requirements;</p>	<p>Such policies and procedures shall require: (Ref: Para. A10)</p> <p>(a) Engagement partners to provide the firm with relevant information about client engagements, including the scope of services, to enable the firm to evaluate the overall impact, if any, on independence requirements;</p>

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	<p>(b) Personnel to promptly notify the firm of circumstances and relationships that create a threat to independence so that appropriate action can be taken; and</p> <p>(c) The accumulation and communication of relevant information to appropriate personnel so that:</p> <p>(i) The firm and its personnel can readily determine whether they satisfy independence requirements;</p> <p>(ii) The firm can maintain and update its records relating to independence; and</p> <p>(iii) The firm can take appropriate action regarding identified threats to independence that are not at an acceptable level.</p>	<p>(b) Personnel to promptly notify the firm of circumstances and relationships that create a<u> threats</u> to independence so that appropriate action can be taken; and</p> <p>(c) The accumulation and communication of relevant information to appropriate personnel so that:</p> <p>(i) The firm and its personnel can readily determine whether they satisfy independence requirements;</p> <p>(ii) The firm can maintain and update its records relating to independence; and</p> <p>(iii) The firm can take appropriate action regarding identified threats to independence that are not at an acceptable level.</p>
ISQC 1 Paragraph 25	<p>The firm shall establish policies and procedures: (Ref: Para. A10)</p> <p>(a) Setting out criteria for determining the need for safeguards to reduce the familiarity threat to an acceptable level when using the same senior personnel on an assurance engagement over a long period of time; and</p> <p>(b) Requiring, for audits of financial statements of listed entities, the rotation of the engagement partner and the individuals responsible for engagement quality control review, and, where applicable, others subject to rotation requirements, after a specified period in compliance with relevant ethical requirements. (Ref: Para. A12–A17)</p>	<p>The firm shall establish policies and procedures: (Ref: Para. A10)</p> <p>(a) Setting out criteria for determining the need <u>to eliminate the circumstances that create a threat for safeguards to reduce of long association with an entity to an acceptable level, the familiarity threat to an acceptable level</u> when using the same senior personnel on an assurance engagement over a long period of time <u>or criteria for applying safeguards to reduce the threat</u>; and</p> <p>(b) Requiring, for audits of financial statements of listed entities, the rotation of the engagement partner and the individuals responsible for engagement quality control review, and, where applicable, others subject to rotation requirements, after a specified period in compliance with relevant ethical requirements. (Ref: Para. A12–A17)</p>

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ISQC 1 Paragraph A7	<p>The IESBA Code establishes the fundamental principles of professional ethics, which include:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. 	<p>The IESBA Code establishes the fundamental principles of professional ethics, which include<u>are</u>:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p><u>The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</u></p>
ISQC 1 Paragraph A8	<p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. It provides examples of safeguards that may be appropriate to address threats to compliance with the fundamental principles and also provides examples of situations where safeguards are not available to address the threats.</p>	<p>Part B of is to be applied in specific situations. It provides examples of safeguards that may be appropriate to address threats to compliance with the fundamental principles and also provides examples of situations where safeguards are not available to address the threats.</p> <p><u>The IESBA Code provides a conceptual framework that establishes the approach which a professional accountant is required to apply when identifying, evaluating and addressing threats to compliance with the fundamental principles. In the case of audits, reviews and other assurance engagements, the IESBA Code sets out <i>International Independence Standards</i>, established by the application of the conceptual framework to threats to independence in relation to those engagements.</u></p>
ISQC 1 Paragraph A9	<p>The fundamental principles are reinforced in particular by:</p> <ul style="list-style-type: none"> • The leadership of the firm; • Education and training; 	<p>The fundamental principles are reinforced in particular by:</p> <ul style="list-style-type: none"> • The leadership of the firm; • Education and training;

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	<ul style="list-style-type: none"> Monitoring; and A process for dealing with non-compliance. 	<ul style="list-style-type: none"> Monitoring; and A process for dealing with <u>breaches</u>non-compliance.
ISQC 1 Paragraph A11	Written confirmation may be in paper or electronic form. By obtaining confirmation and taking appropriate action on information indicating non-compliance, the firm demonstrates the importance that it attaches to independence and makes the issue current for, and visible to, its personnel.	Written confirmation may be in paper or electronic form. By obtaining confirmation and taking appropriate action on information indicating <u>a breach</u> non-compliance , the firm demonstrates the importance that it attaches to independence and makes the issue current for, and visible to, its personnel.
ISQC 1 Paragraph A12	<p>Familiarity Threat (Ref: Para. 25)</p> <p>The IESBA Code discusses the familiarity threat that may be created by using the same senior personnel on an assurance engagement over a long period of time and the safeguards that might be appropriate to address such threats.</p>	<p><u>Long Association with an Entity</u> Familiarity Threat (Ref: Para. 25)</p> <p>The IESBA Code discusses the familiarity threat that may be created <u>as a result of an individual's long association with:</u></p> <ul style="list-style-type: none"> <u>The entity and its operations;</u> <u>The entity's senior management; or</u> <u>The underlying subject matter and subject matter information of the assurance engagement.</u> <p>by using the same senior personnel on an assurance engagement over a long period of time and the safeguards that might be appropriate to address such threats.</p>
ISQC 1 Paragraph A13	<p>Determining appropriate criteria to address familiarity threat may include matters such as:</p> <ul style="list-style-type: none"> The nature of the engagement, including the extent to which it involves a matter of public interest; and The length of service of the senior personnel on the engagement. <p>Examples of safeguards include rotating the senior personnel or requiring an engagement quality control review.</p>	<p><u>The IESBA Code includes examples of factors that are relevant to evaluating the level of a threat that may arise when an individual is involved in an assurance engagement over a long period of time. The IESBA Code also provides examples of actions to address threats, including:</u></p> <ul style="list-style-type: none"> <u>Eliminating the threat, by rotating the individual off the engagement team; or</u>

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		<ul style="list-style-type: none"> • <u>Applying safeguards to reduce the threat to an acceptable level, for example by performing regular independent internal or external quality reviews of the engagement.</u> <p>Determining appropriate criteria to address familiarity threat may include matters such as:</p> <ul style="list-style-type: none"> • The nature of the engagement, including the extent to which it involves a matter of public interest; and • The length of service of the senior personnel on the engagement. <p>Examples of safeguards include rotating the senior personnel or requiring an engagement quality control review.</p>
ISQC 1 Paragraph A14	<p>The IESBA Code recognizes that the familiarity threat is particularly relevant in the context of financial statement audits of listed entities. For these audits, the IESBA Code requires the rotation of the key audit partner⁴ after a pre-defined period, normally no more than seven years, and provides related standards and guidance. National requirements may establish shorter rotation periods.</p> <p>4 As defined in the IESBA Code</p>	<p><u>The IESBA Code requires the rotation of the engagement partner, the engagement quality control reviewer, and other key audit partners⁴ in respect of certain engagements.</u> The IESBA Code recognizes that the familiarity threat is particularly relevant in the context of financial statement audits of listed entities. For these audits, the IESBA Code requires the rotation of the key audit partner⁴ after a pre-defined period, normally no more than seven years, and provides related standards and guidance.</p> <p>4 As defined in the IESBA Code</p>
ISQC 1 Paragraph A56	<p>Relevant ethical requirements establish an obligation for the firm's personnel to observe at all times the confidentiality of information contained in engagement documentation, unless specific client authority has been given to disclose information, or there are responsibilities under law, regulation or relevant ethical requirements to do so.⁵ Specific laws or regulations may</p>	<p>Relevant ethical requirements establish an obligation for the firm's personnel to observe at all times the confidentiality of information contained in engagement documentation, unless specific client authority has been given to disclose information, or there are responsibilities under law, regulation or relevant ethical requirements to do so.⁵ Specific laws or regulations may</p>

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	<p>impose additional obligations on the firm's personnel to maintain client confidentiality, particularly where data of a personal nature are concerned</p> <p>5 See, for example, Section 140.7 and Section 225.35 of the IESBA Code.</p>	<p>impose additional obligations on the firm's personnel to maintain client confidentiality, particularly where data of a personal nature are concerned.</p> <p>5 See, for example, <u>paragraphs R114.1, 114.1 A1 and R360.26</u> Section 140.7 and Section 225.35 of the IESBA Code.</p>
ISA 200 Paragraph A16	<p>The auditor is subject to relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements. Relevant ethical requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) related to an audit of financial statements together with national requirements that are more restrictive.</p>	<p>The auditor is subject to relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements. Relevant ethical requirements ordinarily comprise <u>the provisions</u> Parts A and B of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) related to an audit of financial statements, together with national requirements that are more restrictive.</p>
ISA 200 Paragraph A17	<p>Part A of the IESBA Code establishes the fundamental principles of professional ethics relevant to the auditor when conducting an audit of financial statements and provides a conceptual framework for applying those principles. The fundamental principles with which the auditor is required to comply by the IESBA Code are:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. 	<p>Part A of the IESBA Code establishes the fundamental principles of ethics, <u>which are and provides a conceptual framework for applying those principles.</u> The fundamental principles with which the auditor is required to comply by the IESBA Code are:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. The fundamental</p>

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	Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations.	<p><u>principles of ethics establish the standard of behavior expected of a professional accountant.</u></p> <p><u>The IESBA Code provides a conceptual framework that establishes the approach which a professional accountant is required to apply when identifying, evaluating and addressing threats to compliance with the fundamental principles. In the case of audits, reviews and other assurance engagements, the IESBA Code sets out <i>International Independence Standards</i>, established by the application of the conceptual framework to threats to independence in relation to those engagements.</u></p>
ISA 200 Paragraph A19	International Standard on Quality Control (ISQC) 1, or national requirements that are at least as demanding, deal with the firm's responsibilities to establish and maintain its system of quality control for audit engagements. ISQC 1 sets out the responsibilities of the firm for establishing policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply with relevant ethical requirements, including those pertaining to independence. ISA 220 sets out the engagement partner's responsibilities with respect to relevant ethical requirements. These include remaining alert, through observation and making inquiries as necessary, for evidence of non-compliance with relevant ethical requirements by members of the engagement team, determining the appropriate action if matters come to the engagement partner's attention that indicate that members of the engagement team have not complied with relevant ethical requirements, and forming a conclusion on compliance with independence requirements that apply to the audit engagement. ISA 220 recognizes that the engagement team is entitled to rely on a firm's system of quality control in meeting	International Standard on Quality Control (ISQC) 1, or national requirements that are at least as demanding, deal with the firm's responsibilities to establish and maintain its system of quality control for audit engagements. ISQC 1 sets out the responsibilities of the firm for establishing policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply with relevant ethical requirements, including those pertaining to independence. ISA 220 sets out the engagement partner's responsibilities with respect to relevant ethical requirements. These include remaining alert, through observation and making inquiries as necessary, for evidence of non-compliance with <u>breaches of</u> relevant ethical requirements by members of the engagement team, determining the appropriate action if matters come to the engagement partner's attention that indicate that members of the engagement team have not complied with <u>breached</u> relevant ethical requirements, and forming a conclusion on compliance with independence requirements that apply to the audit engagement. ISA 220 recognizes that the engagement team is entitled to rely on a firm's system of quality control in meeting its

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	its responsibilities with respect to quality control procedures applicable to the individual audit engagement, unless information provided by the firm or other parties suggests otherwise.	responsibilities with respect to quality control procedures applicable to the individual audit engagement, unless information provided by the firm or other parties suggests otherwise.
ISA 220 Paragraph 7(n)	<p>For purposes of the ISAs, the following terms have the meanings attributed below:</p> <p>...</p> <p>(n) Relevant ethical requirements – Ethical requirements to which the engagement team and engagement quality control reviewer are subject, which ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants’ <i>Code of Ethics for Professional Accountants</i> (IESBA Code) related to an audit of financial statements together with national requirements that are more restrictive.</p> <p>...</p>	<p>For purposes of the ISAs, the following terms have the meanings attributed below:</p> <p>...</p> <p>(n) Relevant ethical requirements – Ethical requirements to which the engagement team and engagement quality control reviewer are subject <u>when undertaking an audit engagement</u>, which ordinarily comprise <u>the provisions of Parts A and B</u> of the International Ethics Standards Board for Accountants’ <u><i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> (IESBA Code) related to an audit of financial statements, together with national requirements that are more restrictive.</p> <p>...</p>
ISA 220 Paragraph 9	Throughout the audit engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of non-compliance with relevant ethical requirements by members of the engagement team. (Ref: Para. A4–A5)	Throughout the audit engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of <u>breaches of</u> non-compliance with relevant ethical requirements by members of the engagement team. (Ref: Para. A4–A5)
ISA 220 Paragraph 10	If matters come to the engagement partner’s attention through the firm’s system of quality control or otherwise that indicate that members of the engagement team have not complied with relevant ethical requirements, the engagement partner, in	If matters come to the engagement partner’s attention through the firm’s system of quality control or otherwise that indicate that members of the engagement team have not complied with <u>breached</u> relevant ethical requirements, the engagement

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	consultation with others in the firm, shall determine the appropriate action. (Ref: Para. A5)	partner, in consultation with others in the firm, shall determine the appropriate action. (Ref: Para. A5)
ISA 220 Paragraph 11	<p>The engagement partner shall form a conclusion on compliance with independence requirements that apply to the audit engagement. In doing so, the engagement partner shall: (Ref: Para. A5)</p> <p>(a) Obtain relevant information from the firm and, where applicable, network firms, to identify and evaluate circumstances and relationships that create threats to independence;</p> <p>(b) Evaluate information on identified breaches, if any, of the firm's independence policies and procedures to determine whether they create a threat to independence for the audit engagement; and</p> <p>(c) Take appropriate action to eliminate such threats or reduce them to an acceptable level by applying safeguards, or, if considered appropriate, to withdraw from the audit engagement, where withdrawal is possible under applicable law or regulation. The engagement partner shall promptly report to the firm any inability to resolve the matter for appropriate action. (Ref: Para. A6–A7)</p>	<p>The engagement partner shall form a conclusion on compliance with independence requirements that apply to the audit engagement. In doing so, the engagement partner shall: (Ref: Para. A5)</p> <p>(a) Obtain relevant information from the firm and, where applicable, network firms, to identify and evaluate circumstances and relationships that create threats to independence;</p> <p>(b) Evaluate information on identified breaches, if any, of the firm's independence policies and procedures to determine whether they create a threat to independence for the audit engagement; and</p> <p>(c) <u>Evaluate whether the identified threats are at an acceptable level; and</u></p> <p>(d) <u>Take appropriate action to address the threats that are not at an acceptable level by eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level, or withdrawing</u>eliminate such threats or reduce them to an acceptable level by applying safeguards, or, if considered appropriate, to withdraw from the engagement, where withdrawal is possible under applicable law or regulation. The engagement partner shall promptly report to the firm any inability to resolve the matter for appropriate action. (Ref: Para. A6–A7)</p>

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ISA 220 Paragraph A4	<p>The IESBA Code establishes the fundamental principles of professional ethics, which include:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. 	<p>The IESBA Code establishes the fundamental principles of professional ethics which include<u>are</u>:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p><u>The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</u></p>
ISA 220 Paragraph A6	<p>The engagement partner may identify a threat to independence regarding the audit engagement that safeguards may not be able to eliminate or reduce to an acceptable level. In that case, as required by paragraph 11(c), the engagement partner reports to the relevant person(s) within the firm to determine appropriate action, which may include eliminating the activity or interest that creates the threat, or withdrawing from the audit engagement, where withdrawal is possible under applicable law or regulation.</p>	<p>The engagement partner may identify a threat to independence regarding the audit engagement that safeguards may not be able to eliminate or reduce to <u>at</u> an acceptable level. In that case, as required by paragraph 11(c<u>ed</u>), the engagement partner reports to the relevant person(s) within the firm to determine <u>the</u> appropriate action, which may include eliminating the circumstance that creates activity or interest that creates the threat, <u>applying safeguards to reduce the threat to an acceptable level</u> or withdrawing from the audit engagement, where withdrawal is possible under applicable law or regulation.</p>
ISA 220 Paragraph A9	<p>Law, regulation, or relevant ethical requirements⁷ may require the auditor to request, prior to accepting the engagement, the predecessor auditor to provide known information regarding any facts or circumstances that, in the predecessor auditor's judgment, the auditor needs to be aware of before deciding whether to accept the engagement. In some circumstances, the predecessor auditor may be required, on request by the</p>	<p>7 See, for example, <u>paragraph R320.8 Sections 210.14</u> of the IESBA Code. 8 See, for example, <u>paragraphs R360.22 and R360.23 Sections 225.34</u> of the IESBA Code.</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<p>proposed successor auditor, to provide information regarding identified or suspected non-compliance with laws and regulations to the proposed successor auditor. For example, where the predecessor auditor has withdrawn from the engagement as a result of identified or suspected non-compliance with laws and regulations, the IESBA Code requires that the predecessor auditor, on request by a proposed successor auditor, provides all such facts and other information concerning such non-compliance that, in the predecessor auditor’s opinion, the proposed successor auditor needs to be aware of before deciding whether to accept the audit appointment.⁸</p> <p>7 See, for example, Sections 210.14 of the IESBA Code.</p> <p>8 See, for example, Sections 225.31 of the IESBA Code.</p>	
<p>ISA 240 Paragraph A6</p>	<p>Law, regulation or relevant ethical requirements may require the auditor to perform additional procedures and take further actions. For example, the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed. Such steps may include the communication of identified or suspected non-compliance with laws and regulations to other auditors within a group, including a group engagement partner, component auditors or other auditors performing work at components of a group for purposes other than the audit of the group financial statements.¹⁵</p> <p>15 See, for example, Sections 225.21–225.22 of the IESBA Code.</p>	<p>Law, regulation or relevant ethical requirements may require the auditor to perform additional procedures and take further actions. For example, the <u>International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> (IESBA Code) requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed. Such steps may include the communication of identified or suspected non-compliance with laws and regulations to other auditors within a group, including a group engagement partner, component auditors or other auditors performing work at components of a group for purposes other than the audit of the group financial statements.¹⁵</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
		15 See, for example, paragraphs R360.16–360.18 A1 Sections 225.21–225.22 of the IESBA Code.
ISA 250 (Revised) Paragraph A8	<p>Law, regulation or relevant ethical requirements may require the auditor to perform additional procedures and take further actions. For example, the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed. Such steps may include the communication of identified or suspected non-compliance with laws and regulations to other auditors within a group, including a group engagement partner, component auditors or other auditors performing work at components of a group for purposes other than the audit of the group financial statements.¹¹</p> <p>11 See, for example, Sections 225.21–225.22 of the IESBA Code.</p>	<p>Law, regulation or relevant ethical requirements may require the auditor to perform additional procedures and take further actions. For example, the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants' <u>International Code of Ethics for Professional Accountants (including International Independence Standards)</u> (IESBA Code) requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed. Such steps may include the communication of identified or suspected non-compliance with laws and regulations to other auditors within a group, including a group engagement partner, component auditors or other auditors performing work at components of a group for purposes other than the audit of the group financial statements.¹¹</p> <p>11 See, for example, paragraphs R360.16–360.18 A1 Sections 225.21–225.22 of the IESBA Code.</p>
ISA 250 (Revised) Paragraph A30	<p>In other cases, the relevant ethical requirements may require the auditor to determine whether reporting identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity is an appropriate action in the circumstances. For example, the IESBA Code requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed, which may include reporting to an appropriate authority outside the entity.¹⁷ The IESBA Code</p>	<p>17 See, for example, paragraphs 360.21 A1 and 360.25 A1–R360.27 Section 225.29 and Sections 225.33–225.36 of the IESBA Code.</p> <p>18 See, for example, paragraphs R114.1–114.1 A1 and R360.26 Section 140.7 and Section 225.35 of the IESBA Code.</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<p>explains that such reporting would not be considered a breach of the duty of confidentiality under the IESBA Code.¹⁸</p> <p>17 See, for example, Section 225.29 and Sections 225.33–225.36 of the IESBA Code.</p> <p>18 See, for example, Section 140.7 and Section 225.35 of the IESBA Code.</p>	
ISA 250 (Revised) Paragraph A36	<p>Law, regulation or relevant ethical requirements may also set out additional documentation requirements regarding identified or suspected non-compliance with laws and regulations.¹⁹</p> <p>19 See, for example, Section 225.37 of the IESBA Code.</p>	19 See, for example, Section 225.37 paragraph R360.28 of the IESBA Code.
ISA 260 (Revised) Paragraph 17	<p>In the case of listed entities, the auditor shall communicate with those charged with governance:</p> <p>(a) A statement that the engagement team and others in the firm as appropriate, the firm and, when applicable, network firms have complied with relevant ethical requirements regarding independence; and</p> <p>(i) All relationships and other matters between the firm, network firms, and the entity that, in the auditor’s professional judgment, may reasonably be thought to bear on independence. This shall include total fees charged during the period covered by the financial statements for audit and non-audit services provided by the firm and network firms to the entity and components controlled by the entity. These fees shall be allocated to categories that are appropriate to assist those charged with governance in assessing the effect of services on the independence of the auditor; and</p>	<p>In the case of listed entities, the auditor shall communicate with those charged with governance:</p> <p>(a) A statement that the engagement team and others in the firm as appropriate, the firm and, when applicable, network firms have complied with relevant ethical requirements regarding independence; and</p> <p>(i) All relationships and other matters between the firm, network firms, and the entity that, in the auditor’s professional judgment, reasonably be thought to bear on independence. This shall include total fees charged during the period covered by the financial statements for audit and non-audit services provided by the firm and network firms to the entity and components controlled by the entity. These fees shall be allocated to categories that are appropriate to assist those charged with governance in assessing the effect of services on the independence of the auditor; and</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<p>(ii) The related safeguards that have been applied to eliminate identified threats to independence or reduce them to an acceptable level. (Ref: Para. A29–A32)</p>	<p>(ii) <u>In respect of threats to independence that are not at an acceptable level, the actions taken to address the threats, including actions that were taken to eliminate the circumstances that create the threats, or applying</u> The related safeguards that have been applied to eliminate identified threats to independence or reduce them the threats to an acceptable level. (Ref: Para. A29–A32)</p>
<p>ISA 260 (Revised) Paragraph A30</p>	<p>The relationships and other matters, and safeguards to be communicated, vary with the circumstances of the engagement, but generally address:</p> <p>(a) Threats to independence, which may be categorized as: self-interest threats, self-review threats, advocacy threats, familiarity threats, and intimidation threats; and</p> <p>(b) Safeguards created by the profession, legislation or regulation, safeguards within the entity, and safeguards within the firm’s own systems and procedures</p>	<p>The <u>communication about</u> relationships and other matters, and <u>how threats to independence that are not at an acceptable level have been addressed</u> safeguards to be communicated, varies with the circumstances of the engagement <u>and generally addresses the threats to independence, safeguards to reduce the threats, and measures to eliminate circumstances that created threats,</u> but generally address:</p> <p>(a) Threats to independence, which may be categorized as: self-interest threats, self-review threats, advocacy threats, familiarity threats, and intimidation threats; and</p> <p>(b) Safeguards created by the profession, legislation or regulation, safeguards within the entity, and safeguards within the firm’s own systems and procedures</p>
<p>ISA 260 (Revised) Paragraph A31</p>	<p>Relevant ethical requirements or law or regulation may also specify particular communications to those charged with governance in circumstances where breaches of independence requirements have been identified. For example, the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) requires the auditor to communicate with those charged with governance in</p>	<p>Relevant ethical requirements or law or regulation may also specify particular communications to those charged with governance in circumstances where breaches of independence requirements have been identified. For example, the International Ethics Standards Board for Accountants’ <u>International Code of Ethics for Professional Accountants (including International Independence Standards)</u> (IESBA Code)</p>

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IAASB Standards		Changes to the IAASB Standards
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	<p>writing about any breach and the action the firm has taken or proposes to take.²⁵</p> <p>25 See Section 290.39–49 of the IESBA Code, which addresses breaches of independence.</p>	<p>requires the auditor to communicate with those charged with governance in writing about any breach and the action the firm has taken or proposes to take.²⁵</p> <p>25 See, for example, paragraphs R400.80–R400.82 and R400.84 Section 290.39–49 of the IESBA Code, which addresses breaches of independence.</p>
<p>ISA 260 (Revised) Paragraph A49</p>	<p>Timely communication throughout the audit contributes to the achievement of robust two-way dialogue between those charged with governance and the auditor. However, the appropriate timing for communications will vary with the circumstances of the engagement. Relevant circumstances include the significance and nature of the matter, and the action expected to be taken by those charged with governance. For example:</p> <p>...</p> <ul style="list-style-type: none"> • Communications regarding independence may be appropriate whenever significant judgments are made about threats to independence and related safeguards, for example, when accepting an engagement to provide non-audit services, and at a concluding discussion. <p>...</p>	<p>Timely communication throughout the audit contributes to the achievement of robust two-way dialogue between those charged with governance and the auditor. However, the appropriate timing for communications will vary with the circumstances of the engagement. Relevant circumstances include the significance and nature of the matter, and the action expected to be taken by those charged with governance. For example:</p> <p>...</p> <ul style="list-style-type: none"> • Communications regarding independence may be appropriate whenever significant judgments are made about threats to independence and <u>how threats to independence that are not at an acceptable level will be addressed</u> related safeguards, for example, when accepting an engagement to provide non-audit services, and at a concluding discussion. <p>...</p>
<p>ISA 600 Appendix I</p>	<ul style="list-style-type: none"> • The International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants comprises all of the relevant ethical requirements that apply to the audit. <p>We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those</p>	<p>For purposes of this illustrative auditor's report, the following circumstances are assumed:</p> <p>...</p> <ul style="list-style-type: none"> • The International Ethics Standards Board for Accountants' <u>International Code of Ethics for Professional Accountants</u>

IAASB Standards		Changes to the IAASB Standards
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	standards are further described in the <i>Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements</i> section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ <i>Code of Ethics for Professional Accountants</i> (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.	<p><u>(including International Independence Standards)</u> (IESBA Code) comprises all of the relevant ethical requirements that apply to the audit.</p> <p>...</p> <p>We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the <i>Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements</i> section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.</p>
ISA 610 (Revised 2013) Paragraph A14	In addition, the IESBA Code ¹⁷ states that a self-review threat is created when the external auditor accepts an engagement to provide internal audit services to an audit client, and the results of those services will be used in conducting the audit. This is because of the possibility that the engagement team will use the results of the internal audit service without properly evaluating those results or without exercising the same level of professional skepticism as would be exercised when the internal audit work is performed by individuals who are not members of the firm. The IESBA Code ¹⁸ discusses the prohibitions that apply in certain circumstances and the safeguards that can be applied to reduce the threats to an acceptable level in other circumstances.	<p>17 The International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), paragraphs 605.4 A2–605.4 A3 Section 290.194</p> <p>18 IESBA Code, paragraphs 605.1–R605.5 Section 290.190–290.195</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<p>17 The International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code), Section 290.194</p> <p>18 IESBA Code, Section 290.190–290.195</p>	
ISA 620 Paragraph A18	<p>A broad range of circumstances may threaten objectivity, for example, self-interest threats, advocacy threats, familiarity threats, self-review threats, and intimidation threats. Safeguards may eliminate or reduce such threats, and may be created by external structures (for example, the auditor's expert's profession, legislation or regulation), or by the auditor's expert's work environment (for example, quality control policies and procedures). There may also be safeguards specific to the audit engagement.</p>	<p>A broad range of circumstances may threaten objectivity, for example, self-interest threats, advocacy threats, familiarity threats, self-review threats, and intimidation threats. Safeguards may eliminate or reduce such threats, and may be created by external structures (for example, the auditor's expert's profession, legislation or regulation). <u>Such threats may be addressed by eliminating the circumstances that create the threats, or applying safeguards to reduce threats to an acceptable level, or by the auditor's expert's work environment (for example, quality control policies and procedures).</u> There may also be safeguards specific to the audit engagement.</p>
ISA 620 Paragraph A19	<p>The evaluation of the significance of threats to objectivity and of whether there is a need for safeguards may depend upon the role of the auditor's expert and the significance of the expert's work in the context of the audit. There may be some circumstances in which safeguards cannot reduce threats to an acceptable level, for example, if a proposed auditor's expert is an individual who has played a significant role in preparing the information that is being audited, that is, if the auditor's expert is a management's expert.</p>	<p>The evaluation of <u>whether the threats to objectivity are at an acceptable level</u> the significance of threats to objectivity and of whether there is a need for safeguards may depend upon the role of the auditor's expert and the significance of the expert's work in the context of the audit. <u>In some cases, it may not be possible to eliminate circumstances that create threats or apply safeguards to reduce threats to an acceptable level.</u> There may be some circumstances in which safeguards cannot reduce threats to an acceptable level, for example, if a proposed auditor's expert is an individual who has played a significant role in preparing the information that is being audited, that is, if the auditor's expert is a management's expert.</p>

IAASB Standards		Changes to the IAASB Standards
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ISA 700 (Revised) Paragraph 28	<p>The auditor’s report shall include a section, directly following the Opinion section, with the heading “Basis for Opinion”, that: (Ref: Para. A32)</p> <p>...</p> <p>(c) Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor’s other ethical responsibilities in accordance with these requirements. The statement shall identify the jurisdiction of origin of the relevant ethical requirements or refer to the International Ethics Standards Board for Accountants’ <i>Code of Ethics for Professional Accountants</i> (IESBA Code); and (Ref: Para. A34–A39)</p> <p>...</p>	<p>The auditor’s report shall include a section, directly following the Opinion section, with the heading “Basis for Opinion”, that: (Ref: Para. A32)</p> <p>...</p> <p>(c) Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor’s other ethical responsibilities in accordance with these requirements. The statement shall identify the jurisdiction of origin of the relevant ethical requirements or refer to the International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code); and (Ref: Para. A34–A39)</p> <p>...</p>
ISA 700 (Revised) Paragraph 40	<p>The Auditor’s Responsibilities for the Audit of the Financial Statements section of the auditor’s report also shall: (Ref: Para. A50)</p> <p>...</p> <p>(b) For audits of financial statements of listed entities, state that the auditor provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence and communicates with them all relationships and other matters that may reasonably be thought to bear on the auditor’s independence, and where applicable, related safeguards; and</p>	<p>The Auditor’s Responsibilities for the Audit of the Financial Statements section of the auditor’s report also shall: (Ref: Para. A50)</p> <p>...</p> <p>(b) For audits of financial statements of listed entities, state that the auditor provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence and communicates with them all relationships and other matters that may reasonably be thought to bear on the auditor’s independence, and where applicable, related <u>safeguards actions taken to eliminate threats or safeguards applied</u>; and</p>

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ISA 700 (Revised) Paragraph A34	The identification of the jurisdiction of origin of relevant ethical requirements increases transparency about those requirements relating to the particular audit engagement. ISA 200 explains that relevant ethical requirements ordinarily comprise Parts A and B of the IESBA Code related to an audit of financial statements together with national requirements that are more restrictive. When the relevant ethical requirements include those of the IESBA Code, the statement may also make reference to the IESBA Code. If the IESBA Code constitutes all of the ethical requirements relevant to the audit, the statement need not identify a jurisdiction of origin.	The identification of the jurisdiction of origin of relevant ethical requirements increases transparency about those requirements relating to the particular audit engagement. ISA 200 explains that relevant ethical requirements ordinarily comprise <u>the provisions of Parts A and B</u> of the IESBA Code related to an audit of financial statements, together with national requirements that are more restrictive. When the relevant ethical requirements include those of the IESBA Code, the statement may also make reference to the IESBA Code. If the IESBA Code constitutes all of the ethical requirements relevant to the audit, the statement need not identify a jurisdiction of origin.
ISA 700 (Revised) Appendix (various)	The relevant ethical requirements that apply to the audit comprise the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> together with the ethical requirements relating to the audit in the jurisdiction, and the auditor refers to both.	The relevant ethical requirements that apply to the audit comprise the International Ethics Standards Board for Accountants' <u><i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> (IESBA Code), together with the ethical requirements relating to the audit in the jurisdiction, and the auditor refers to both.
ISA 700 (Revised) Appendix (various) *** Various illustrative reports in the other standards require the same update	We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Statements</i> section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in [<i>jurisdiction</i>], and we have fulfilled our other ethical responsibilities in accordance with these	We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Statements</i> section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' <u><i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in [<i>jurisdiction</i>], and we

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	requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.	have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
ISA 700 (Revised) Appendix (various) *** Various illustrative reports in the other standards require the same update	We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.	We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, <u>related safeguards actions taken to eliminate threats or safeguards applied.</u>
ISA 720 (Revised) Paragraph 4	This ISA may also assist the auditor in complying with relevant ethical requirements ² that require the auditor to avoid being knowingly associated with information that the auditor believes contains a materially false or misleading statement, statements or information furnished recklessly, or omits or obscures information required to be included where such omission or obscurity would be misleading. 2 International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code), paragraph 110.2	This ISA may also assist the auditor in complying with relevant ethical requirements ² that require the auditor to avoid being knowingly associated with information that the auditor believes contains a materially false or misleading statement, statements or information <u>provided</u> furnished recklessly, or omits or obscures <u>required</u> information required to be included where such omission or obscurity would be misleading. 2 International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), paragraph R111.2.140-2.
ISA 720 (Revised) Paragraph A38	Remaining alert for other indications that the other information not related to the financial statements or the auditor's knowledge obtained in the audit appears to be materially misstated assists the auditor in complying with relevant ethical requirements that require the auditor to avoid being knowingly	Remaining alert for other indications that the other information not related to the financial statements or the auditor's knowledge obtained in the audit appears to be materially misstated assists the auditor in complying with relevant ethical requirements that require the auditor to avoid being knowingly associated with

IAASB Standards		Changes to the IAASB Standards
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	<p>associated with other information that the auditor believes contains a materially false or misleading statement, a statement furnished recklessly, or omits or obscures necessary information such that the other information is misleading.¹²</p> <p>Remaining alert for other indications that the other information appears to be materially misstated could potentially result in the auditor identifying such matters as:</p> <ul style="list-style-type: none"> • Differences between the other information and the general knowledge, apart from the knowledge obtained in the audit, of the engagement team member reading the other information that lead the auditor to believe that the other information appears to be materially misstated; or • An internal inconsistency in the other information that leads the auditor to believe that the other information appears to be materially misstated. <p>¹² IESBA Code, paragraph 110.2</p>	<p>other information that the auditor believes contains a materially false or misleading statement, a statement <u>provided</u>furnished recklessly, or omits or obscures necessary information such that the other information is misleading.¹²</p> <p>Remaining alert for other indications that the other information appears to be materially misstated could potentially result in the auditor identifying such matters as:</p> <ul style="list-style-type: none"> • Differences between the other information and the general knowledge, apart from the knowledge obtained in the audit, of the engagement team member reading the other information that lead the auditor to believe that the other information appears to be materially misstated; or • An internal inconsistency in the other information that leads the auditor to believe that the other information appears to be materially misstated. <p>¹² IESBA Code, paragraph <u>R111.2</u>110.2</p>
ISA 800 Illustration 3	<p>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.</p>	<p>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, <u>actions taken to eliminate threats or safeguards applied.</u> related safeguards.</p>
ISA 805 Illustration 3	<p>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may</p>	<p>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable,</p>

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	reasonably be thought to bear on our independence, and where applicable, related safeguards.	<u>actions taken to eliminate threats or safeguards applied.</u> related safeguards.
ISA 810 (Revised) Paragraph A13	<p>In reading the information included in a document containing the summary financial statements and the auditor’s report thereon, the auditor may become aware that such information is misleading and may need to take appropriate action. Relevant ethical requirements¹⁴ require the auditor to avoid being knowingly associated with information that the auditor believes contains a materially false or misleading statement, statements or information furnished recklessly, or omits or obscures information required to be included where such omission or obscurity would be misleading.</p> <p>14 International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), paragraph 110.2</p>	<p>In reading the information included in a document containing the summary financial statements and the auditor’s report thereon, the auditor may become aware that such information is misleading and may need to take appropriate action. Relevant ethical requirements¹⁴ require the auditor to avoid being knowingly associated with information that the auditor believes contains a materially false or misleading statement, statements or information provided <u>furnished</u> recklessly, or omits or obscures <u>required</u> information required to be included—where such omission or obscurity would be misleading.</p> <p>14 International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), paragraph <u>R111.2-110.2</u>.</p>
IAPN 1000 Paragraph 78	<p>A key consideration in audits involving financial instruments, particularly complex financial instruments, is the competence of the auditor. ISA 220¹⁵ requires the engagement partner to be satisfied that the engagement team, and any auditor’s experts who are not part of the engagement team, collectively have the appropriate competence and capabilities to perform the audit engagement in accordance with professional standards and applicable legal and regulatory requirements and to enable an auditor’s report that is appropriate in the circumstances to be issued. Further, relevant ethical requirements¹⁶ require the auditor to determine whether acceptance of the engagement would create any threats to compliance with the fundamental principles, including the professional competence and due care. Paragraph 79 below provides examples of the types of matters</p>	<p>15 ISA 220, paragraph 14</p> <p>16 <i>International Ethics Standards Board for Accountants’ (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) paragraphs 320.1–320.10 A1.</p>

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	<p>that may be relevant to the auditor's considerations in the context of financial instruments.</p> <p>15 ISA 220, paragraph 14</p> <p>16 IESBA Code of Ethics for Professional Accountants paragraphs 210.1 and 210.6</p>	
ISRE 2400 (Revised) Paragraph 17(i)	<p><i>Relevant ethical requirements</i>—Ethical requirements the engagement team is subject to when undertaking review engagements. These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code), together with national requirements that are more restrictive.</p>	<p>Relevant ethical requirements – Ethical requirements <u>to which</u> the engagement team is subject to when undertaking review engagements. These requirements which ordinarily comprise <u>the provisions of Parts A and B of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) related to a review of financial statements</u>, together with national requirements that are more restrictive.</p>
ISRE 2400 (Revised) Paragraph 27	<p>Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of non-compliance with relevant ethical requirements by members of the engagement team. If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have not complied with relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.</p>	<p>Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of non-compliance with breaches of relevant ethical requirements by members of the engagement team. If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have not complied with <u>breached</u> relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.</p>
ISRE 2400 (Revised) Paragraph A15	<p>Part A of the IESBA Code establishes the fundamental principles of professional ethics practitioners must comply with,</p>	<p>Part A of tThe IESBA Code establishes the fundamental principles of ethics, <u>which are that practitioners must comply with, and provides a conceptual framework for applying these principles. The fundamental principles are:</u></p>

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	<p>and provides a conceptual framework for applying those principles. The fundamental principles are:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. In complying with the IESBA Code, threats to the practitioner’s compliance with relevant ethical requirements are required to be identified and appropriately addressed.</p>	<ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p><u>The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</u></p> <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. In complying with the IESBA Code, threats to the practitioner’s compliance with relevant ethical requirements are required to be identified and appropriately addressed.</p> <p><u>The IESBA Code provides a conceptual framework that establishes the approach which a professional accountants is required to apply when identifying, evaluating and addressing threats to compliance with the fundamental principles. In the case of audits, reviews and other assurance engagements, the IESBA Code sets out <i>International Independence Standards</i>, established by the application of the conceptual framework to threats to independence in relation to those engagements.</u></p>
ISRE 2400 (Revised) Paragraph A88	<p>The practitioner may have additional responsibilities under law, regulation or relevant ethical requirements regarding an entity’s non-compliance with laws and regulations, including fraud, which may differ from or go beyond this ISRE, such as:</p> <ul style="list-style-type: none"> (a) Responding to identified or suspected non-compliance with laws and regulations, including requirements in 	<p>11 See, for example, Sections 225.44–225.48 paragraphs R360.31–360.35 A1 of the IESBA Code.</p>

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IAASB Standards		Changes to the IAASB Standards
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	<p>relation to specific communications with management and those charged with governance and considering whether further action is needed;</p> <p>(b) Communicating identified or suspected non-compliance with laws and regulations to an auditor, for example a group engagement partner;¹¹ and</p> <p>(c) Documentation requirements regarding identified or suspected non-compliance with laws and regulations.</p> <p>Complying with any additional responsibilities may provide further information that is relevant to the practitioner’s work in accordance with this ISRE (e.g., regarding the integrity of management or, where appropriate, those charged with governance).</p> <p>¹¹ See, for example, Sections 225.44–225.48 of the IESBA Code.</p>	
<p>ISRE 2400 (Revised)</p> <p>Paragraph A95</p>	<p>In some cases, the relevant ethical requirements may require the practitioner to report or to consider whether reporting identified or suspected fraud or non-compliance with laws and regulations to an appropriate authority outside the entity is an appropriate action in the circumstances. For example, the IESBA Code requires the practitioner to take steps to respond to identified or suspected non-compliance with laws and regulations, and consider whether further action is needed, which may include reporting to an appropriate authority outside the entity.¹² The IESBA Code explains that such reporting would not be considered a breach of the duty of confidentiality under the IESBA Code.¹³</p> <p>¹² See, for example, Section 225.51 to 225.52 of the IESBA Code.</p> <p>¹³ See, for example, Section 140.7 and Section 225.53 of the IESBA Code.</p>	<p>¹² See, for example, paragraphs R360.36–360.36 A3Section 225.51 to 225.52 of the IESBA Code.</p> <p>¹³ See, for example, Section 140.7 paragraphs R114.1, 114.1 A1 and R360.37and Section 225.53 of the IESBA Code.</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISAE 3000 (Revised) Paragraph 3	<p>This ISAE is premised on the basis that:</p> <p>(a) The members of the engagement team and the engagement quality control reviewer (for those engagements where one has been appointed) are subject to Parts A and B of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements in law or regulation, that are at least as demanding; and (Ref: Para. A30–A34)</p> <p>...</p>	<p>This ISAE is premised on the basis that:</p> <p>(a) The members of the engagement team and the engagement quality control reviewer (for those engagements where one has been appointed) are subject to <u>the provisions</u> Parts A and B of the <u>International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</u> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements in law or regulation, that are at least as demanding; and (Ref: Para. A30–A34)</p>
ISAE 3000 (Revised) Paragraph 20	<p>The practitioner shall comply with Parts A and B of the IESBA Code related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. (Ref: Para. A30–A34, A60)</p>	<p>The practitioner shall comply with <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. (Ref: Para. A30–A34, A60)</p>
ISAE 3000 (Revised) Paragraph 34	<p>Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of non-compliance with relevant ethical requirements by members of the engagement team. If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have not complied with relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.</p>	<p>Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of <u>breaches of</u> non-compliance with relevant ethical requirements by members of the engagement team. If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have <u>breached</u> not complied with relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.</p>

IAASB Standards		Changes to the IAASB Standards
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ISAE 3000 (Revised) Paragraph 69(j)	<p>The assurance report shall include, at a minimum, the following basic elements:</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements. (Ref: Para. A172)</p> <p>...</p>	<p>The assurance report shall include, at a minimum, the following basic elements:</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding as the <u>provisions Parts A and B</u> of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as <u>the provisions Parts A and B</u> of the IESBA Code related to assurance engagements. (Ref: Para. A172)</p> <p>...</p>
ISAE 3000 (Revised) Paragraph A30	<p>Part A of the IESBA Code establishes the following fundamental principles with which the practitioner is required to comply:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. 	<p>Part A of <u>The IESBA Code</u> establishes the fundamental principles <u>of ethics, which are with which the practitioner is required to comply:</u></p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p><u>The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</u></p>

IAASB Standards		Changes to the IAASB Standards
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ISAE 3000 (Revised) Paragraph A31	<p>Part A of the IESBA Code also provides a conceptual framework for professional accountants to apply to:</p> <p>(a) Identify threats to compliance with the fundamental principles. Threats fall into one or more of the following categories:</p> <ul style="list-style-type: none"> (i) Self-interest; (ii) Self-review; (iii) Advocacy; (iv) Familiarity; and (v) Intimidation; <p>(b) Evaluate the significance of the threats identified; and</p> <p>(c) Apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level. Safeguards are necessary when the professional accountant determines that the threats are not at a level at which a reasonable and informed third party would be likely to conclude, weighing all the specific facts and circumstances available to the professional accountant at that time, that compliance with the fundamental principles is not compromised.</p>	<p><u>The IESBA Code provides a conceptual framework which a professional accountant is required to apply when addressing threats to compliance with the fundamental principles, including:</u></p> <p>Part A of the IESBA Code also provides a conceptual framework for professional accountants to apply to.</p> <p>(a) Identifying threats to compliance with the fundamental principles. Threats fall into one or more of the following categories:</p> <ul style="list-style-type: none"> (i) Self-interest; (ii) Self-review; (iii) Advocacy; (iv) Familiarity; and (v) Intimidation; <p>(b) <u>Evaluate whether the significance of the threats identified are at an acceptable level;</u> and</p> <p>(c) <u>If the identified threats to compliance with the fundamental principles are not at an acceptable level, addressing them by eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level, or withdrawing from the engagement, where withdrawal is possible under applicable law or regulation.</u></p> <p>(c) Apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level. Safeguards are necessary when the professional accountant determines that the threats are not at a level at which a reasonable and informed third party would be likely to conclude, weighing all the specific facts and circumstances available to the professional accountant</p>

IAASB Standards		Changes to the IAASB Standards
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		at that time, that compliance with the fundamental principles is not compromised.
ISAE 3000 (Revised) Paragraph A32	<p>Part B of the IESBA Code describes how the conceptual framework in Part A applies in certain situations to professional accountants in public practice, including:</p> <ul style="list-style-type: none"> • Professional appointment; • Conflicts of interest; • Second opinions; • Fees and other types of remuneration; • Marketing professional services; • Gifts and hospitality; • Custody of client assets; • Objectivity; and • Independence. 	<p>Part B of <u>The IESBA Code sets out requirements and application material on various topics describes how the conceptual framework in Part A applies in certain situations to professional accountants in public practice,</u> including:</p> <ul style="list-style-type: none"> • Professional appointment; • Conflicts of interest; <u>• Professional appointments;</u> • Second opinions; • Fees and other types of remuneration; • Marketing professional services; <u>• Inducements, including g</u>Gifts and hospitality; • Custody of client assets; and <u>• Responding to non-compliance with laws and regulations.</u> • Objectivity; and • Independence.
ISAE 3000 (Revised) Paragraph A33	<p>The IESBA Code defines independence as comprising both independence of mind and independence in appearance. Independence safeguards the ability to form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional skepticism. Matters addressed in the IESBA Code with respect to independence include:</p>	<p><u>The IESBA Code also includes the <i>International Independence Standards</i>.</u> The IESBA Code defines independence as comprising both independence of mind and independence in appearance. Independence safeguards the ability to form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional skepticism. Matters addressed in <u>the</u></p>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<ul style="list-style-type: none"> • Financial interests; • Loans and guarantees; • Business relationships; • Family and personal relationships; • Employment with assurance clients; • Recent service with an assurance client; • Serving as a director or officer of an assurance client; • Long association of senior personnel with assurance clients; • Provision of non-assurance services to assurance clients; • Fees (relative size, overdue, and contingent fees); • Gifts and hospitality; and • Actual or threatened litigation. 	<p><u>International Independence Standards</u> in the IESBA Code with respect to independence include, for example:</p> <ul style="list-style-type: none"> • <u>Fees;</u> • <u>Gifts and hospitality;</u> • <u>Actual or threatened litigation;</u> • Financial interests; • Loans and guarantees; • Business relationships; • Family and personal relationships; • Employment with assurance clients; • Recent service with an assurance client; • Serving as a director or officer of an assurance client; • <u>Employment with an assurance client;</u> • Long association of senior personnel with <u>an</u> assurance clients; • Provision of non-assurance services to <u>an</u> assurance clients; <u>and</u> • <u>Reports that include a restriction on use and distribution.</u> • Fees (relative size, overdue, and contingent fees); • Gifts and hospitality; and • Actual or threatened litigation.

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISAE 3000 (Revised) Paragraph A34	Professional requirements, or requirements imposed by law or regulation, are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements when they address all the matters referred to in paragraphs A30–A33 and impose obligations that achieve the aims of the requirements set out in Parts A and B of the IESBA Code related to assurance engagements.	Professional requirements, or requirements imposed by law or regulation, are at least as demanding as <u>the provisions of Parts A and B</u> of the IESBA Code related to assurance engagements when they address all the matters referred to in paragraphs A30–A33 and impose obligations that achieve the aims of the requirements set out in Parts A and B of the IESBA Code related to <u>such</u> engagements.
ISAE 3000 (Revised) Paragraph A68	The IESBA Code requires the professional accountant in public practice to agree to provide only those services that the professional accountant in public practice is competent to perform. ⁴ The practitioner has sole responsibility for the assurance conclusion expressed, and that responsibility is not reduced by the practitioner’s use of the work of a practitioner’s expert. Nonetheless, if the practitioner using the work of a practitioner’s expert, having followed this ISAE, concludes that the work of that expert is adequate for the practitioner’s purposes, the practitioner may accept that expert’s findings or conclusions in the expert’s field as appropriate evidence. 4 IESBA Code, paragraph 210.6	The IESBA Code <u>provides requirements and guidance on the self-interest threat to compliance with the principle of professional competence and due care that is created if the engagement team does not possess, or cannot acquire, the competencies to perform the professional services</u> requires the professional accountant in public practice to agree to provide only those services that the professional accountant in public practice is competent to perform. ⁴ The practitioner has sole responsibility for the assurance conclusion expressed, and that responsibility is not reduced by the practitioner’s use of the work of a practitioner’s expert. Nonetheless, if the practitioner using the work of a practitioner’s expert, having followed this ISAE, concludes that the work of that expert is adequate for the practitioner’s purposes, the practitioner may accept that expert’s findings or conclusions in the expert’s field as appropriate evidence. 4 IESBA Code, paragraph 320.3 A3 -210.6
ISAE 3000 (Revised) Paragraph A102	The practitioner may have additional responsibilities under law, regulation or relevant ethical requirements regarding an entity’s non-compliance with laws and regulations, which may differ from or go beyond the practitioner’s responsibilities under this ISAE, such as:	7 See, for example, Sections 225.44–225.48 paragraphs R360.31–360.35 A1 of the IESBA Code.

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<p>(a) Responding to identified or suspected non-compliance with laws and regulations, including requirements in relation to specific communications with management and those charged with governance and considering whether further action is needed;</p> <p>(b) Communicating identified or suspected non-compliance with laws and regulations to an auditor;⁷ and</p> <p>(c) Documentation requirements regarding identified or suspected non-compliance with laws and regulations.</p> <p>Complying with any additional responsibilities may provide further information that is relevant to the practitioner’s work in accordance with this and any other ISAE (e.g., regarding the integrity of the responsible party or those charged with governance). Paragraphs A194–A198 further address the practitioner’s responsibilities under law, regulation or relevant ethical requirements regarding communicating and reporting identified or suspected non-compliance with laws and regulations.</p> <p>⁷ See, for example, Sections 225.44–225.48 of the IESBA Code.</p>	

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISAE 3000 (Revised) Paragraph A128	The evaluation of the significance of threats to objectivity and of whether there is a need for safeguards may depend upon the role of the practitioner's expert and the significance of the expert's work in the context of the engagement. There may be some circumstances in which safeguards cannot reduce threats to an acceptable level, for example, if a proposed practitioner's expert is an individual who has played a significant role in preparing the subject matter information.	The evaluation of <u>whether the threats to objectivity are at an acceptable level</u> the significance of threats to objectivity and of whether there is a need for safeguards may depend upon the role of the practitioner's expert and the significance of the expert's work in the context of the engagement. <u>In some cases, it may not be possible to eliminate circumstances that create threats or apply safeguards to reduce threats to an acceptable level</u> There may be some circumstances in which safeguards cannot reduce threats to an acceptable level, for example, if a proposed practitioner's expert is an individual who has played a significant role in preparing the subject matter information.
ISAE 3000 (Revised) Paragraph A173	The following is an illustration of a statement in the assurance report regarding compliance with ethical requirements: We have complied with the independence and other ethical requirements of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.	The following is an illustration of a statement in the assurance report regarding compliance with ethical requirements: We have complied with the independence and other ethical requirements of the <u>International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

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Standard	Extant Paragraphs	Final Paragraphs
ISAE 3000 (Revised) Paragraph A195	<p>Law, regulation or relevant ethical requirements may:</p> <p>(a) Require the practitioner to report identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity.</p> <p>(b) Establish responsibilities under which reporting to an appropriate authority outside the entity may be appropriate in the circumstances.⁸</p> <p>⁸ See, for example, Section 225.51 to 225.52 of the IESBA Code.</p>	<p>⁸ See, for example, paragraphs R360.36-R360.37 Section 225.51 to 225.52 of the IESBA Code.</p>
ISAE 3000 (Revised) Paragraph A198	<p>In some circumstances, the reporting of identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity may be precluded by the practitioner's duty of confidentiality under law, regulation, or relevant ethical requirements. In other cases, reporting identified or suspected non-compliance to an appropriate authority outside the entity would not be considered a breach of the duty of confidentiality under the relevant ethical requirements.⁹</p> <p>⁹ See, for example, Section 140.7 and Section 225.53 of the IESBA Code.</p>	<p>⁹ See, for example, paragraphs R114.1, 114.1 A1 and R360.37 Section 140.7 and Section 225.53 of the IESBA Code.</p>
ISAE 3000 (Revised) Paragraph A199	<p>The practitioner may consider consulting internally (e.g., within the firm or network firm), obtaining legal advice to understand the professional or legal implications of taking any particular course of action, or consulting on a confidential basis with a regulator or a professional body (unless doing so is prohibited by law or regulations or would breach the duty of confidentiality).¹⁰</p> <p>¹⁰ See, for example, Section 225.55 of the IESBA Code.</p>	<p>¹⁰ See, for example, paragraph 360.39 A1 Section 225.55 of the IESBA Code.</p>

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Standard	Extant Paragraphs	Final Paragraphs
ISAE 3402 Paragraph 6	<p>Compliance with ISAE 3000 (Revised) requires, among other things, compliance with Parts A and B of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law and regulation, that are at least as demanding.⁵ It also requires the engagement partner to be a member of a firm that applies ISQC 1,⁶ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1.</p> <p>5 ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>6 ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Service Engagements</i>.</p>	<p>Compliance with ISAE 3000 (Revised) requires, among other things, compliance with <u>the provisions Parts A and B</u> of the <u>International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law and regulation, that are at least as demanding.⁵ It also requires the engagement partner to be a member of a firm that applies ISQC 1,⁶ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1.</p> <p>5 ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>6 ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Service Engagements</i>.</p>
ISAE 3402 Paragraph 11	<p>The service auditor shall comply with Parts A and B of the IESBA Code relating to assurance engagements or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. (Ref: Para. A5)</p>	<p>The service auditor shall comply with <u>the provisions Parts A and B</u> of the IESBA Code relating to assurance engagements or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. (Ref: Para. A5)</p>
ISAE 3402 Paragraph 53(i)	<p>The service auditor's assurance report shall include, at a minimum, the following basic elements (Ref: Para. A47):</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least demanding as Parts A and B of the IESBA Code related to assurance</p>	<p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least demanding as <u>the provisions Parts A and B</u> of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as</p>

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IAASB Standards		Changes to the IAASB Standards
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	engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements.	demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements.
ISAE 3402 Paragraph A5	The service auditor is subject to relevant independence requirements, which ordinarily comprise Parts A and B of the IESBA Code together with national requirements that are more restrictive. In performing an engagement in accordance with this ISAE, the IESBA Code does not require the service auditor to be independent from each user entity.	The service auditor is subject to relevant independence requirements, which ordinarily comprise <u>the <i>International Independence Standards</i></u> Parts A and B of the IESBA Code together with national requirements that are more restrictive. In performing an engagement in accordance with this ISAE, the IESBA Code does not require the service auditor to be independent from each user entity.
ISAE 3402 Paragraph A44	<p>The IESBA Code requires that a service auditor not be associated with information where the service auditor believes that the information:</p> <ul style="list-style-type: none"> (a) Contains a materially false or misleading statement; (b) Contains statements or information furnished recklessly; or (c) Omits or obscures information required to be included where such omission or obscurity would be misleading.¹⁴ <p>If other information included in a document containing the service organization’s description of its system and the service auditor’s assurance report contains future-oriented information such as recovery or contingency plans, or plans for modifications to the system that will address deviations identified in the service auditor’s assurance report, or claims of a promotional nature that cannot be reasonably substantiated,</p>	<p>The IESBA Code requires that a service auditor not be associated with information where the service auditor believes that the information:</p> <ul style="list-style-type: none"> (a) Contains a materially false or misleading statement; (b) Contains statements or information <u>provided</u> furnished recklessly; or (c) Omits or obscures <u>required</u> required to be included information where such omission or obscurity would be misleading.¹⁴ <p>If other information included in a document containing the service organization’s description of its system and the service auditor’s assurance report contains future-oriented information such as recovery or contingency plans, or plans for modifications to the system that will address deviations identified in the service auditor’s assurance report, or claims of a promotional nature that</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<p>the service auditor may request that information be removed or restated.</p> <p>14 IESBA Code, paragraph 110.2</p>	<p>cannot be reasonably substantiated, the service auditor may request that information be removed or restated.</p> <p>14 IESBA Code paragraph, <u>R111.2440-2</u></p>
<p>ISAE 3402 Paragraph A53</p>	<p>Appropriate actions to respond to the circumstances identified in paragraph 56, unless prohibited by law or regulation, may include:</p> <ul style="list-style-type: none"> • Obtaining legal advice about the consequences of different courses of action. • Communicating with those charged with governance of the service organization. • Determining whether to communicate with third parties (e.g., law, regulation or relevant ethical requirements may require the service auditor to report to an appropriate authority outside the entity or the external auditor of the service organization,³⁶ or establish responsibilities under which such reporting may be appropriate in the circumstances). • Modifying the service auditor’s opinion, or adding an Other Matter paragraph. • Withdrawing from the engagement. <p>36 See, for example, Section 225.44 to 225.48 of the IESBA Code.</p>	<p>36 See, for example, <u>paragraphs R360.31-R360.35 A1Section 225.44 to 225.48</u> of the IESBA Code.</p>
<p>ISAE 3402 Appendix 2</p>	<p>We have complied with the independence and other ethical requirements of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and</p>	<p>We have complied with the independence and other ethical requirements of the <u>International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants</i></u> issued by the <u>International Ethics Standards Board for Accountants</u> <u>(including <i>International Independence Standards</i>)</u> (IESBA Code), which is founded on fundamental</p>

CONFORMING AMENDMENTS TO THE IAASB INTERNATIONAL STANDARDS AS A RESULT OF THE REVISED IESBA CODE

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	due care, confidentiality and professional behavior.	principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.
ISAE 3410 Paragraph 10	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with Parts A and B of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. It also requires the engagement partner to be a member of a firm that applies ISQC 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1. (Ref: Para. A5–A6)	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with <u>the provisions Parts A and B</u> of the International <u>Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. It also requires the engagement partner to be a member of a firm that applies ISQC 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1. (Ref: Para. A5–A6)
ISAE 3410 Paragraph 76(j)	The assurance report shall include, at a minimum, the following basic elements: (Ref. Para. A134) ... A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements.	The assurance report shall include, at a minimum, the following basic elements: (Ref. Para. A134) ... A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding as <u>the provisions Parts A and B</u> of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as <u>the provisions Parts A and B</u> of the IESBA Code related to assurance engagements.
ISAE 3410	The IESBA Code adopts a threats and safeguards approach to	The IESBA Code <u>sets out <i>International Independence</i></u>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
Paragraph A5	<p>independence. Compliance with the fundamental principles may potentially be threatened by a broad range of circumstances. Many threats fall into the following categories:</p> <ul style="list-style-type: none"> • Self-interest, for example, undue dependence on total fees from the entity. • Self-review, for example, performing another service for the entity that directly affects the GHG statement, such as involvement in the quantification of the entity's emissions. • Advocacy, for example, acting as an advocate on behalf of the entity with respect to the interpretation of the applicable criteria. • Familiarity, for example, a member of the engagement team having a long association, or close or immediate family relationship, with an employee of the entity who is in a position to exert direct and significant influence over the preparation of the GHG statement. • Intimidation, for example, being pressured to reduce inappropriately the extent of work performed in order to lower fees, or being threatened with withdrawal of the practitioner's registration by a registering authority that is associated with the entity's industry group. 	<p>Standards, established by the application of the conceptual framework to threats to independence in relation to these engagements adopts threats and and safeguards approach to independence. Compliance with the fundamental principles may potentially be threatened by a broad range of circumstances. Many threats fall into the following categories:</p> <ul style="list-style-type: none"> • Self-interest, for example, undue dependence on total fees from the entity. • Self-review, for example, performing another service for the entity that directly affects the GHG statement, such as involvement in the quantification of the entity's emissions. • Advocacy, for example, acting as an advocate on behalf of the entity with respect to the interpretation of the applicable criteria. • Familiarity, for example, a member of the engagement team having a long association, or close or immediate family relationship, with an employee of the entity who is in a position to exert direct and significant influence over the preparation of the GHG statement. • Intimidation, for example, being pressured to reduce inappropriately the extent of work performed in order to lower fees, or being threatened with withdrawal of the practitioner's registration by a registering authority that is associated with the entity's industry group.
ISAE 3410 Paragraph A6	<p>Safeguards created by the profession, law or regulation, or safeguards in the work environment, may eliminate or reduce such threats to an acceptable level.</p>	<p>Safeguards created by the profession, law or regulation, or safeguards in the work environment, may eliminate or reduce such threats to an acceptable level. <u>In cases when identified threats are not at an acceptable level, the IESBA Code requires</u></p>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
		that the threats be addressed by eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level, or withdrawing from the engagement, where withdrawal is possible under applicable law or regulation.
ISAE 3410 Appendix 2	We have complied with the independence and other ethical requirements of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.	We have complied with the independence and other ethical requirements of the <u>International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)</u> issued by the International Ethics Standards Board for Accountants , which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.
ISAE 3420 Paragraph 8	<p>Compliance with ISAE 3000 (Revised) requires, among other things, compliance with Parts A and B of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding.³ It also requires the engagement partner to be a member of a firm that applies ISQC 1,⁴ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1.</p> <p>3 ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>4 ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Service Engagements</i>.</p>	<p>Compliance with ISAE 3000 (Revised) requires, among other things, compliance with <u>the provisions Parts A and B</u> of the <u>International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</u> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding.³ It also requires the engagement partner to be a member of a firm that applies ISQC 1, ⁴ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1.</p> <p>3 ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>4 ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Service Engagements</i>.</p>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISAE 3420 Paragraph 35(h)	<p>The practitioner’s report shall include, at a minimum, the following basic elements: (Ref: Para. A51)</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law and regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements.</p>	<p>The practitioner’s report shall include, at a minimum, the following basic elements: (Ref: Para. A51)</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law and regulation, applied that are at least as demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements.</p>
ISAE 3420 Paragraph A10	<p>The IESBA Code requires the practitioner to maintain appropriate professional knowledge and skill, including an awareness and understanding of relevant technical, professional and business developments, in order to provide competent professional service.⁷ In the context of this requirement of the IESBA Code, relevant capabilities and competence to perform the engagement also include matters such as the following:</p> <ul style="list-style-type: none"> • Knowledge and experience of the industry in which the entity operates; • An understanding of the relevant securities laws and regulations and related developments; • An understanding of the listing requirements of the relevant securities exchange and of capital market transactions such as mergers, acquisitions and securities 	<p>The IESBA Code requires the practitioner to <u>comply with the principle of professional competence and due care by attaining and maintaining appropriate</u> appropriate professional knowledge and skill, including an awareness and understanding of relevant technical, professional and business developments, in order to provide competent professional service, <u>based on current technical and professional standards and relevant legislation, and acting diligently and in accordance with such professional standards and legislation.</u>⁷ In the context of this requirement of the IESBA Code, relevant capabilities and professional <u>competence</u> to perform the engagement also may include matters such as the following:</p> <p>....</p> <p>7 IESBA Code, paragraphs <u>R113.1</u> 130.1–130.3</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<p>offerings;</p> <ul style="list-style-type: none"> • Familiarity with the process of preparing a prospectus and listing securities on the securities exchange; and • Knowledge of the financial reporting frameworks used in the preparation of the sources from which the unadjusted financial information and, if applicable, the acquiree's financial information have been extracted. <p>7 IESBA Code, paragraphs 130.1–130.3</p>	
ISAE 3420 Paragraph A41	<p>The IESBA Code requires that a practitioner not knowingly be associated with reports, returns, communications or other information that the practitioner believes:⁹</p> <ul style="list-style-type: none"> (a) Contain a materially false or misleading statement; (b) Contain statements or information furnished recklessly; or (c) Omit or obscure information required to be included where such omission or obscurity would be misleading. <p>9 IESBA Code, paragraph 110.2</p>	<p>The IESBA Code requires that a practitioner not knowingly be associated with reports, returns, communications or other information that the practitioner believes:⁹</p> <ul style="list-style-type: none"> (a) Contain a materially false or misleading statement; (b) Contain statements or information furnished<u>provided</u> recklessly; or (c) Omit or obscure <u>required</u> information required to be included where such omission or obscurity would be misleading. <p>9 IESBA Code, paragraph <u>R111.2440.2</u></p>
ISAE 3420 Appendix	<p>We have complied with the independence and other ethical requirement of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p>	<p>We have complied with the independence and other ethical requirement of the <u>International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISRS 4400 Paragraph 7	<p>The auditor should comply with the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code). Ethical principles governing the auditor’s professional responsibilities for this type of engagement are:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; (e) Professional behavior; and (f) Technical standards. <p>Independence is not a requirement for agreed-upon procedures engagements; however, the terms or objectives of an engagement or national standards may require the auditor to comply with the independence requirements of the IESBA Code. Where the auditor is not independent, a statement to that effect would be made in the report of factual findings.</p>	<p>The auditor should comply with the <u>International Ethics Standards Board for Accountants’ <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> issued by the International Ethics Standards Board for Accountants (IESBA Code). Ethical principles governing the auditor’s professional responsibilities for this type of engagement are:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; <u>and</u> (e) Professional behavior.; and (f) Technical standards. <p>Independence is not a requirement for agreed-upon procedures engagements; however, the terms or objectives of an engagement or national standards may require the auditor to comply with the <u><i>International Independence Standards</i></u> in independence requirements of the IESBA Code. Where the auditor is not independent, a statement to that effect would be made in the report of factual findings.</p>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISRS 4410 (Revised) Paragraph 17(g)	<p><i>Relevant ethical requirements</i> – Ethical requirements the engagement team is subject to when undertaking compilation engagements. These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants’ <i>Code of Ethics for Professional Accountants</i> (IESBA Code) (excluding Section 290, <i>Independence—Audit and Review Engagements</i>, and Section 291, <i>Independence—Other Assurance Engagements</i> in Part B), together with national requirements that are more restrictive. (Ref: Para. A21)</p>	<p>Relevant ethical requirements – Ethical requirements <u>to which</u> the engagement team is subject to—when undertaking a compilation engagements, <u>which</u> These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants’ <u>International Code of Ethics for Professional Accountants (including International Independence Standards)</u> (IESBA Code) (excluding Section 290, Independence—Audit and Review Engagements, and Section 291, Independence—Other Assurance Engagements in Part B), together with national requirements that are more restrictive. (Ref: Para. A21)</p>
ISRS 4410 (Revised) Paragraph 23(b)	<p>The engagement partner shall take responsibility for:</p> <p>...</p> <p>(b) The engagement being performed in accordance with the firm’s quality control policies and procedures, by: (Ref: Para. A25)</p> <p>(i) Following appropriate procedures regarding the acceptance and continuance of client relationships and engagements; (Ref: Para. A26)</p> <p>....</p> <p>(iii) Being alert for indications of non-compliance by members of the engagement team with relevant ethical requirements, and determining the appropriate action if matters come to the engagement partner’s attention indicating that members of the engagement team have not</p>	<p>The engagement partner shall take responsibility for:</p> <p>...</p> <p>(b) The engagement being performed in accordance with the firm’s quality control policies and procedures, by: (Ref: Para. A25)</p> <p>(i) Following appropriate procedures regarding the acceptance and continuance of client relationships and engagements; (Ref: Para. A26)</p> <p>....</p> <p>(iii) Being alert for indications of <u>breaches of relevant ethical requirements</u> non-compliance by members of the engagement team with relevant ethical requirements, and determining the appropriate action if matters come to the engagement partner’s attention indicating that members of the engagement team have not complied with <u>breached</u> relevant ethical requirements; (Ref: Para. A27)</p>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	<p>complied with relevant ethical requirements; (Ref: Para. A27)</p>	
<p>ISRS 4410 (Revised) Paragraph A19</p>	<p>Part A of the IESBA Code establishes the fundamental principles of professional ethics that practitioners must comply with, and provides a conceptual framework for applying those principles. The fundamental principles are:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. In complying with the IESBA Code, threats to the practitioner's compliance with relevant ethical requirements are required to be identified and appropriately addressed.</p>	<p>Part A of tThe IESBA Code establishes the fundamental principles of professional ethics that practitioners must comply with, which are and provides a conceptual framework for applying those principles. The fundamental principles are:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p><u>The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</u></p> <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. In complying with the IESBA Code, threats to the practitioner's compliance with relevant ethical requirements are required to be identified and</p> <p><u>The IESBA Code provides a conceptual framework that establishes the approach which a professional accountant is required to apply when identifying, evaluating and addressing threats to compliance with the fundamental principles. In the case of audits, reviews and other assurance engagements, the IESBA Code sets out <i>International Independence Standards</i>, established by the application of the conceptual framework to threats to independence in relation to those engagements.</u></p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISRS 4410 (Revised) Paragraph A20	<p>Under the IESBA Code,⁵ in applying the principle of integrity, a professional accountant is required to not knowingly be associated with reports, returns, communications or other information where the professional accountant believes that the information:</p> <p>(a) Contains a materially false or misleading statement;</p> <p>(b) Contains statements or information furnished recklessly; or</p> <p>(c) Omits or obscures information required to be included where such omission or obscurity would be misleading.</p> <p>When a professional accountant becomes aware that the accountant has been associated with such information, the accountant is required by the IESBA Code to take steps to be disassociated from that information.</p> <p>5 IESBA Code Part A, paragraph 110.2</p>	<p>Under the IESBA Code,⁵ in applying the principle of integrity, a professional accountant is required to not knowingly be associated with reports, returns, communications or other information where the professional accountant believes that the information:</p> <p>(a) Contains a materially false or misleading statement;</p> <p>(b) Contain statements or information furnished<u>provided</u> recklessly; or</p> <p>(c) Omit or obscure <u>required</u> information required to be included where such omission or obscurity would be misleading.</p> <p>When a professional accountant becomes aware that the accountant has been associated with such information, the accountant is required by the IESBA Code to take steps to be disassociated from that information.</p> <p>5 IESBA Code Part A, paragraph <u>R111.2</u>110.2</p>
ISRS 4410 (Revised) Paragraph A21	<p>Notwithstanding that Section 290, <i>Independence—Audit and Review Engagements</i> and Section 291, <i>Independence—Other Assurance Engagements</i> in Part B of the IESBA Code do not apply to compilation engagements, national ethical codes or laws or regulations may specify requirements or disclosure rules pertaining to independence.</p>	<p>Notwithstanding that the <i>International Independence Standards</i> Section 290, Independence—Audit and Review Engagements and Section 291, Independence—Other Assurance Engagements in Part B of the IESBA Code do not apply to compilation engagements, national ethical codes or laws or regulations may specify requirements or disclosure rules pertaining to independence.</p>

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IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISRS 4410 (Revised) Paragraph A22	<p>Law, regulation or relevant ethical requirements may:</p> <p>(a) Require the practitioner to report identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity.</p> <p>(b) Establish responsibilities under which reporting to an appropriate authority outside the entity may be appropriate in the circumstances.³⁷</p> <p>³⁷ See, for example, Section 225.51 to 225.52 of the IESBA Code.</p>	<p>³⁷ See, for example, <u>paragraphs R360.36 and R360.37</u> Section 225.51 to 225.52 of the IESBA Code.</p>
ISRS 4410 (Revised) Paragraph A25	<p>In some circumstances, the reporting of identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity may be precluded by the practitioner's duty of confidentiality under law, regulation or relevant ethical requirements. In other cases, reporting identified or suspected non-compliance to an appropriate authority outside the entity would not be considered a breach of the duty of confidentiality under the relevant ethical requirements.³⁸</p> <p>³⁸ See, for example, Section 140.7 and Section 225.53 of the IESBA Code.</p>	<p>³⁸ See, for example, <u>paragraphs R114.1, 114.1 A1 and R360.37</u> Section 140.7 and Section 225.53 of the IESBA Code.</p>
ISRS 4410 (Revised) Paragraph A21e	<p>The practitioner may consider consulting internally (e.g., within the firm or network firm), obtaining legal advice to understand the professional or legal implications of taking any particular course of action, or consulting on a confidential basis with a regulator or a professional body (unless doing so is prohibited by law or regulations or would breach the duty of confidentiality).³⁹</p> <p>³⁹ See, for example, Section 225.55 of the IESBA Code.</p>	<p>³⁹ See, for example, <u>paragraph 360.39 A1</u> Section 225.55 of the IESBA Code.</p>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
ISRS 4410 (Revised) Appendix 1	We will perform the compilation engagement in accordance with the International Standard on Related Services (ISRS) 4410 (Revised), <i>Compilation Engagements</i> . ISRS 4410 (Revised) requires that, in undertaking this engagement, we comply with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care. For that purpose, we are required to comply with the International Ethics Standards Board for Professional Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code).	We will perform the compilation engagement in accordance with the International Standard on Related Services (ISRS) 4410 (Revised), <i>Compilation Engagements</i> . ISRS 4410 (Revised) requires that, in undertaking this engagement, we comply with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care. For that purpose, we are required to comply with the International Ethics Standards Board for Professional Accountants' <u><i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> (IESBA Code).
International Framework for Assurance Engagements Paragraph 2	This Framework is not a Standard and, accordingly, does not establish any requirements (or basic principles or essential procedures) for the performance of audits, reviews, or other assurance engagements. ⁸ An assurance report cannot, therefore, claim that an engagement has been conducted in accordance with this Framework, but rather should refer to relevant Assurance Standards. Assurance Standards contain objectives, requirements, application and other explanatory material, introductory material and definitions that are consistent with this Framework, and are to be applied in audit, review, and other assurance engagements. Appendix 1 illustrates the ambit of pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) and their relationship to each other and to the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code). ⁸ See the <i>Preface to the International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements</i> .	This Framework is not a Standard and, accordingly, does not establish any requirements (or basic principles or essential procedures) for the performance of audits, reviews, or other assurance engagements. ⁸ An assurance report cannot, therefore, claim that an engagement has been conducted in accordance with this Framework, but rather should refer to relevant Assurance Standards. Assurance Standards contain objectives, requirements, application and other explanatory material, introductory material and definitions that are consistent with this Framework, and are to be applied in audit, review, and other assurance engagements. Appendix 1 illustrates the ambit of pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) and their relationship to each other and to the <u><i>International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> issued by the International Ethics Standards Board for Accountants (IESBA Code).

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
		8 See the <i>Preface to the International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements</i> .
International Framework for Assurance Engagements Paragraph 5	<p>Ethical Principles and Quality Control Standards</p> <p>Quality control within firms that perform assurance engagements, and compliance with ethical principles, including independence requirements, are widely recognized as being in the public interest and an integral part of high-quality assurance engagements. Such engagements are performed in accordance with Assurance Standards, which are premised on the basis that:</p> <p>(a) The members of the engagement team and the engagement quality control reviewer (for those engagements where one has been appointed) are subject to Parts A and B of the IESBA Code related to assurance engagements, other professional requirements, or requirements in law or regulation, that are at least demanding; and</p> <p>(b) ...</p>	<p>Ethical Principles and Quality Control Standards</p> <p>Quality control within firms that perform assurance engagements, and compliance with ethical principles, including independence requirements, are widely recognized as being in the public interest and an integral part of high-quality assurance engagements. Such engagements are performed in accordance with Assurance Standards, which are premised on the basis that:</p> <p>a) The members of the engagement team and the engagement quality control reviewer (for those engagements where one has been appointed) are subject to the provisions, Parts A and B of the IESBA Code related to assurance engagements, other professional requirements, or requirements in law or regulation, that are at least demanding; and</p> <p>b) ...</p>
International Framework for Assurance Engagements Paragraph 6	<p>The IESBA Code</p> <p>Part A of the IESBA Code establishes the following fundamental principles with which the practitioner is required to comply:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p>	<p>The IESBA Code</p> <p>Part A of tThe IESBA Code establishes the fundamental principles of ethics, which are with which the practitioner is required to comply:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p>

IAASB Standards		Changes to the IAASB Standards
Standard	Extant Paragraphs	Final Paragraphs
	(e) Professional behavior.	(e) Professional behavior. <u>The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</u>
International Framework for Assurance Engagements Paragraph 7	Part A also provides a conceptual framework for professional accountants to apply to identify threats to compliance with the fundamental principles, evaluate the significance of the threats identified, and apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level.	<u>The IESBA Code provides a conceptual framework that professional accountants are to apply in order to identify, evaluate and address threats to compliance with the fundamental principles.</u> Part A also provides a conceptual framework for professional accountants to apply to identify threats to compliance with the fundamental principles, evaluate the significance of the threats identified, and apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level.
International Framework for Assurance Engagements Paragraph 8	Part B of the IESBA Code describes how the conceptual framework in Part A applies in certain situations to professional accountants in public practice, including independence. The IESBA Code defines independence as comprising both independence of mind and independence in appearance. Independence safeguards the ability to form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional skepticism.	Part B of t <u>The IESBA Code sets out requirements and application material on various topics</u> describes how the conceptual framework in Part A applies in certain situations to professional accountants in public practice, including independence. The IESBA Code defines independence as comprising both independence of mind and independence in appearance. Independence safeguards the ability to form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional skepticism.

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