



COMISSÃO DE VALORES MOBILIÁRIOS

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São Paulo, Brazil, January, 31st, 2022
International Auditing and Assurance Standards Board
To: Mr. Thomas R. Seidenstein (Chair)
529 Fifth Avenue
New York, NY 10017
USA

Subject: **Comment on the IAASB Proposed International Standard on Auditing (ISA) for Audits of Financial Statements of Less Complex Entities (LCE).**

Dear Mr. Seidenstein,

In the first place, we appreciate the opportunity to comment on the Exposure Draft, Proposed International Standard on Auditing for Audits of Financial Statements of Less Complex Entities (ISA for LCE).

In the second, it's relevant to assign that, as a member of IFIAR, we have read the IFIAR Comment Letter and we agree with its contents.

We understand that the creation of a separate standard for LCE could result in a deterioration of audit quality, considering that the proposed standard doesn't require the auditor the full compliance with the ISAs.

In our opinion, the work done by the IAASB in the LCE project may provide a basis for issuing guidelines for auditors of LCE, as a supplement to ISAs, instead of a new Standard for this group. We believe that auditors must comply with all applicable ISAs and, doing so, their work as auditors of LCE could be less complex as a consequence of their risk evaluation.

We would be pleased to discuss our comments or answer any questions that may arise. Please contact Paulo Roberto Gonçalves Ferreira at PRoberto@cvm.gov.br, regarding our submission.

Sincerely,

Paulo Roberto Gonçalves Ferreira
Office of the Chief Accountant and Auditor Supervision Director (SNC)
Securities and Exchange Commission of Brazil (CVM)