

## Request for Specific Comments

### Transparency About the Relevant Ethical Requirements for Independence for Certain Entities Applied in Performing Audits of Financial Statements

1. Do you agree that the auditor's report is an appropriate mechanism for publicly disclosing when the auditor has applied relevant ethical requirements for independence for certain entities in performing the audit of financial statements, such as the independence requirements for PIEs in the IESBA Code?

**(KICPA comment)** KICPA doesn't agree with the proposed requirement that the auditor should make disclosure within the auditor's report when the auditor has applied the differential ethical requirements for independence for PIEs.

If the objective is to enhance transparency, the more reasonable way to achieve it is for the regulator or standard setter to establish a set of consistent and objective standards to be applied by the auditor.

Requiring the auditor to make disclosure within the auditor's report when it has applied differential ethical requirements for independence for PIEs may lead to increase in expectation gap for the auditor's report and in confusion among users if they don't have accurate understanding of the implications of applying such requirements.

#### *Please answer question 2A or 2B based on your answer to question 1*

- 2B. If you do not agree, what other mechanism(s) should be used for publicly disclosing when a firm has applied the independence requirements for PIEs as required by paragraph R400.20 of the IESBA Code?

**(KICPA comment)** The more appropriate way is to have the regulator or standard setter to establish and issue a set of objective standards prescribing how to make disclosure, as indicated in our answer to question 1.

### Transparency about the Relevant Ethical Requirements for Independence for Certain Entities Applied in Performing Reviews of Financial Statements

3. Should the IAASB consider a revision to ISRE 2400 (Revised) to address transparency about the relevant ethical requirements for independence applied for certain entities, such as the independence requirements for PIEs in the IESBA Code?
4. If the IAASB were to amend ISRE 2400 (Revised) to address transparency about the relevant ethical requirements for independence applied for certain entities, do you support using an approach that is consistent with ISA 700 (Revised) as explained in Section 2-C?

**(KICPA comment)** KICPA doesn't agree with the proposed amendment to ISRE 2400 (Revised) for the reason described in our answer to question 1.

#### *Matter for IESBA Consideration*

5. To assist the IESBA in its consideration of the need for any further action, please advise whether there is any requirement in your jurisdiction for a practitioner to state in the practitioner's report that the practitioner is independent of the entity in accordance with the relevant ethical requirements relating to the review engagement.

**(KICPA comment)** Korea has adopted ISRE 2400 and ISRE 2410 as standards for review engagement. There is no other disclosure requirement relevant to independence under laws in our jurisdiction.

### Request for General Comments

6. Translations—Recognizing that many respondents may intend to translate the final pronouncement for adoption in their own environments, the IAASB welcomes comment on potential translation issues respondents note in reviewing this ED.

**(KICPA comment)** We have no issue to note concerning translation.

7. Effective Date—Given the need to align the effective date with IESBA, do you support the proposal that the amendments to ISA 700 (Revised) and ISA 260 (Revised) become effective for audits of financial statements for periods beginning on or after December 15, 2024 as explained in paragraph 26?

**(KICPA comment)** We have no particular comment on effective date.