



## **IESBA PART 4B PROPOSED REVISIONS**

Issued 24 June 2019

ICAEW welcomes the opportunity to comment on the Exposure Draft on Proposed Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised) published by IESBA on 27 March 2019 a copy of which is available from this [link](#).

This response reflects consultation with the Technical and Practical Auditing Committee who provide guidance and support to members on Audit and Assurance matters.

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## KEY POINTS

1. We welcome the opportunity to comment on the IESBA Exposure Draft: Proposed Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised).
2. We support IESBA's aim to align the terminology in Part 4B of the Code with that used in ISAE 3000 (Revised). In particular, we welcome the proposal to extend the independence requirements to the party taking responsibility for the subject matter information (in addition to the party responsible for the underlying subject matter). Our view is that this independence requirement may have been implied already so making it an explicit requirement provides helpful clarity.
3. There are some areas where we consider that the terms used could be clearer, although we note that these terms derive from ISAE 3000 (Revised), and therefore cannot be changed at this juncture. Two particular terms that we fear may cause confusion among users of the code are 'underlying subject matter' and 'subject matter information', which to those unaccustomed to ISAE 3000 (Revised) may appear to refer to the same item when this is not the case. These terms are used extensively throughout the Part 4B Exposure Draft, so some clarity that one term refers to source data, and the other to reported information, would be helpful to users.
4. We note that the effective date proposed for the revisions to Part 4B is 15 June 2021, and the intention is that this will allow users sufficient opportunity to implement the revised Part 4B of the Code. However, on the basis that ISAE 3000 (Revised) is already in effect, we believe there would be merit in accelerating the effective date, to clarify the provisions that are already in force.