

Exposure Draft July 2022

Comments due: October 4, 2022

Proposed Narrow Scope Amendments to:

- ISA 700 (Revised), Forming an Opinion and Reporting on Financial Statements; and
- ISA 260 (Revised), Communication with Those Charged with Governanc

Question	Answer
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?	1. Yes, we agree the auditor's report is an appropriate mechanism to publicly disclose when the auditor has applied ethical requirements relevant to the independence of certain entities when performing audits of financial statements.
Please answer question 2A or 2B based on your answer to question 1: 2A. If you agree: (a) Do you support the IAASB's proposed revisions in the ED to ISA 700 (Revised), in particular the conditional	a) We do agree with the proposed revisions, as well as the drafting proposals for amendments to ISA 700 (Revised). In particular, we consider that the expression proposed to modify section A.35 A of ISA 700 about

<p>requirement as explained in paragraphs 18-24 of the Explanatory (b) Do you support the IAASB's proposed revisions in the ED to ISA 260 (Revised)?</p> <p>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?</p>	<p>“relevant ethical requirements may also require or encourage the auditor to determine whether it is appropriate to apply those differential ethical requirements...”</p> <p>allows to expand the horizon of understanding and application by the auditors.</p> <p>b) Yes, we agree with the proposed addition</p>
<p>Transparency About the Relevant Ethical Requirements for Independence for Certain Entities Applied in Performing Reviews of Financial Statements</p> <p>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</p>	<p>3) In our consideration the IAASB should consider a revision of ISRE 2400 (Revised) to address relevant ethical requirements for independence applied to certain entities, such as the independence requirements for PIE in the IESBA Code.</p>

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?	4. We support the use of an approach consistent with ISA 700 (Revised) to amend ISRE 2400, as explained in Section 2-C
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.	5. In the case of reports issued under the IAASB/IFAC standards, there are no local requirements, in addition to the referenced standards, in our jurisdiction for a practitioner to indicate in the practitioner's report that the practitioner is independent of the entity in accordance with relevant ethical requirements in connection with the review engagement.
The IAASB is also seeking comments on the following matters: 6. Translations— Recognizing that many respondents	6. We found no translation issues

<p>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</p>	
<p>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?</p>	<p>7. Under the assumption that the scheduled deadlines are met, we support the proposed effective date.</p>