



**The Institute of
Chartered Accountants
of Pakistan**

**CA
PAKISTAN**

HEAD OFFICE

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(Submitted electronically)

Mr. Ken Siong
Senior Technical Director
International Ethics Standards Board for Accountants (IESBA)
529, Fifth Avenue, 6th Floor
New York, USA

Comments on the Proposed Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised)

The Institute of Chartered Accountants of Pakistan (ICAP) is pleased to comment on the Exposure Draft, Proposed Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised) (proposal) published by the International Ethics Standards Board for Accountants (IESBA) in March 2019.

We fully support IESBA's focus and efforts to update and align Part 4B of the Code with the ISAE 3000 (Revised).

Our responses detailed by the questions contained in the proposal, are presented in the 'Appendix' to this letter.

We hope our comments are helpful to the IESBA's deliberation on the proposal.

Should you require further clarification on our comments, please contact the undersigned at sohail.malik@icap.org.pk

Yours truly

Sohail Malik
Director Technical Services



'Appendix'

ICAP comments on the questions contained in Exposure draft of Proposed Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised)

1) Do you believe that the changes in the key terminology used in the Exposure Draft, including the definition of 'assurance client', are clear and appropriate for use in Part 4B?

We concur with the changes in key terminologies used in the Exposure draft including the definition of 'assurance client'.

2) Do you have any comments on the application of the IESBA's proposals to the detailed independence requirements and application material as explained above and summarized in the appendix?

We believe that the increased emphasis on independence of the practitioner from the party responsible for the underlying subject matter (if different from the party responsible for the subject matter information) in an attestation engagement as highlighted through the revised definition of assurance client and the other support material in the IESBA's proposed revisions, adequately supports the detailed independence requirements and application material.

3) Do you have any comments on the other proposed changes, including on the consistency of terms and concepts in Part 4B in relation to the text of ISAE 3000 (Revised)? If so, please specify the area of inconsistency and suggest alternative wording.

As noted in response to question 1, we believe that the proposed changes are consistent with the terms and concepts of ISAE 3000 (Revised).

4) Are there any other matters that you consider should be addressed with respect to the alignment with ISAE 3000 (Revised) in Part 4B or in other material, for example in an IESBA Staff publication? If so, please provide sufficient explanation, including practical examples of the matter where available.

We believe that the proposed revisions adequately address the alignment with ISAE 3000 (Revised).

5) Do you agree with the proposed effective date? If not, please indicate why not and explain your reasoning.

We believe that the proposed effective date i.e. 15 June 2021 is reasonable, as it gives adequate time for preparing for and incorporating the revisions in the Code adopted and effective in the jurisdiction.

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

(a) Small and Medium Practices (SMPs) – The IESBA invites comments regarding the impact of the proposed changes for SMPs.



(b) Developing Nations—Recognizing that many developing nations have adopted or are in the process of adopting the Code, the IESBA invites respondents from these nations to comment on the proposals, and in particular, on any foreseeable difficulties in applying them in their environment.

(c) Translations—Recognizing that many respondents may intend to translate the final pronouncement for adoption in their environments, the IESBA welcomes comment on potential translation issues respondents may note in reviewing the proposals.

(a) No comments

(b) Once the Code is adopted in the jurisdiction, we don't see any foreseeable difficulties in applying these proposals as they are only clarifying and aligning the independence requirements for assurance engagements in context of the ISAE 3000 (Revised), which is already adopted in the jurisdiction.

(c) N/A as no translations are needed as English is the official business language.