

CONFORMING AMENDMENTS TO THE IAASB INTERNATIONAL STANDARDS AS A RESULT OF THE REVISED IESBA CODE¹

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
Glossary	<p><i>Independence</i>¹⁶—Comprises:</p> <p>(a) Independence of mind—the state of mind that permits the provision of an opinion without being affected by influences that compromise professional judgment, allowing an individual to act with integrity, and exercise objectivity and professional skepticism.</p> <p>(b) Independence in appearance—the avoidance of facts and circumstances that are so significant a reasonable and informed third party, having knowledge of all relevant information, including any safeguards applied, would reasonably conclude a firm’s, or a member of the assurance team’s, integrity, objectivity or professional skepticism had been compromised.</p>	<ul style="list-style-type: none"> The definition of “independence in appearance” has been amended (see paragraph 120.12 A1) 	<p><i>Independence</i>¹⁶—Comprises:</p> <p>(a) Independence of mind—the state of mind that permits the <u>expression</u> provision of an opinion <u>conclusion</u> without being affected by influences that compromise professional judgment, <u>thereby</u> allowing an individual to act with integrity, and exercise objectivity and professional skepticism.</p> <p>(b) Independence in appearance—the avoidance of facts and circumstances that are so significant <u>that</u> a reasonable and informed third party, having knowledge of all relevant information, including any safeguards applied, <u>would be likely to reasonably conclude that</u> a firm’s or a member of the an audit or assurance team’s <u>member’s</u> integrity, objectivity or professional skepticism has <u>been</u> compromised.</p> <p>16 As defined in the <u>International Ethics Standards Board of Accountants’ (IESBA) International Code of Ethics for Professional Accountants (including</u></p>	4	A & B

¹ The comparison is based on the 2018 Handbooks published by IAASB and IESBA

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Standard	Extant Paragraphs		Final Paragraphs		
	16 As defined in the IESBA <i>Code of Ethics for Professional Accountants</i>		<u>International Independence Standards</u> (IESBA Code)		
Glossary (Refer also to standards that contain this definition)	<p><i>Network</i>—A larger structure:</p> <p>(a) That is aimed at cooperation, and</p> <p>(b) That is clearly aimed at profit or cost-sharing or shares common ownership, control or management, common quality control policies and procedures, common business strategy, the use of a common brand name, or a significant part of professional resources.</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
Glossary (Refer also to standards that contain this definition)	Network firm—A firm or entity that belongs to a network.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
Glossary (Refer also to standards that contain this definition)	Non-compliance (in the context of ISA 250 ¹⁷)—Acts of omission or commission, intentional or unintentional, committed by the entity, or by those charged with governance,	<ul style="list-style-type: none"> No changes identified (note that the ISA includes an additional 	N/A	N/A	N/A

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	<p>by management or by other individuals working for or under the direction of the entity, which are contrary to the prevailing laws or regulations. Non-compliance does not include personal misconduct unrelated to the business activities of the entity.</p> <p>17 ISA 250 (Revised), <i>Consideration of Laws and Regulations in an Audit of Financial Statements</i></p>	<p>clarification on personal misconduct that was intentionally included in the definition)</p>			
Glossary (Refer also to standards that contain this definition)	<p>Professional accountant¹⁹—An individual who is a member of an IFAC member body.</p> <p>19 As defined in the IESBA <i>Code of Ethics for Professional Accountants</i></p>	<ul style="list-style-type: none"> Update footnote for title of Code 	<p>19 As defined in the IESBA <i>Code of Ethics for Professional Accountants</i></p>	3	N/A
Glossary (Refer also to standards that contain this definition)	<p>Professional accountant in public practice²⁰—A professional accountant, irrespective of functional classification (for example, audit, tax or consulting) in a firm that provides professional services. This term is also used to refer to a firm of professional accountants in public practice.</p> <p>20 As defined in the IESBA <i>Code of Ethics for Professional Accountants</i></p>	<ul style="list-style-type: none"> Update footnote for title of Code 	<p>20 As defined in the IESBA <i>Code of Ethics for Professional Accountants</i></p>	3	N/A

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Standard	Extant Paragraphs		Final Paragraphs		
Glossary (Refer also to standards that contain this definition)	<p><i>Professional judgment</i>—The application of relevant training, knowledge and experience, within the context provided by auditing, accounting and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the audit engagement.</p> <p><i>Professional judgment (in the context of ISAE 3000 (Revised))</i>—The application of relevant training, knowledge and experience, within the context provided by assurance and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the engagement.</p> <p><i>Professional judgment (in the context of ISRE 2400 (Revised))</i>—The application of relevant training, knowledge and experience, within the context provided by assurance, accounting and ethical standards, in making informed decisions about the courses of action that are appropriate</p>	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A

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Standard	Extant Paragraphs		Final Paragraphs		
	in the circumstances of the review engagement.				
Glossary (Refer also to standards that contain this definition)	<p><i>Relevant ethical requirements</i>— Ethical requirements to which the engagement team and engagement quality control reviewer are subject, which ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) together with national requirements that are more restrictive. In the context of ISRE 2400 (Revised), relevant ethical requirements are defined as the ethical requirements the engagement team is subject to when undertaking review engagements. These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code), together with national requirements that are more restrictive. In the context of ISRS 4410 (Revised), relevant ethical requirements are defined as the ethical requirements the engagement team is subject to when</p>	<ul style="list-style-type: none"> Update to the title of the Code Parts A, B and C have been renamed and there are now International Independence Standards (Parts 4A and 4B) 	<p><i>Relevant ethical requirements (in the context of ISQC 1)</i>—Ethical requirements to which the engagement team and engagement quality control reviewer are subject <u>when undertaking audits or reviews of financial statements, or other assurance or related services engagements</u>, which ordinarily comprise <u>the provisions of the Parts A and B of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</u> (IESBA Code), together with national requirements that are more restrictive.</p> <p><i>Relevant ethical requirements (in the context of the ISAs)</i>—Ethical requirements to which the engagement team and engagement quality control reviewer are subject <u>when undertaking an audit engagement, which ordinarily comprise the provisions of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) related to an audit of financial statements, together with national requirements that are more restrictive.</u></p>	1 & 3	A

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Standard	Extant Paragraphs		Final Paragraphs		
	undertaking compilation engagements. These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) (excluding Section 290, <i>Independence—Audit and Review Engagements</i> , and Section 291, <i>Independence—Other Assurance Engagements</i> in Part B), together with national requirements that are more restrictive.		<p>Relevant ethical requirements (in the context of ISRE 2400 (Revised)), relevant ethical requirements are defined as the ethical requirements to which the engagement team is subject to when undertaking a review engagements, which. These requirements ordinarily comprise the provisions of Parts A and B of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) related to a review of financial statements, together with national requirements that are more restrictive.</p> <p><u>Relevant ethical requirements (in the context of ISRS 4410 (Revised)), relevant ethical requirements are defined as the ethical requirements to which the engagement team is subject to when undertaking a compilation engagements, which. These requirements ordinarily comprise Parts A and B of the provisions of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) (excluding Section 290, <i>Independence—Audit and Review Engagements</i>, and Section 291, <i>Independence—Other Assurance</i></u></p>		

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Standard	Extant Paragraphs		Final Paragraphs		
			Engagements in Part B related to compilation engagements, together with national requirements that are more restrictive.		
ISQC 1 Paragraph 12q	Relevant ethical requirements – Ethical requirements to which the engagement team and engagement quality control reviewer are subject, which ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) together with national requirements that are more restrictive.	<ul style="list-style-type: none"> Refer comments above regarding proposed changes 	Relevant ethical requirements – Ethical requirements to which the engagement team and engagement quality control reviewer are subject <u>when undertaking audits or reviews of financial statements, or other assurance or related services engagements</u> , which ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code the provisions of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), together with national requirements that are more restrictive.	1 & 3	N/A
ISQC 1 Paragraph 20	The firm shall establish policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply with relevant ethical requirements. (Ref: Para. A7–A10)	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISQC 1 Paragraph 21	The firm shall establish policies and procedures designed to provide it with reasonable assurance that the firm, its	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and 	...	2	C

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Standard	Extant Paragraphs		Final Paragraphs		
	<p>personnel and, where applicable, others subject to independence requirements (including network firm personnel) maintain independence where required by relevant ethical requirements. Such policies and procedures shall enable the firm to: (Ref: Para. A10)</p> <p>(a) Communicate its independence requirements to its personnel and, where applicable, others subject to them; and</p> <p>(b) Identify and evaluate circumstances and relationships that create threats to independence, and to take appropriate action to eliminate those threats or reduce them to an acceptable level by applying safeguards, or, if considered appropriate, to withdraw from the engagement, where withdrawal is possible under applicable law or regulation.</p>	<p>R120.10 have been amended from the extant Code, in particular in relation to how identified threats are addressed. Notably, under the extant Code, safeguards include actions or measures that eliminate or reduce the threats to an acceptable level. Under the revised Code, safeguards are measures that are applied to reduce the threats, while measures to eliminate</p>	<p>(b) Identify and evaluate circumstances and relationships that create threats to independence, evaluate whether the identified threats are at an acceptable level, and if not address them by and to take appropriate action to eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level, or withdrawing from the engagement, safeguards, or, if considered appropriate, to withdraw from the engagement, where withdrawal is possible under applicable law or regulation.</p>		

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		<p>threats are separate from safeguards</p> <ul style="list-style-type: none"> Paragraph 400.6, R400.11 and R400.12 of the IESBA Code 			
ISQC 1 Paragraph 22	<p>Such policies and procedures shall require: (Ref: Para. A10)</p> <p>(a) Engagement partners to provide the firm with relevant information about client engagements, including the scope of services, to enable the firm to evaluate the overall impact, if any, on independence requirements;</p> <p>(b) Personnel to promptly notify the firm of circumstances and relationships that create a threat to independence so that appropriate action can be taken; and</p> <p>(c) The accumulation and communication of relevant</p>	<ul style="list-style-type: none"> The revised Code describes threats to compliance differently Part (c) - the revised Code refers to addressing threats, i.e., not appropriate action 	<p>Such policies and procedures shall require: (Ref: Para. A10)</p> <p>(a) Engagement partners to provide the firm with relevant information about client engagements, including the scope of services, to enable the firm to evaluate the overall impact, if any, on independence requirements;</p> <p>(b) Personnel to promptly notify the firm of circumstances and relationships that create a threat to independence so that appropriate action can be taken; and</p> <p>(c) The accumulation and communication of relevant information to appropriate personnel so that:</p> <p>(i) The firm and its personnel can readily determine whether they satisfy independence requirements;</p>	2	C

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Standard	Extant Paragraphs		Final Paragraphs		
	<p>information to appropriate personnel so that:</p> <p>(i) The firm and its personnel can readily determine whether they satisfy independence requirements;</p> <p>(ii) The firm can maintain and update its records relating to independence; and</p> <p>(iii) The firm can take appropriate action regarding identified threats to independence that are not at an acceptable level.</p>		<p>(ii) The firm can maintain and update its records relating to independence; and</p> <p>(iii) The firm can take appropriate action regarding identified threats to independence that are not at an acceptable level.</p>		
ISQC 1 Paragraph 23	The firm shall establish policies and procedures designed to provide it with reasonable assurance that it is notified of breaches of independence requirements, and to enable it to take appropriate actions to resolve such situations. The policies and procedures shall include requirements for: (Ref: Para. A10)	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

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Standard	Extant Paragraphs		Final Paragraphs			
	<p>(a) Personnel to promptly notify the firm of independence breaches of which they become aware;</p> <p>(b) The firm to promptly communicate identified breaches of these policies and procedures to:</p> <p style="padding-left: 20px;">(i) The engagement partner who, with the firm, needs to address the breach; and</p> <p style="padding-left: 20px;">(ii) Other relevant personnel in the firm and, where appropriate, the network, and those subject to the independence requirements who need to take appropriate action; and</p> <p>(c) Prompt communication to the firm, if necessary, by the engagement partner and the other individuals referred to in subparagraph 23(b)(ii) of the actions taken to resolve the matter, so that the firm can</p>					

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	determine whether it should take further action.				
ISQC 1 Paragraph 24	At least annually, the firm shall obtain written confirmation of compliance with its policies and procedures on independence from all firm personnel required to be independent by relevant ethical requirements. (Ref: Para. A10–A11)	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISQC 1 Paragraph 25	<p>The firm shall establish policies and procedures: (Ref: Para. A10)</p> <p>(a) Setting out criteria for determining the need for safeguards to reduce the familiarity threat to an acceptable level when using the same senior personnel on an assurance engagement over a long period of time; and</p> <p>(b) Requiring, for audits of financial statements of listed entities, the rotation of the engagement partner and the individuals responsible for engagement quality control review, and, where applicable, others subject to rotation requirements, after a</p>	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and R120.10 have been amended from the extant Code, in particular in relation to how identified threats are addressed 	<p>The firm shall establish policies and procedures: (Ref: Para. A10)</p> <p>(a) Eliminating the threat or Setting out criteria for applying determining the need to eliminate the circumstances that create a threat or for applying safeguards to reduce the a threat of the long association with an entity to an acceptable level, the familiarity threat to an acceptable level when using the same senior personnel on an assurance engagement over a long period of time; and</p> <p>(b) Requiring, for audits of financial statements of listed entities, the rotation of the engagement partner and the individuals responsible for engagement quality control review, and, where applicable, others subject to rotation</p>	2	C & D

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Standard	Extant Paragraphs		Final Paragraphs		
	specified period in compliance with relevant ethical requirements. (Ref: Para. A12–A17)		requirements, after a specified period in compliance with relevant ethical requirements. (Ref: Para. A12–A17)		
ISQC 1 Paragraph 27	Such policies and procedures shall require: (a) The firm to obtain such information as it considers necessary in the circumstances before accepting an engagement with a new client, when deciding whether to continue an existing engagement, and when considering acceptance of a new engagement with an existing client. (Ref: Para. A21, A23) (b) If a potential conflict of interest is identified in accepting an engagement from a new or an existing client, the firm to determine whether it is appropriate to accept the engagement. (c) If issues have been identified, and the firm decides to accept or	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

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Standard	Extant Paragraphs		Final Paragraphs		
	continue the client relationship or a specific engagement, the firm to document how the issues were resolved.				
ISQC 1 Paragraph 28	<p>The firm shall establish policies and procedures on continuing an engagement and the client relationship, addressing the circumstances where the firm obtains information that would have caused it to decline the engagement had that information been available earlier. Such policies and procedures shall include consideration of:</p> <p>(a) The professional and legal responsibilities that apply to the circumstances, including whether there is a requirement for the firm to report to the person or persons who made the appointment or, in some cases, to regulatory authorities; and</p> <p>(b) The possibility of withdrawing from the engagement or from both the engagement and the</p>	<ul style="list-style-type: none"> No change identified 	N/A	N/A	N/A

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Standard	Extant Paragraphs		Final Paragraphs		
	client relationship. (Ref: Para. A22–A23)				
ISQC 1 Paragraph 38	<p>For audits of financial statements of listed entities, the firm shall establish policies and procedures to require the engagement quality control review to also include consideration of the following:</p> <p>(a) The engagement team's evaluation of the firm's independence in relation to the specific engagement;</p> <p>(b) Whether appropriate consultation has taken place on matters involving differences of opinion or other difficult or contentious matters, and the conclusions arising from those consultations; and</p> <p>(c) Whether documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached. (Ref: Para. A45–A46)</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

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Standard	Extant Paragraphs		Final Paragraphs		
ISQC 1 Paragraph A7	<p>The IESBA Code establishes the fundamental principles of professional ethics, which include:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p>	<ul style="list-style-type: none"> Aligning with terminology used in the Code 	<p>The IESBA Code establishes the fundamental principles of professional—ethics, which include<u>are</u>:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p> <p><u>The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</u></p>	4	N/A
ISQC 1 Paragraph A8	<p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. It provides examples of safeguards that may be appropriate to address threats to compliance with the fundamental principles and also provides examples of situations where safeguards are not available to address the threats.</p>	<ul style="list-style-type: none"> Aligning with terminology used in the Code Reflecting the structural changes to the Code 	<p>Part B of is to be applied in specific situations. It provides examples of safeguards that may be appropriate to address threats to compliance with the fundamental principles and also provides examples of situations where safeguards are not available to address the threats.</p> <p><u>The IESBA Code provides a conceptual framework that establishes the approach which a professional accountants is required are to apply when in order to identifying, evaluating and addressing threats to compliance with the fundamental principles. In the case of audits, reviews and other assurance engagements, the</u></p>	1, 2 & 4	B

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Standard	Extant Paragraphs		Final Paragraphs		
			IESBA Code sets out <i>International Independence Standards</i> , established by the application of which apply the conceptual framework of identifying, evaluating and addressing to threats to the fundamental principles and compliance with independence in relation to those engagements requirements.		
ISQC 1 Paragraph A9	The fundamental principles are reinforced in particular by: <ul style="list-style-type: none"> The leadership of the firm; Education and training; Monitoring; and A process for dealing with non-compliance. 	<ul style="list-style-type: none"> The Code refers to “breaches” of the Code. “Non-compliance” is used to refer to laws and regulations 	The fundamental principles are reinforced in particular by: <ul style="list-style-type: none"> The leadership of the firm; Education and training; Monitoring; and A process for dealing with breachesnon-compliance. 	4	N/A
ISQC 1 Paragraph A10	The definitions of “firm,” network” or “network firm” in relevant ethical requirements may differ from those set out in this ISQC. For example, the IESBA Code defines the “firm” as: <p>(a) A sole practitioner, partnership or corporation of professional accountants;</p>	<ul style="list-style-type: none"> No change identified 	N/A	N/A	N/A

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	<p>(b) An entity that controls such parties through ownership, management or other means; and</p> <p>(c) An entity controlled by such parties through ownership, management or other means.</p> <p>The IESBA Code also provides guidance in relation to the terms “network” and “network firm.”</p> <p>In complying with the requirements in paragraphs 20–25, the definitions used in the relevant ethical requirements apply in so far as is necessary to interpret those ethical requirements.</p>				
ISQC 1 Paragraph A11	<p>Written confirmation may be in paper or electronic form. By obtaining confirmation and taking appropriate action on information indicating non-compliance, the firm demonstrates the importance that it attaches to independence and makes the issue current for, and visible to, its personnel.</p>	<ul style="list-style-type: none"> Aligning with terminology used by the IESBA Code 	<p>Written confirmation may be in paper or electronic form. By obtaining confirmation and taking appropriate action on information indicating <u>a breach non-compliance</u>, the firm demonstrates the importance that it attaches to independence and makes the issue current for, and visible to, its personnel.</p>	4	N/A

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Standard	Extant Paragraphs		Final Paragraphs		
ISQC 1 Paragraph A12	<p>Familiarity Threat (Ref: Para. 25)</p> <p>The IESBA Code discusses the familiarity threat that may be created by using the same senior personnel on an assurance engagement over a long period of time and the safeguards that might be appropriate to address such threats.</p>	<ul style="list-style-type: none"> Section 540 and 940 of the Code have been updated 	<p>Long Association with an Entity Familiarity Threat (Ref: Para. 25)</p> <p>The IESBA Code discusses the <u>familiarity threats that may be created as a result of an individual's long association with:</u></p> <ul style="list-style-type: none"> <u>The entity and its operations;</u> <u>The entity's senior management; or</u> <u>The underlying subject matter and subject matter information of the assurance engagement.</u> <p>by using the same senior personnel on an assurance engagement over a long period of time and the safeguards that might be appropriate to address such threats.</p>	2	N/A
ISQC 1 Paragraph A13	<p>Determining appropriate criteria to address familiarity threat may include matters such as:</p> <ul style="list-style-type: none"> The nature of the engagement, including the extent to which it involves a matter of public interest; and 	<ul style="list-style-type: none"> Section 540 and 940 of the Code have been recently updated 	<p><u>The IESBA Code includes examples of factors that are relevant to evaluating the level of a threat that may arise when an individual is involved in an assurance engagement over a long period of time. The IESBA Code also provides examples of actions to address threats, including:</u></p> <ul style="list-style-type: none"> <u>Eliminating threat, by rotating the individual off the engagement team; or</u> 	2	B

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Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> The length of service of the senior personnel on the engagement. <p>Examples of safeguards include rotating the senior personnel or requiring an engagement quality control review.</p>		<ul style="list-style-type: none"> <u>Applying safeguards to reduce the threats to an acceptable level.</u> <p>Determining appropriate criteria to address familiarity threat may include matters such as:</p> <ul style="list-style-type: none"> The nature of the engagement, including the extent to which it involves a matter of public interest; and The length of service of the senior personnel on the engagement. <p>Examples of safeguards include rotating the senior personnel or requiring an engagement quality control review.</p>		
ISQC 1 Paragraph A14	<p>The IESBA Code recognizes that the familiarity threat is particularly relevant in the context of financial statement audits of listed entities. For these audits, the IESBA Code requires the rotation of the key audit partner⁴ after a pre-defined period, normally no more than seven years, and provides related standards and guidance. National requirements may establish shorter rotation periods.</p> <p>4 As defined in the IESBA Code</p>	<ul style="list-style-type: none"> Section 540 and 940 of the Code have been updated 	<p><u>The IESBA Code requires the rotation of the engagement partner, the engagement quality control reviewer, and other key audit partners⁴ in respect of certain engagements.</u> The IESBA Code recognizes that the familiarity threat is particularly relevant in the context of financial statement audits of listed entities. For these audits, the IESBA Code requires the rotation of the key audit partner⁴ after a pre-defined period, normally no more than seven years, and provides related standards and guidance. National requirements may establish shorter rotation periods.</p> <p>4 As defined in the IESBA Code</p>	2	D

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Standard	Extant Paragraphs		Final Paragraphs		
ISQC 1 Paragraph A15	Statutory measures may provide safeguards for the independence of public sector auditors. However, threats to independence may still exist regardless of any statutory measures designed to protect it. Therefore, in establishing the policies and procedures required by paragraphs 20–25, the public sector auditor may have regard to the public sector mandate and address any threats to independence in that context.	<ul style="list-style-type: none"> No change identified 	N/A	N/A	N/A
ISQC 1 Paragraph A18	<p>Consideration of whether the firm has the competence, capabilities, and resources to undertake a new engagement from a new or an existing client involves reviewing the specific requirements of the engagement and the existing partner and staff profiles at all relevant levels, and including whether:</p> <ul style="list-style-type: none"> Firm personnel have knowledge of relevant industries or subject matters; 	<ul style="list-style-type: none"> Paragraphs 320.3 A4 and 320.3 A5 explain factors that may be relevant in evaluating a threat and possible safeguards 	N/A	N/A	N/A

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Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> Firm personnel have experience with relevant regulatory or reporting requirements, or the ability to gain the necessary skills and knowledge effectively; The firm has sufficient personnel with the necessary competence and capabilities; Experts are available, if needed; Individuals meeting the criteria and eligibility requirements to perform engagement quality control review are available, where applicable; and The firm is able to complete the engagement within the reporting deadline. 				
ISQC 1 Paragraph A19	<p>With regard to the integrity of a client, matters to consider include, for example:</p> <ul style="list-style-type: none"> The identity and business reputation of the client's principal owners, key management, and those charged with its governance. 	<ul style="list-style-type: none"> No similar guidance or requirements exist in the Code 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards		Category of Change	
Standard	Extant Paragraphs		Final Paragraphs			
	<ul style="list-style-type: none"> • The nature of the client's operations, including its business practices. • Information concerning the attitude of the client's principal owners, key management and those charged with its governance towards such matters as aggressive interpretation of accounting standards and the internal control environment. • Whether the client is aggressively concerned with maintaining the firm's fees as low as possible. • Indications of an inappropriate limitation in the scope of work. • Indications that the client might be involved in money laundering or other criminal activities. • The reasons for the proposed appointment of the firm and non-reappointment of the previous firm. 					

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> The identity and business reputation of related parties. <p>The extent of knowledge a firm will have regarding the integrity of a client will generally grow within the context of an ongoing relationship with that client.</p>				
ISQC 1 Paragraph A20	<p>Sources of information on such matters obtained by the firm may include the following:</p> <ul style="list-style-type: none"> Communications with existing or previous providers of professional accountancy services to the client in accordance with relevant ethical requirements, and discussions with other third parties. Inquiry of other firm personnel or third parties such as bankers, legal counsel and industry peers. Background searches of relevant databases. 	<ul style="list-style-type: none"> Paragraph R320.8 requires the firm to make enquiries of an existing or predecessor accountant when accepting an engagement, in the case of an audit or review. For other engagement types, this is optional as explained in paragraph 320.4 A4. This 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
		is broadly covered in the first bullet although it is noted that in ISA 220 this was more specifically explained as part of the conforming amendments in the NOCLAR project			
ISQC 1 Paragraph A21	Deciding whether to continue a client relationship includes consideration of significant matters that have arisen during the current or previous engagements, and their implications for continuing the relationship. For example, a client may have started to expand its business operations into an area where the firm does not possess the necessary expertise.	<ul style="list-style-type: none"> No change identified (see paragraph R320.9) 	N/A	N/A	N/A
ISQC 1	Policies and procedures on withdrawal from an engagement or from both the	<ul style="list-style-type: none"> No change identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards		Category of Change	
Standard	Extant Paragraphs		Final Paragraphs			
Paragraph A22	<p>engagement and the client relationship address issues that include the following:</p> <ul style="list-style-type: none"> • Discussing with the appropriate level of the client's management and those charged with its governance the appropriate action that the firm might take based on the relevant facts and circumstances. • If the firm determines that it is appropriate to withdraw, discussing with the appropriate level of the client's management and those charged with its governance withdrawal from the engagement or from both the engagement and the client relationship, and the reasons for the withdrawal. • Considering whether there is a professional, legal or regulatory requirement for the firm to remain in place, or for the firm to report the withdrawal from the engagement, or from both the engagement and the client relationship, together with the 					

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>reasons for the withdrawal, to regulatory authorities.</p> <ul style="list-style-type: none"> Documenting significant matters, consultations, conclusions and the basis for the conclusions. 				
ISQC 1 Paragraph A25	<p>Competence can be developed through a variety of methods, including the following:</p> <ul style="list-style-type: none"> Professional education. Continuing professional development, including training. Work experience. Coaching by more experienced staff, for example, other members of the engagement team. Independence education for personnel who are required to be independent. 	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISQC 1 Paragraph A51	<p>In the public sector, a statutorily appointed auditor (for example, an Auditor General, or other suitably qualified person appointed on behalf of</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	the Auditor General) may act in a role equivalent to that of engagement partner with overall responsibility for public sector audits. In such circumstances, where applicable, the selection of the engagement quality control reviewer includes consideration of the need for independence from the audited entity and the ability of the engagement quality control reviewer to provide an objective evaluation.				
ISQC 1 Paragraph A56	<p>Relevant ethical requirements establish an obligation for the firm's personnel to observe at all times the confidentiality of information contained in engagement documentation, unless specific client authority has been given to disclose information, or there are responsibilities under law, regulation or relevant ethical requirements to do so.⁵ Specific laws or regulations may impose additional obligations on the firm's personnel to maintain client confidentiality, particularly where data of a personal nature are concerned</p> <p>⁵ See, for example, Section 140.7 and Section 225.35 of the IESBA Code.</p>	<ul style="list-style-type: none"> Update footnote reference 	<p>Relevant ethical requirements establish an obligation for the firm's personnel to observe at all times the confidentiality of information contained in engagement documentation, unless specific client authority has been given to disclose information, or there are responsibilities under law, regulation or relevant ethical requirements to do so.⁵ Specific laws or regulations may impose additional obligations on the firm's personnel to maintain client confidentiality, particularly where data of a personal nature are concerned.</p> <p>⁵ See, for example, paragraphs R114.1, 114.1 A1 and R360.26 Section 140.7 and Section 225.35 of the IESBA Code.</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISQC 1 Paragraph A63	Unless otherwise specified by law or regulation, engagement documentation is the property of the firm. The firm may, at its discretion, make portions of, or extracts from, engagement documentation available to clients, provided such disclosure does not undermine the validity of the work performed, or, in the case of assurance engagements, the independence of the firm or its personnel.	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISQC 1 Paragraph A65	<p>Ongoing consideration and evaluation of the system of quality control include matters such as the following:</p> <ul style="list-style-type: none"> Analysis of: <ul style="list-style-type: none"> New developments in professional standards and applicable legal and regulatory requirements, and how they are reflected in the firm's policies and procedures where appropriate; Written confirmation of compliance with policies 	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>and procedures on independence;</p> <ul style="list-style-type: none"> ○ Continuing professional development, including training; and ○ Decisions related to acceptance and continuance of client relationships and specific engagements. <p>...</p>				
ISQC 1 Paragraph A73	<p>The form and content of documentation evidencing the operation of each of the elements of the system of quality control is a matter of judgment and depends on a number of factors, including the following:</p> <ul style="list-style-type: none"> • The size of the firm and the number of offices. • The nature and complexity of the firm's practice and organization. <p>For example, large firms may use electronic databases to document matters such as independence confirmations, performance</p>	<ul style="list-style-type: none"> • N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	evaluations and the results of monitoring inspections.				
ISA 200 Paragraph 14	The auditor shall comply with relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements. (Ref: Para. A16–A19)	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 200 Paragraph A5	The applicable financial reporting framework often encompasses financial reporting standards established by an authorized or recognized standards setting organization, or legislative or regulatory requirements. In some cases, the financial reporting framework may encompass both financial reporting standards established by an authorized or recognized standards setting organization and legislative or regulatory requirements. Other sources may provide direction on the application of the applicable financial reporting framework. In some cases, the applicable financial reporting framework may encompass such other sources, or may even consist only of such sources. Such other sources may include:	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards		Category of Change	
Standard	Extant Paragraphs		Final Paragraphs			
	<ul style="list-style-type: none"> • The legal and ethical environment, including statutes, regulations, court decisions, and professional ethical obligations in relation to accounting matters; • Published accounting interpretations of varying authority issued by standards setting, professional or regulatory organizations; • Published views of varying authority on emerging accounting issues issued by standards setting, professional or regulatory organizations; • General and industry practices widely recognized and prevalent; and • Accounting literature. <p>Where conflicts exist between the financial reporting framework and the sources from which direction on its application may be obtained, or among the sources that encompass the</p>					

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	financial reporting framework, the source with the highest authority prevails.				
ISA 200 Paragraph A16	The auditor is subject to relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements. Relevant ethical requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) related to an audit of financial statements together with national requirements that are more restrictive.	<ul style="list-style-type: none"> Update references to the Code Remove references to the parts so that Code is referenced holistically 	The auditor is subject to relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements. Relevant ethical requirements ordinarily comprise <u>the provisions Parts A and B</u> of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) related to an audit of financial statements, together with national requirements that are more restrictive.	1 & 3	N/A
ISA 200 Paragraph A17	Part A of the IESBA Code establishes the fundamental principles of professional ethics relevant to the auditor when conducting an audit of financial statements and provides a conceptual framework for applying those principles. The fundamental principles with which the auditor is required to comply by the IESBA Code are: (a) Integrity;	<ul style="list-style-type: none"> Aligning with terminology used in the Code and to reflect the structural changes to the Code (also refer comments in 	Part A of The IESBA Code establishes the fundamental principles of ethics, <u>which are</u> and provides a conceptual framework for applying these principles. The fundamental principles with which the auditor is required to comply by the IESBA Code are: (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and	1 & 4	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p> <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations.</p>	<p>paragraph A7 of ISQC 1)</p>	<p>(e) Professional behavior.</p> <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</p> <p>The IESBA Code provides a conceptual framework that <u>establishes the approach which a professional accountant is required are to apply when in order to identifying, evaluating and addressing threats to compliance with the fundamental principles. In the case of audits, reviews and other assurance engagements, the IESBA Code sets out <i>International Independence Standards</i>, established by the application of which apply the conceptual framework of identifying, evaluating and addressing to threats to the fundamental principles and compliance with independence in relation to those engagements requirements.</u></p>		
ISA 200 Paragraph A18	<p>In the case of an audit engagement it is in the public interest and, therefore, required by the IESBA Code, that the auditor be independent of the entity subject to the audit. The IESBA Code describes independence as comprising both independence of mind</p>	<ul style="list-style-type: none"> No changes identified (see paragraph 400.1, 400.5) 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	and independence in appearance. The auditor's independence from the entity safeguards the auditor's ability to form an audit opinion without being affected by influences that might compromise that opinion. Independence enhances the auditor's ability to act with integrity, to be objective and to maintain an attitude of professional skepticism.				
ISA 200 Paragraph A19	International Standard on Quality Control (ISQC) 1, or national requirements that are at least as demanding, deal with the firm's responsibilities to establish and maintain its system of quality control for audit engagements. ISQC 1 sets out the responsibilities of the firm for establishing policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply with relevant ethical requirements, including those pertaining to independence. ISA 220 sets out the engagement partner's responsibilities with respect to relevant ethical requirements. These include remaining alert, through observation and making inquiries as necessary, for	<ul style="list-style-type: none"> The Code refers to breaches, rather than non-compliance 	International Standard on Quality Control (ISQC) 1, or national requirements that are at least as demanding, deal with the firm's responsibilities to establish and maintain its system of quality control for audit engagements. ISQC 1 sets out the responsibilities of the firm for establishing policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply with relevant ethical requirements, including those pertaining to independence. ISA 220 sets out the engagement partner's responsibilities with respect to relevant ethical requirements. These include remaining alert, through observation and making inquiries as necessary, for evidence of non-compliance with <u>breaches</u> of relevant ethical requirements by members of the engagement team, determining the appropriate action if matters come to the engagement partner's attention that	4	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	evidence of non-compliance with relevant ethical requirements by members of the engagement team, determining the appropriate action if matters come to the engagement partner's attention that indicate that members of the engagement team have not complied with relevant ethical requirements, and forming a conclusion on compliance with independence requirements that apply to the audit engagement. ISA 220 recognizes that the engagement team is entitled to rely on a firm's system of quality control in meeting its responsibilities with respect to quality control procedures applicable to the individual audit engagement, unless information provided by the firm or other parties suggests otherwise.		indicate that members of the engagement team have not complied with <u>breached</u> relevant ethical requirements, and forming a conclusion on compliance with independence requirements that apply to the audit engagement. ISA 220 recognizes that the engagement team is entitled to rely on a firm's system of quality control in meeting its responsibilities with respect to quality control procedures applicable to the individual audit engagement, unless information provided by the firm or other parties suggests otherwise.		
ISA 200 Paragraph A25	Professional judgment is essential to the proper conduct of an audit. This is because interpretation of relevant ethical requirements and the ISAs and the informed decisions required throughout the audit cannot be made without the application of relevant	<ul style="list-style-type: none"> Paragraphs 120.5 A1 to 120.5 A4 explains the exercise of professional judgment in 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>knowledge and experience to the facts and circumstances. Professional judgment is necessary in particular regarding decisions about:</p> <p>...</p>	<p>the context of the Code. This is new application material from the extant Code. It explains how the professional accountant applies professional judgment. No conforming changes are needed because the Code explanation of professional judgment relates to the application of the Code</p>			
ISA 200 Paragraph A26	<p>The distinguishing feature of the professional judgment expected of an auditor is that it is exercised by an</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	auditor whose training, knowledge and experience have assisted in developing the necessary competencies to achieve reasonable judgments.				
ISA 210 Paragraph A1	<p>Assurance engagements, which include audit engagements, may only be accepted when the practitioner considers that relevant ethical requirements such as independence and professional competence will be satisfied, and when the engagement exhibits certain characteristics.⁷ The auditor's responsibilities in respect of ethical requirements in the context of the acceptance of an audit engagement and in so far as they are within the control of the auditor are dealt with in ISA 220.⁸ This ISA deals with those matters (or preconditions) that are within the control of the entity and upon which it is necessary for the auditor and the entity's management to agree.</p> <p>⁷ International Framework for Assurance Engagements, paragraph 17</p> <p>⁸ ISA 220, paragraphs 9–11</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 210 Paragraph A26	<p>When relevant, the following points could also be made in the audit engagement letter:</p> <ul style="list-style-type: none"> • Arrangements concerning the involvement of other auditors and experts in some aspects of the audit. • Arrangements concerning the involvement of internal auditors and other staff of the entity. • Arrangements to be made with the predecessor auditor, if any, in the case of an initial audit. • A reference to, and description of, the auditor's responsibilities under law, regulation or relevant ethical requirements that address reporting identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity. • Any restriction of the auditor's liability when such possibility exists. 	<ul style="list-style-type: none"> • No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> A reference to any further agreements between the auditor and the entity. Any obligations to provide audit working papers to other parties. <p>An example of an audit engagement letter is set out in Appendix 1.</p>				
ISA 210 Appendix 1	<p>Example of an Audit Engagement Letter</p> <p>[...]</p> <p>[The responsibilities of the auditor]</p> <p>We will conduct our audit in accordance with ISAs. Those standards require that we comply with ethical requirements. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:</p>	<ul style="list-style-type: none"> No change identified 	N/A	N/A	N/A
ISA 220 Paragraph 3	<p>Within the context of the firm's system of quality control, engagement teams have a responsibility to implement quality control procedures that are applicable to the audit engagement and provide the firm with relevant</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	information to enable the functioning of that part of the firm's system of quality control relating to independence.				
ISA 220 Paragraph 7(n)	<p>For purposes of the ISAs, the following terms have the meanings attributed below:</p> <p>...</p> <p>(n) Relevant ethical requirements – Ethical requirements to which the engagement team and engagement quality control reviewer are subject, which ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) related to an audit of financial statements together with national requirements that are more restrictive.</p> <p>...</p>	<ul style="list-style-type: none"> Update title and references to the Code Parts A, B and C have been renamed and there are now International Independence Standards (Parts 4A and 4B) 	<p>For purposes of the ISAs, the following terms have the meanings attributed below:</p> <p>...</p> <p>Relevant ethical requirements – Ethical requirements to which the engagement team and engagement quality control reviewer are subject <u>when undertaking an audit engagement</u>, which ordinarily comprise the provisions of Parts A and B of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) related to an audit of financial statements, together with national requirements that are more restrictive.</p> <p>...</p>	1 & 3	N/A
ISA 220 Paragraph 9	Throughout the audit engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of non-compliance with relevant ethical	<ul style="list-style-type: none"> The Code refers to breaches, rather than non-compliance 	Throughout the audit engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of <u>breaches of non-compliance with</u>	4	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	requirements by members of the engagement team. (Ref: Para. A4–A5)	Perhaps this is a better phrase, also given the more recent introduction of non-compliance in the Code that has another meaning	relevant ethical requirements by members of the engagement team. (Ref: Para. A4–A5)		
ISA 220 Paragraph 10	If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have not complied with relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action. (Ref: Para. A5)	<ul style="list-style-type: none"> The Code refers to breaches, rather than non-compliance 	If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have not complied with <u>breached</u> relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action. (Ref: Para. A5)	4	N/A
ISA 220 Paragraph 11	The engagement partner shall form a conclusion on compliance with independence requirements that apply to the audit engagement. In doing so, the engagement partner shall: (Ref: Para. A5)	<ul style="list-style-type: none"> The revised Code describes threats to compliance differently 	<p>The engagement partner shall form a conclusion on compliance with independence requirements that apply to the audit engagement. In doing so, the engagement partner shall: (Ref: Para. A5)</p> <p>(a) Obtain relevant information from the firm and, where applicable, network firms, to identify and evaluate circumstances and</p>	2 & 4	C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(a) Obtain relevant information from the firm and, where applicable, network firms, to identify and evaluate circumstances and relationships that create threats to independence;</p> <p>(b) Evaluate information on identified breaches, if any, of the firm's independence policies and procedures to determine whether they create a threat to independence for the audit engagement; and</p> <p>(c) Take appropriate action to eliminate such threats or reduce them to an acceptable level by applying safeguards, or, if considered appropriate, to withdraw from the audit engagement, where withdrawal is possible under applicable law or regulation. The engagement partner shall promptly report to the firm any inability to resolve the matter for appropriate action. (Ref: Para. A6–A7)</p>	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and R120.10 have been amended from the extant Code, in particular in relation to how identified threats are addressed 	<p>relationships that create threats to independence;</p> <p>(b) Evaluate information on identified breaches, if any, of the firm's independence policies and procedures to determine whether they create a threat to independence for the audit engagement; and</p> <p>(c) <u>Evaluate whether the identified threats are at an acceptable level; and</u></p> <p>(d) <u>Take appropriate action to address the threats that are not at an acceptable level by eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level, or withdrawing</u> Take appropriate action to eliminate such threats or reduce them to an acceptable level by applying safeguards, or, if considered appropriate, to withdraw from the engagement, where withdrawal is possible under applicable law or regulation. The engagement partner shall promptly report to the firm any inability to resolve the matter for appropriate action. (Ref: Para. A6–A7)</p>		

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 220 Paragraph 12	The engagement partner shall be satisfied that appropriate procedures regarding the acceptance and continuance of client relationships and audit engagements have been followed, and shall determine that conclusions reached in this regard are appropriate. (Ref: Para. A8-A10)	<ul style="list-style-type: none"> No change identified (see Section 320) 	N/A	N/A	N/A
ISA 220 Paragraph 13	If the engagement partner obtains information that would have caused the firm to decline the audit engagement had that information been available earlier, the engagement partner shall communicate that information promptly to the firm, so that the firm and the engagement partner can take the necessary action. (Ref: Para. A9)	<ul style="list-style-type: none"> No change identified (see paragraph 320.9) 	N/A	N/A	N/A
ISA 220 Paragraph 21	For audits of financial statements of listed entities, the engagement quality control reviewer, on performing an engagement quality control review, shall also consider the following: (a) The engagement team's evaluation of the firm's independence in relation to the audit engagement;	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(b) Whether appropriate consultation has taken place on matters involving differences of opinion or other difficult or contentious matters, and the conclusions arising from those consultations; and</p> <p>(c) Whether audit documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached. (Ref: Para. A29–A32)</p>				
ISA 220 Paragraph 24	<p>The auditor shall include in the audit documentation:⁵</p> <p>(a) Issues identified with respect to compliance with relevant ethical requirements and how they were resolved.</p> <p>(b) Conclusions on compliance with independence requirements that apply to the audit engagement, and any relevant discussions with the firm that support these conclusions.</p>	<ul style="list-style-type: none"> No change identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(c) Conclusions reached regarding the acceptance and continuance of client relationships and audit engagements.</p> <p>(d) The nature and scope of, and conclusions resulting from, consultations undertaken during the course of the audit engagement. (Ref: Para. A37)</p> <p>5 ISA 230, <i>Audit Documentation</i>, paragraphs 8-11, and A6</p>				
ISA 220 Paragraph A2	<p>Unless information provided by the firm or other parties suggest otherwise, the engagement team may rely on the firm's system of quality control in relation to, for example:</p> <ul style="list-style-type: none"> • Competence of personnel through their recruitment and formal training. • Independence through the accumulation and communication of relevant independence information. • Maintenance of client relationships through 	<ul style="list-style-type: none"> • N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>acceptance and continuance systems.</p> <ul style="list-style-type: none"> Adherence to applicable legal and regulatory requirements through the monitoring process. 				
ISA 220 Paragraph A4	<p>The IESBA Code establishes the fundamental principles of professional ethics, which include:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p>	<ul style="list-style-type: none"> Refer to comments in paragraph A7 of ISQC 1 	<p>The IESBA Code establishes the fundamental principles of professional ethics which include <u>are</u>:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p> <p><u>The fundamental principles of ethics establish the standard of behavior expected of a professional accountant.</u></p>	4	N/A
ISA 220 Paragraph A5	<p>The definitions of “firm,” “network” or “network firm” in relevant ethical requirements may differ from those set out in this ISA. For example, the IESBA Code defines the “firm” as:</p>	<ul style="list-style-type: none"> No change identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(a) A sole practitioner, partnership or corporation of professional accountants;</p> <p>(b) An entity that controls such parties through ownership, management or other means; and</p> <p>(c) An entity controlled by such parties through ownership, management or other means.</p> <p>The IESBA Code also provides guidance in relation to the terms “network” and “network firm.”</p> <p>In complying with the requirements in paragraphs 9–11, the definitions used in the relevant ethical requirements apply in so far as is necessary to interpret those ethical requirements.</p>				
ISA 220 Paragraph A6	<p>The engagement partner may identify a threat to independence regarding the audit engagement that safeguards may not be able to eliminate or reduce to an acceptable level. In that case, as required by paragraph 11(c), the engagement partner reports to the relevant person(s) within the firm to</p>	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and R120.10 have been amended from the extant Code, in particular in 	<p>The engagement partner may identify a threat to independence regarding the audit engagement that safeguards may not be able to eliminate or reduce to at an acceptable level. In that case, as required by paragraph 11(ed), the engagement partner reports to the relevant person(s) within the firm to determine <u>the</u> appropriate action, which may include eliminating the <u>circumstance</u></p>	2	A, B & C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	determine appropriate action, which may include eliminating the activity or interest that creates the threat, or withdrawing from the audit engagement, where withdrawal is possible under applicable law or regulation.	relation to how identified threats are addressed	that is creating activity or interest that creates the threat, applying safeguards to reduce the threat to an acceptable level or withdrawing from the audit engagement, where withdrawal is possible under applicable law or regulation.		
ISA 220 Paragraph A7	Statutory measures may provide safeguards for the independence of public sector auditors. However, public sector auditors or audit firms carrying out public sector audits on behalf of the statutory auditor may, depending on the terms of the mandate in a particular jurisdiction, need to adapt their approach in order to promote compliance with the spirit of paragraph 11. This may include, where the public sector auditor's mandate does not permit withdrawal from the engagement, disclosure through a public report, of circumstances that have arisen that would, if they were in the private sector, lead the auditor to withdraw.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 220 Paragraph A8	<p>ISQC 1 requires the firm to obtain information considered necessary in the circumstances before accepting an engagement with a new client, when deciding whether to continue an existing engagement, and when considering acceptance of a new engagement with an existing client. Information such as the following assists the engagement partner in determining whether the conclusions reached regarding the acceptance and continuance of client relationships and audit engagements are appropriate:</p> <ul style="list-style-type: none"> • The integrity of the principal owners, key management and those charged with governance of the entity; • Whether the engagement team is competent to perform the audit engagement and has the necessary capabilities, including time and resources; • Whether the firm and the engagement team can comply with relevant ethical requirements; and 	<ul style="list-style-type: none"> • No changes identified (see Section 320) 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> Significant matters that have arisen during the current or previous audit engagement, and their implications for continuing the relationship. 				
ISA 220 Paragraph A9	<p>Law, regulation, or relevant ethical requirements⁷ may require the auditor to request, prior to accepting the engagement, the predecessor auditor to provide known information regarding any facts or circumstances that, in the predecessor auditor's judgment, the auditor needs to be aware of before deciding whether to accept the engagement. In some circumstances, the predecessor auditor may be required, on request by the proposed successor auditor, to provide information regarding identified or suspected non-compliance with laws and regulations to the proposed successor auditor. For example, where the predecessor auditor has withdrawn from the engagement as a result of identified or suspected non-compliance with laws and regulations, the IESBA Code requires that the predecessor auditor,</p>	<ul style="list-style-type: none"> Update footnote paragraph references No other changes identified 	<p>7 See, for example, <u>paragraph R320.8</u> Sections 240.14 of the IESBA Code.</p> <p>8 See, for example, <u>paragraphs R360.22 and R360.23</u> Sections 225-34 of the IESBA Code.</p>	1	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>on request by a proposed successor auditor, provides all such facts and other information concerning such non-compliance that, in the predecessor auditor's opinion, the proposed successor auditor needs to be aware of before deciding whether to accept the audit appointment.⁸</p> <p>7 See, for example, Sections 210.14 of the IESBA Code.</p> <p>8 See, for example, Sections 225.31 of the IESBA Code.</p>				
ISA 220 Paragraph A32	<p>In the public sector, a statutorily appointed auditor (for example, an Auditor General, or other suitably qualified person appointed on behalf of the Auditor General), may act in a role equivalent to that of engagement partner with overall responsibility for public sector audits. In such circumstances, where applicable, the selection of the engagement quality control reviewer includes consideration of the need for independence from the audited entity and the ability of the engagement quality control reviewer to provide an objective evaluation.</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 240 Paragraph 9	<p>The auditor may have additional responsibilities under law, regulation or relevant ethical requirements regarding an entity's non-compliance with laws and regulations, including fraud, which may differ from or go beyond this and other ISAs, such as: (Ref: Para. A6)</p> <p>(a) Responding to identified or suspected non-compliance with laws and regulations, including requirements in relation to specific communications with management and those charged with governance, assessing the appropriateness of their response to non-compliance and determining whether further action is needed;</p> <p>(b) Communicating identified or suspected non-compliance with laws and regulations to other auditors (e.g., in an audit of group financial statements); and</p> <p>(c) Documentation requirements regarding identified or</p>	<ul style="list-style-type: none"> No changes identified – see section 360 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>suspected non-compliance with laws and regulations.</p> <p>Complying with any additional responsibilities may provide further information that is relevant to the auditor's work in accordance with this and other ISAs (e.g., regarding the integrity of management or, where appropriate, those charged with governance).</p>				
ISA 240 Paragraph 44	<p>If the auditor has identified or suspects a fraud, the auditor shall determine whether law, regulation or relevant ethical requirements: (Ref: Para. A67–A69)</p> <p>(a) Require the auditor to report to an appropriate authority outside the entity.</p> <p>(b) Establish responsibilities under which reporting to an appropriate authority outside the entity may be appropriate in the circumstances.</p>	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.21, 360.21 A1, 360.25 A1–R360.26 	N/A	N/A	N/A
ISA 240 Paragraph A6	<p>Law, regulation or relevant ethical requirements may require the auditor to perform additional procedures and</p>	<ul style="list-style-type: none"> Update references to the Code 	<p>Law, regulation or relevant ethical requirements may require the auditor to perform additional procedures and take further actions. For</p>	1 & 3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>take further actions. For example, the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed. Such steps may include the communication of identified or suspected non-compliance with laws and regulations to other auditors within a group, including a group engagement partner, component auditors or other auditors performing work at components of a group for purposes other than the audit of the group financial statements.¹⁵</p> <p>¹⁵ See, for example, Sections 225.21–225.22 of the IESBA Code.</p>	<ul style="list-style-type: none"> No other changes identified – see paragraph R360.10–R360.28 	<p>example, the <u>International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</u> (IESBA Code) requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed. Such steps may include the communication of identified or suspected non-compliance with laws and regulations to other auditors within a group, including a group engagement partner, component auditors or other auditors performing work at components of a group for purposes other than the audit of the group financial statements.¹⁵</p> <p>¹⁵ See, for example, <u>paragraphs R360.16–360.18 A1 Sections 225.21–225.22</u> of the IESBA Code.</p>		
ISA 240 Paragraph A57	<p>The auditor has professional and legal responsibilities in such circumstances and these responsibilities may vary by country. In some countries, for example, the auditor may be entitled to, or required to, make a statement or report to the person or persons who</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>made the audit appointment or, in some cases, to regulatory authorities. Given the exceptional nature of the circumstances and the need to consider the legal requirements, the auditor may consider it appropriate to seek legal advice when deciding whether to withdraw from an engagement and in determining an appropriate course of action, including the possibility of reporting to shareholders, regulators or others.²⁴</p> <p>24 The IESBA Code provides guidance on communications with an auditor replacing the existing auditor.</p>				
ISA 240 Paragraph A67	<p>ISA 250 (Revised)²⁷ provides further guidance with respect to the auditor's determination of whether reporting identified or suspected non-compliance with laws or regulations to an appropriate authority outside the entity is required or appropriate in the circumstances, including consideration of the auditor's duty of confidentiality.</p> <p>27 ISA 250 (Revised), <i>Consideration of Laws and Regulations in an Audit of</i></p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<i>Financial Statements</i> , paragraphs A28-A34				
ISA 240 Paragraph A68	The determination required by paragraph 44 may involve complex considerations and professional judgments. Accordingly, the auditor may consider consulting internally (e.g., within the firm or a network firm) or on a confidential basis with a regulator or professional body (unless doing so is prohibited by law or regulation or would breach the duty of confidentiality). The auditor may also consider obtaining legal advice to understand the auditor's options and the professional or legal implications of taking any particular course of action.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 250 (Revised) Paragraph 3	It is the responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.	<ul style="list-style-type: none"> No changes identified – see paragraph 360.8 A1 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 250 (Revised) Paragraph 6	<p>This ISA distinguishes the auditor's responsibilities in relation to compliance with two different categories of laws and regulations as follows: (Ref: Para. A6, A12–A13)</p> <p>(a) The provisions of those laws and regulations generally recognized to have a direct effect on the determination of material amounts and disclosures in the financial statements such as tax and pension laws and regulations (see paragraph 14) (Ref: Para. A12);</p> <p>(b) Other laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operating aspects of the business, to an entity's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of an operating license, compliance with regulatory solvency</p>	<ul style="list-style-type: none"> No changes identified – see paragraph 360.3 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	requirements, or compliance with environmental regulations); non-compliance with such laws and regulations therefore have a material effect on the financial statements (see paragraph 15) (Ref: Para. A13).				
ISA 250 (Revised) Paragraph 9	<p>The auditor may have additional responsibilities under law, regulation or relevant ethical requirements regarding an entity's non-compliance with laws and regulations, which may differ from or go beyond this ISA, such as: (Ref: Para. A8)</p> <p>(a) Responding to identified or suspected non-compliance with laws and regulations, including requirements in relation to specific communications with management and those charged with governance, assessing the appropriateness of their response to non-compliance and determining whether further action is needed;</p> <p>(b) Communicating identified or suspected non-compliance with</p>	<ul style="list-style-type: none"> No changes identified – see section 360 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>laws and regulations to other auditors (e.g., in an audit of group financial statements); and</p> <p>(c) Documentation requirements regarding identified or suspected non-compliance with laws and regulations.</p> <p>Complying with any additional responsibilities may provide further information that is relevant to the auditor's work in accordance with this and other ISAs (e.g., regarding the integrity of management or, where appropriate, those charged with governance).</p>				
ISA 250 (Revised) Paragraph 12	<p>For the purposes of this ISA, the following term has the meaning attributed below:</p> <p>Non-compliance – Acts of omission or commission, intentional or unintentional, committed by the entity, or by those charged with governance, by management or by other individuals working for or under the direction of the entity, which are contrary to the prevailing laws or regulations. Non-compliance does not include personal</p>	<ul style="list-style-type: none"> No changes identified – see paragraph 360.5 A1 and 360.7 A3 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	misconduct unrelated to the business activities of the entity. (Ref: Para. A9–A10)				
ISA 250 (Revised) Paragraph 29	<p>If the auditor has identified or suspects non-compliance with laws and regulations, the auditor shall determine whether law, regulation or relevant ethical requirements: (Ref: Para. A28–A34)</p> <p>(a) Require the auditor to report to an appropriate authority outside the entity.</p> <p>(b) Establish responsibilities under which reporting to an appropriate authority outside the entity may be appropriate in the circumstances.</p>	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.21, 360.21 A1, 360.25 A1–R360.26 	N/A	N/A	N/A
ISA 250 (Revised) Paragraph A6	<p>The nature and circumstances of the entity may impact whether relevant laws and regulations are within the categories of laws and regulations described in paragraphs 6(a) or 6(b). Examples of laws and regulations that may be included in the categories described in paragraph 6 include those that deal with:</p>	<ul style="list-style-type: none"> No changes identified – see paragraph 360.5 A2 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> • Fraud, corruption and bribery. • Money laundering, terrorist financing and proceeds of crime. • Securities markets and trading. • Banking and other financial products and services. • Data protection. • Tax and pension liabilities and payments. • Environmental protection. • Public health and safety. 				
ISA 250 (Revised) Paragraph A8	Law, regulation or relevant ethical requirements may require the auditor to perform additional procedures and take further actions. For example, the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed. Such steps may include the communication of	<ul style="list-style-type: none"> • Update title and references to the Code • No other change identified – see paragraph R360.10–R360.28 	Law, regulation or relevant ethical requirements may require the auditor to perform additional procedures and take further actions. For example, the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is	1 & 3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>identified or suspected non-compliance with laws and regulations to other auditors within a group, including a group engagement partner, component auditors or other auditors performing work at components of a group for purposes other than the audit of the group financial statements.¹¹</p> <p>11 See, for example, Sections 225.21–225.22 of the IESBA Code.</p>		<p>needed. Such steps may include the communication of identified or suspected non-compliance with laws and regulations to other auditors within a group, including a group engagement partner, component auditors or other auditors performing work at components of a group for purposes other than the audit of the group financial statements.¹¹</p> <p>11 See, for example, <u>paragraphs R360.16–360.18 A1</u> Sections 225.21–225.22 of the IESBA Code.</p>		
ISA 250 (Revised) Paragraph A9	Acts of non-compliance with laws and regulations include transactions entered into by, or in the name of, the entity, or on its behalf, by those charged with governance, by management or by other individuals working for or under the direction of the entity.	<ul style="list-style-type: none"> No changes identified – see paragraph 360.5 A1 	N/A	N/A	N/A
ISA 250 (Revised) Paragraph A10	Non-compliance also includes personal misconduct related to the business activities of the entity, for example, in circumstances where an individual in a key management position, in a personal capacity, has accepted a bribe from a supplier of the	<ul style="list-style-type: none"> No changes identified (no corresponding paragraph) 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	entity and in return secures the appointment of the supplier to provide services or contracts to the entity.				
ISA 250 (Revised) Paragraph A25	In certain circumstances, the auditor may consider withdrawing from the engagement, where permitted by law or regulation, for example when management or those charged with governance do not take the remedial action that the auditor considers appropriate in the circumstances or the identified or suspected non-compliance raises questions regarding the integrity of management or those charged with governance, even when the non-compliance is not material to the financial statements. The auditor may consider it appropriate to obtain legal advice to determine whether withdrawal from the engagement is appropriate. When the auditor determines that withdrawing from the engagement would be appropriate, doing so would not be a substitute for complying with other responsibilities under law, regulation or relevant ethical requirements to respond to identified or suspected non-	<ul style="list-style-type: none"> No changes identified – see paragraphs 360.20 A1 – 360.21 A2 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>compliance. Furthermore, paragraph A9 of ISA 220¹⁴ indicates that some ethical requirements may require the predecessor auditor, upon request by the proposed successor auditor, to provide information regarding non-compliance with laws and regulations to the successor auditor.</p> <p>14 ISA 220, Quality Control for an Audit of Financial Statements</p>				
ISA 250 (Revised) Paragraph A29	<p>In some jurisdictions, the auditor may be required by law, regulation or relevant ethical requirements to report identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity. For example, in some jurisdictions, statutory requirements exist for the auditor of a financial institution to report the occurrence, or suspected occurrence, of non-compliance with laws and regulations to a supervisory authority. Also, misstatements may arise from non-compliance with laws or regulations and, in some jurisdictions, the auditor may be required to report misstatements to an appropriate</p>	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.6 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	authority in cases where management or those charged with governance fail to take corrective action.				
ISA 250 (Revised) Paragraph A30	<p>In other cases, the relevant ethical requirements may require the auditor to determine whether reporting identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity is an appropriate action in the circumstances. For example, the IESBA Code requires the auditor to take steps to respond to identified or suspected non-compliance with laws and regulations and determine whether further action is needed, which may include reporting to an appropriate authority outside the entity.¹⁷ The IESBA Code explains that such reporting would not be considered a breach of the duty of confidentiality under the IESBA Code.¹⁸</p> <p>¹⁷ See, for example, Section 225.29 and Sections 225.33–225.36 of the IESBA Code.</p>	<ul style="list-style-type: none"> • Update footnote references • No other changes identified – see paragraphs 360.21 A1, 360.25 A1–360.227, R114.1, R115.1 A 1 and R360.26 	<p>17 See, for example, <u>paragraphs 360.21 A1 and 360.25 A1–R360.27</u> Section 225.29 and Sections 225.33–225.36 of the IESBA Code.</p> <p>18 See, for example, <u>paragraphs R114.1– R114.1 A1 and R360.26</u> Section 140.7 and Section 225.35 of the IESBA Code.</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	18 See, for example, Section 140.7 and Section 225.35 of the IESBA Code.				
ISA 250 (Revised) Paragraph A32	In other circumstances, the reporting of identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity may be precluded by the auditor's duty of confidentiality under law, regulation or relevant ethical requirements.	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.6 and 360.25 A1 	N/A	N/A	N/A
ISA 250 (Revised) Paragraph A33	The determination required by paragraph 29 may involve complex considerations and professional judgments. Accordingly the auditor may consider consulting internally (e.g., within the firm or a network firm) or on a confidential basis with a regulator or professional body (unless doing so is prohibited by law or regulation or would breach the duty of confidentiality). The auditor may also consider obtaining legal advice to understand the auditor's options and the professional or legal implications of taking any particular course of action.	<ul style="list-style-type: none"> No changes identified – see paragraph 360.24 A1 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 250 (Revised) Paragraph A36	<p>Law, regulation or relevant ethical requirements may also set out additional documentation requirements regarding identified or suspected non-compliance with laws and regulations.¹⁹</p> <p>¹⁹ See, for example, Section 225.37 of the IESBA Code.</p>	<ul style="list-style-type: none"> Update footnote reference No other changes identified – see paragraph R360.28 	19 See, for example, Section 225.37 <u>paragraph R360.28</u> of the IESBA Code.	1	N/A
ISA 260 (Revised) Paragraph 4	<p>This ISA focuses primarily on communications from the auditor to those charged with governance. Nevertheless, effective two-way communication is important in assisting:</p> <p>(a) The auditor and those charged with governance in understanding matters related to the audit in context, and in developing a constructive working relationship. This relationship is developed while maintaining the auditor's independence and objectivity;</p> <p>(b) The auditor in obtaining from those charged with governance information relevant to the audit.</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>For example, those charged with governance may assist the auditor in understanding the entity and its environment, in identifying appropriate sources of audit evidence, and in providing information about specific transactions or events; and</p> <p>(c) Those charged with governance in fulfilling their responsibility to oversee the financial reporting process, thereby reducing the risks of material misstatement of the financial statements.</p>				
ISA 260 (Revised) Paragraph 11	The auditor shall determine the appropriate person(s) within the entity's governance structure with whom to communicate. (Ref: Para. A1–A4)	<ul style="list-style-type: none"> Similar requirements exist in the Code regarding communication with those charged with governance in paragraph R300.9 – R300.10 A1. These are 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
		substantially similar to the ISA.			
ISA 260 (Revised) Paragraph 12	If the auditor communicates with a subgroup of those charged with governance, for example, an audit committee, or an individual, the auditor shall determine whether the auditor also needs to communicate with the governing body. (Ref: Para. A5–A7)	<ul style="list-style-type: none"> Similar requirements exist in the Code regarding communication with those charged with governance in paragraph R300.9 – R300.10 A1. These are substantially similar to the ISA. 	N/A	N/A	N/A
ISA 260 (Revised) Paragraph 13	In some cases, all of those charged with governance are involved in managing the entity, for example, a small business where a single owner manages the entity and no one else has a governance role. In these cases, if matters required by this ISA are communicated with person(s) with management responsibilities, and	<ul style="list-style-type: none"> Similar requirements exist in the Code regarding communication with those charged with 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	those person(s) also have governance responsibilities, the matters need not be communicated again with those same person(s) in their governance role. These matters are noted in paragraph 16(c). The auditor shall nonetheless be satisfied that communication with person(s) with management responsibilities adequately informs all of those with whom the auditor would otherwise communicate in their governance capacity. (Ref: Para. A8)	governance in paragraph R300.9 – R300.10 A1. These are substantially similar to the ISA.			
ISA 260 (Revised) Paragraph 17	<p>In the case of listed entities, the auditor shall communicate with those charged with governance:</p> <p>(a) A statement that the engagement team and others in the firm as appropriate, the firm and, when applicable, network firms have complied with relevant ethical requirements regarding independence; and</p> <p>(i) All relationships and other matters between the firm, network firms, and the entity that, in the auditor's</p>	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and R120.10 have been amended from the extant Code, in particular in relation to how identified threats are addressed. 	<p>In the case of listed entities, the auditor shall communicate with those charged with governance:</p> <p>(a) A statement that the engagement team and others in the firm as appropriate, the firm and, when applicable, network firms have complied with relevant ethical requirements regarding independence; and</p> <p>(i) All relationships and other matters between the firm, network firms, and the entity that, in the auditor's professional judgment, reasonably be thought to bear on independence. This shall include total fees charged during the period covered by the</p>	2	C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>professional judgment, may reasonably be thought to bear on independence. This shall include total fees charged during the period covered by the financial statements for audit and non-audit services provided by the firm and network firms to the entity and components controlled by the entity. These fees shall be allocated to categories that are appropriate to assist those charged with governance in assessing the effect of services on the independence of the auditor; and</p> <p>(ii) The related safeguards that have been applied to eliminate identified threats to independence or reduce them to an acceptable level. (Ref: Para. A29–A32)</p>		<p>financial statements for audit and non-audit services provided by the firm and network firms to the entity and components controlled by the entity. These fees shall be allocated to categories that are appropriate to assist those charged with governance in assessing the effect of services on the independence of the auditor; and</p> <p>(ii) <u>In respect of threats to independence that are not at an acceptable level, the actions taken to address the threats, including actions that were taken to eliminate the circumstances that create the such threats, or applying any The related safeguards that have been applied to eliminate identified reduce them the threats to an acceptable level.</u> (Ref: Para. A29–A32)</p>		

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 260 (Revised) Paragraph 20	The auditor shall communicate in writing with those charged with governance regarding auditor independence when required by paragraph 17.	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISA 260 (Revised) Paragraph A29	<p>The auditor is required to comply with relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements.²⁴</p> <p>²⁴ ISA 200, <i>Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing</i>, paragraph 14</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 260 (Revised) Paragraph A30	<p>The relationships and other matters, and safeguards to be communicated, vary with the circumstances of the engagement, but generally address:</p> <p>(a) Threats to independence, which may be categorized as: self-interest threats, self-review threats, advocacy threats, familiarity threats, and intimidation threats; and</p>	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and R120.10 have been amended from the extant Code, in particular in relation to how identified threats are addressed. 	<p>The <u>communication about relationships and other matters, and how threats to independence that are not at an acceptable level have been addressed</u> safeguards to be communicated, varies with the circumstances of the engagement <u>and generally addresses the threats to independence, safeguards to reduce the threats, and measures to eliminate circumstances that created threats.</u>, but generally address:</p>	2	C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	(b) Safeguards created by the profession, legislation or regulation, safeguards within the entity, and safeguards within the firm's own systems and procedures	<ul style="list-style-type: none"> Unlike the previous Code (300.13), the new Code does not refer to safeguards created by the profession etc. (see paragraphs R120.10 – 120.10 A2). 	<p>(a) Threats to independence, which may be categorized as: self-interest threats, self-review threats, advocacy threats, familiarity threats, and intimidation threats; and</p> <p>(b) Safeguards created by the profession, legislation or regulation, safeguards within the entity, and safeguards within the firm's own systems and procedures</p>		
ISA 260 (Revised) Paragraph A31	Relevant ethical requirements or law or regulation may also specify particular communications to those charged with governance in circumstances where breaches of independence requirements have been identified. For example, the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) requires the auditor to communicate with those charged with governance in writing about any breach and the action the firm has taken or proposes to take. ²⁵	<ul style="list-style-type: none"> Update title and references to the Code 	Relevant ethical requirements or law or regulation may also specify particular communications to those charged with governance in circumstances where breaches of independence requirements have been identified. For example, the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) requires the auditor to communicate with those charged with governance in writing about any breach and the action the firm has taken or proposes to take. ²⁵	1 & 3	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	25 See Section 290.39–49 of the IESBA Code, which addresses breaches of independence.		25 See, for example, paragraphs R400.801, R400.82 and R400.84 Section 290.39–49 of the IESBA Code, which addresses breaches of independence.		
ISA 260 (Revised) Paragraph A32	The communication requirements relating to auditor independence that apply in the case of listed entities may also be appropriate in the case of some other entities, including those that may be of significant public interest, for example, because they have a large number and wide range of stakeholders and considering the nature and size of the business. Examples of such entities may include financial institutions (such as banks, insurance companies, and pension funds), and other entities such as charities. On the other hand, there may be situations where communications regarding independence may not be relevant, for example, where all of those charged with governance have been informed of relevant facts through their management activities. This is particularly likely where the entity is owner-managed, and the	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	auditor's firm and network firms have little involvement with the entity beyond a financial statement audit.				
ISA 260 (Revised) Paragraph A49	<p>Timely communication throughout the audit contributes to the achievement of robust two-way dialogue between those charged with governance and the auditor. However, the appropriate timing for communications will vary with the circumstances of the engagement. Relevant circumstances include the significance and nature of the matter, and the action expected to be taken by those charged with governance. For example:</p> <p>...</p> <ul style="list-style-type: none"> Communications regarding independence may be appropriate whenever significant judgments are made about threats to independence and related safeguards, for example, when accepting an engagement to provide non-audit services, and at a concluding discussion. <p>...</p>	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and R120.10 have been amended from the extant Code, in particular in relation to how identified threats are addressed 	<p>Timely communication throughout the audit contributes to the achievement of robust two-way dialogue between those charged with governance and the auditor. However, the appropriate timing for communications will vary with the circumstances of the engagement. Relevant circumstances include the significance and nature of the matter, and the action expected to be taken by those charged with governance. For example:</p> <p>...</p> <ul style="list-style-type: none"> Communications regarding independence may be appropriate whenever significant judgments are made about threats to independence and <u>how threats to independence that are not at an acceptable level will be addressed</u> related <u>safeguards</u>, for example, when accepting an engagement to provide non-audit services, and at a concluding discussion. <p>...</p>	2	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 300 Paragraph 6	<p>The auditor shall undertake the following activities at the beginning of the current audit engagement:</p> <p>(a) Performing procedures required by ISA 220 regarding the continuance of the client relationship and the specific audit engagement;¹</p> <p>(b) Evaluating compliance with relevant ethical requirements, including independence, in accordance with ISA 220,² and</p> <p>(c) Establishing an understanding of the terms of the engagement, as required by ISA 210.³ (Ref: Para. A5–A7)</p> <p>¹ ISA 220, <i>Quality Control for an Audit of Financial Statements</i>, paragraphs 12–13</p> <p>² ISA 220, paragraphs 9–11</p> <p>³ ISA 220, <i>Quality Control for an Audit of Financial Statements</i>, paragraphs 12–13</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISA 300 Paragraph 13	<p>The auditor shall undertake the following activities prior to starting an initial audit:</p>	<ul style="list-style-type: none"> No changes identified – see paragraph R320.8 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(a) Performing procedures required by ISA 220 regarding the acceptance of the client relationship and the specific audit engagement; and</p> <p>(b) Communicating with the predecessor auditor, where there has been a change of auditors, in compliance with relevant ethical requirements. (Ref: Para. A22)</p>				
ISA 300 Paragraph A6	<p>Performing these preliminary engagement activities enables the auditor to plan an audit engagement for which, for example:</p> <ul style="list-style-type: none"> • The auditor maintains the necessary independence and ability to perform the engagement. • There are no issues with management integrity that may affect the auditor's willingness to continue the engagement. • There is no misunderstanding with the client as to the terms of the engagement. 	<ul style="list-style-type: none"> • No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 300 Paragraph A7	The auditor's consideration of client continuance and relevant ethical requirements, including independence, occurs throughout the audit engagement as conditions and changes in circumstances occur. Performing initial procedures on both client continuance and evaluation of relevant ethical requirements (including independence) at the beginning of the current audit engagement means that they are completed prior to the performance of other significant activities for the current audit engagement. For continuing audit engagements, such initial procedures often occur shortly after (or in connection with) the completion of the previous audit.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 510 Paragraph A5	Relevant ethical and professional requirements guide the current auditor's communications with the predecessor auditor.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	
ISA 550 Paragraph A32	Examples of substantive audit procedures that the auditor may perform when the auditor has assessed a significant risk that management has not appropriately	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>accounted for or disclosed specific related party transactions in accordance with the applicable financial reporting framework (whether due to fraud or error) include:</p> <ul style="list-style-type: none"> • Confirming or discussing specific aspects of the transactions with intermediaries such as banks, law firms, guarantors, or agents, where practicable and not prohibited by law, regulation or ethical rules. 				
ISA 550 Paragraph A36	<p>Examples of substantive audit procedures that the auditor may perform relating to newly identified related parties or significant related party transactions include:</p> <ul style="list-style-type: none"> • Making inquiries regarding the nature of the entity's relationships with the newly identified related parties, including (where appropriate and not prohibited by law, regulation or ethical rules) inquiring of parties outside the entity who are presumed to have significant knowledge of the entity and its business, such as legal counsel, principal agents, major representatives, consultants, 	<ul style="list-style-type: none"> • No change identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	guarantors, or other close business partners.				
ISA 600 Paragraph 19	<p>If the group engagement team plans to request a component auditor to perform work on the financial information of a component, the group engagement team shall obtain an understanding of the following: (Ref: Para. A32–A35)</p> <p>(a) Whether the component auditor understands and will comply with the ethical requirements that are relevant to the group audit and, in particular, is independent. (Ref: Para. A37)</p> <p>...</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 600 Paragraph 20	<p>If a component auditor does not meet the independence requirements that are relevant to the group audit, or the group engagement team has serious concerns about the other matters listed in paragraph 19(a)–(c), the</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	group engagement team shall obtain sufficient appropriate audit evidence relating to the financial information of the component without requesting that component auditor to perform work on the financial information of that component. (Ref: Para. A39–A41)				
ISA 600 Paragraph 40	<p>The group engagement team shall communicate its requirements to the component auditor on a timely basis. This communication shall set out the work to be performed, the use to be made of that work, and the form and content of the component auditor's communication with the group engagement team. It shall also include the following: (Ref: Para. A57, A58, A60)</p> <p>...</p> <p>(b) The ethical requirements that are relevant to the group audit and, in particular, the independence requirements.</p> <p>...</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 600 Paragraph 41	<p>The group engagement team shall request the component auditor to communicate matters relevant to the group engagement team's conclusion with regard to the group audit. Such communication shall include: (Ref: Para. A60)</p> <p>(a) Whether the component auditor has complied with ethical requirements that are relevant to the group audit, including independence and professional competence;</p> <p>...</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 600 Paragraph A37	<p>When performing work on the financial information of a component for a group audit, the component auditor is subject to ethical requirements that are relevant to the group audit. Such requirements may be different or in addition to those applying to the component auditor when performing a statutory audit in the component auditor's jurisdiction. The group engagement team therefore obtains an understanding whether the</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	component auditor understands and will comply with the ethical requirements that are relevant to the group audit, sufficient to fulfill the component auditor's responsibilities in the group audit.				
ISA 600 Paragraph A39	The group engagement team cannot overcome the fact that a component auditor is not independent by being involved in the work of the component auditor or by performing additional risk assessment or further audit procedures on the financial information of the component.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 600 Appendix I	<ul style="list-style-type: none"> The International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants comprises all of the relevant ethical requirements that apply to the audit. <p>We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the <i>Auditor's Responsibilities for the Audit of the Consolidated Financial Statements</i></p>	<ul style="list-style-type: none"> Update title of the Code 	<p>For purposes of this illustrative auditor's report, the following circumstances are assumed:</p> <p>...</p> <ul style="list-style-type: none"> The International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants</i> (including <i>International Independence Standards</i>) (IESBA Code) comprises all of the relevant ethical requirements that apply to the audit. <p>...</p> <p>...</p>	3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.		We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the <i>Auditor's Responsibilities for the Audit of the Consolidated Financial Statements</i> section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.		
ISA 600 Appendix 4	1. We have an understanding of [indicate relevant ethical requirements] that is sufficient to fulfill our responsibilities in the audit of the group financial statements, and will comply therewith. In particular, and with respect to [name of parent] and the other components in the group, we are independent within the meaning of [indicate relevant ethical requirements] and comply with the applicable requirements of [refer to rules]	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	promulgated by [name of regulatory agency].				
ISA 610 (Revised 2013) Paragraph A14	<p>In addition, the IESBA Code¹⁷ states that a self-review threat is created when the external auditor accepts an engagement to provide internal audit services to an audit client, and the results of those services will be used in conducting the audit. This is because of the possibility that the engagement team will use the results of the internal audit service without properly evaluating those results or without exercising the same level of professional skepticism as would be exercised when the internal audit work is performed by individuals who are not members of the firm. The IESBA Code¹⁸ discusses the prohibitions that apply in certain circumstances and the safeguards that can be applied to reduce the threats to an acceptable level in other circumstances.</p> <p>17 The International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code), Section 290.194</p>	<ul style="list-style-type: none"> Update to title and references to the Code 	<p>17 The International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), paragraph 605.4 A32 Section 290.194</p> <p>18 IESBA Code, paragraphs R605.1–R605.5—Section 290.190–290.195</p>	1 & 3	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	18 IESBA Code, Section 290.190–290.195				
ISA 620 Paragraph 9	<p>The Competence, Capabilities and Objectivity of the Auditor's Expert</p> <p>The auditor shall evaluate whether the auditor's expert has the necessary competence, capabilities and objectivity for the auditor's purposes. In the case of an auditor's external expert, the evaluation of objectivity shall include inquiry regarding interests and relationships that may create a threat to that expert's objectivity. (Ref: Para. A14–A20)</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISA 620 Paragraph A12	<p>An auditor's external expert is not a member of the engagement team and is not subject to quality control policies and procedures in accordance with ISQC 1.¹¹ In some jurisdictions, however, law or regulation may require that an auditor's external expert be treated as a member of the engagement team, and may therefore be subject to relevant ethical requirements, including those pertaining to independence, and other professional requirements, as determined by that law or regulation.</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	¹¹ ISQC 1, paragraph 12(f)				
ISA 620 Paragraph A16	Matters relevant to evaluating the competence, capabilities and objectivity of the auditor's expert include whether that expert's work is subject to technical performance standards or other professional or industry requirements, for example, ethical standards and other membership requirements of a professional body or industry association, accreditation standards of a licensing body, or requirements imposed by law or regulation.	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISA 620 Paragraph A18	A broad range of circumstances may threaten objectivity, for example, self-interest threats, advocacy threats, familiarity threats, self-review threats, and intimidation threats. Safeguards may eliminate or reduce such threats, and may be created by external structures (for example, the auditor's expert's profession, legislation or regulation), or by the auditor's expert's work environment (for example, quality control policies and procedures).	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and R120.10 have been amended from the extant Code, in particular in relation to how identified threats are addressed 	A broad range of circumstances may threaten objectivity, for example, self-interest threats, advocacy threats, familiarity threats, self-review threats, and intimidation threats. Safeguards may eliminate or reduce such threats, and may be created by external structures (for example, the auditor's expert's profession, legislation or regulation). Such threats may be addressed by <u>eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level</u> , or by the auditor's expert's work environment (for example, quality control	2	C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	There may also be safeguards specific to the audit engagement.	<ul style="list-style-type: none"> Section 100.13 of the old Code referred to “(a) Safeguards created by the profession, legislation or regulation; and “Safeguards in the work environment.” The revised Code does not discuss safeguards created by the profession 	policies and procedures). There may also be safeguards specific to the audit engagement.		
ISA 620 Paragraph A19	The evaluation of the significance of threats to objectivity and of whether there is a need for safeguards may depend upon the role of the auditor's expert and the significance of the expert's work in the context of the audit. There may be some circumstances in which safeguards cannot reduce threats to an acceptable level, for example, if a	<ul style="list-style-type: none"> Paragraph R120.6, R120.7 and R120.10 have been amended from the extant Code, in particular in relation to how identified 	The evaluation of <u>whether the threats to objectivity are at an acceptable level</u> the significance of threats to objectivity and of whether there is a need for safeguards may depend upon the role of the auditor's expert and the significance of the expert's work in the context of the audit. <u>In some cases, it may not be possible to eliminate circumstances that create threats or apply safeguards to reduce threats to an acceptable level</u> There may be some	2	C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	proposed auditor's expert is an individual who has played a significant role in preparing the information that is being audited, that is, if the auditor's expert is a management's expert.	threats are addressed	circumstances in which safeguards cannot reduce threats to an acceptable level, for example, if a proposed auditor's expert is an individual who has played a significant role in preparing the information that is being audited, that is, if the auditor's expert is a management's expert.		
ISA 620 Paragraph A31	It is necessary for the confidentiality provisions of relevant ethical requirements that apply to the auditor also to apply to the auditor's expert. Additional requirements may be imposed by law or regulation. The entity may also have requested that specific confidentiality provisions be agreed with auditor's external experts.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 700 (Revised) Paragraph 28	<p>The auditor's report shall include a section, directly following the Opinion section, with the heading "Basis for Opinion", that: (Ref: Para. A32)</p> <p>...</p> <p>(c) Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor's other</p>	<ul style="list-style-type: none"> Update to the title of the Code 	<p>The auditor's report shall include a section, directly following the Opinion section, with the heading "Basis for Opinion", that: (Ref: Para. A32)</p> <p>...</p> <p>(c) Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor's other ethical responsibilities in accordance with these requirements. The statement shall identify the</p>	3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>ethical responsibilities in accordance with these requirements. The statement shall identify the jurisdiction of origin of the relevant ethical requirements or refer to the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code); and (Ref: Para. A34–A39)</p> <p>...</p>		<p>jurisdiction of origin of the relevant ethical requirements or refer to the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code); and (Ref: Para. A34–A39)</p> <p>...</p>		
<p>ISA 700 (Revised) Paragraph 40</p>	<p>The Auditor's Responsibilities for the Audit of the Financial Statements section of the auditor's report also shall: (Ref: Para. A50)</p> <p>...</p> <p>(b) For audits of financial statements of listed entities, state that the auditor provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence and communicates with them all relationships and other matters</p>	<ul style="list-style-type: none"> Change to reflect wording of the Code (threats) 	<p>The Auditor's Responsibilities for the Audit of the Financial Statements section of the auditor's report also shall: (Ref: Para. A50)</p> <p>...</p> <p>(b) For audits of financial statements of listed entities, state that the auditor provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence and communicates with them all relationships and other matters that may reasonably be thought to bear on the auditor's independence, and where applicable, related safeguards how actions taken to</p>	2	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>that may reasonably be thought to bear on the auditor's independence, and where applicable, related safeguards; and</p> <p>...</p>		<p>eliminate threats have been eliminated or <u>safeguards applied</u>; and</p> <p>...</p>		
ISA 700 (Revised) Paragraph 50	<p>If the auditor is required by law or regulation of a specific jurisdiction to use a specific layout, or wording of the auditor's report, the auditor's report shall refer to International Standards on Auditing only if the auditor's report includes, at a minimum, each of the following elements: (Ref: Para. A70–A71)</p> <p>...</p> <p>(d) A statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor's other ethical responsibilities in accordance with these requirements. The statement shall identify the jurisdiction of origin of the</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	relevant ethical requirements or refer to the IESBA Code. ...				
ISA 700 (Revised) Paragraph A34	The identification of the jurisdiction of origin of relevant ethical requirements increases transparency about those requirements relating to the particular audit engagement. ISA 200 explains that relevant ethical requirements ordinarily comprise Parts A and B of the IESBA Code related to an audit of financial statements together with national requirements that are more restrictive. When the relevant ethical requirements include those of the IESBA Code, the statement may also make reference to the IESBA Code. If the IESBA Code constitutes all of the ethical requirements relevant to the audit, the statement need not identify a jurisdiction of origin.	<ul style="list-style-type: none"> Alignment with ISA 200 – refer ISA 200 for explanation 	The identification of the jurisdiction of origin of relevant ethical requirements increases transparency about those requirements relating to the particular audit engagement. ISA 200 explains that relevant ethical requirements ordinarily comprise <u>the provisions of Parts A and B</u> of the IESBA Code related to an audit of financial statements, together with national requirements that are more restrictive. When the relevant ethical requirements include those of the IESBA Code, the statement may also make reference to the IESBA Code. If the IESBA Code constitutes all of the ethical requirements relevant to the audit, the statement need not identify a jurisdiction of origin.	1	N/A
ISA 700 (Revised) Paragraph A39	The ISAs do not establish specific independence or ethical requirements for auditors, including component auditors, and thus do not extend, or otherwise override, the independence requirements of the IESBA Code or	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	other ethical requirements to which the group engagement team is subject, nor do the ISAs require that the component auditor in all cases to be subject to the same specific independence requirements that are applicable to the group engagement team. As a result, relevant ethical requirements, including those pertaining to independence, in a group audit situation may be complex. ISA 600 provides guidance for auditors in performing work on the financial information of a component for a group audit, including those situations where the component auditor does not meet the independence requirements that are relevant to the group audit.				
ISA 700 (Revised) Appendix (various)	The relevant ethical requirements that apply to the audit comprise the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> together with the ethical requirements relating to the audit in the jurisdiction, and the auditor refers to both.	<ul style="list-style-type: none"> Update to the title of the Code 	The relevant ethical requirements that apply to the audit comprise the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), together with the ethical requirements relating to the audit in the jurisdiction, and the auditor refers to both.	3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 700 (Revised) Appendix (various) *** Various illustrative reports in the other standards require the same update	We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Statements</i> section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in <i>[jurisdiction]</i> , and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.	<ul style="list-style-type: none"> Update to the title of the Code 	We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Statements</i> section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in <i>[jurisdiction]</i> , and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.	3	A
ISA 700 (Revised) Appendix (various) *** Various illustrative	We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other	<ul style="list-style-type: none"> Change to reflect wording of the Code (threats) 	We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our	2	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
reports in the other standards require the same update	matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.		independence, and where applicable, related safeguards <u>how actions taken to eliminate threats have been eliminated</u> or safeguards <u>applied</u> .		
ISA 701 Paragraph A55	It may also be necessary for the auditor to consider the implications of communicating about a matter determined to be a key audit matter in light of relevant ethical requirements. In addition, the auditor may be required by law or regulation to communicate with applicable regulatory, enforcement or supervisory authorities in relation to the matter, regardless of whether the matter is communicated in the auditor's report. Such communication may also be useful to inform the auditor's consideration of the adverse consequences that may arise from communicating about the matter.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 706 Paragraph A15	The content of an Other Matter paragraph reflects clearly that such other matter is not required to be presented and disclosed in the financial statements. An Other Matter paragraph does not include	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	information that the auditor is prohibited from providing by law, regulation or other professional standards, for example, ethical standards relating to confidentiality of information. An Other Matter paragraph also does not include information that is required to be provided by management.				
ISA 720 (Revised) Paragraph 4	<p>This ISA may also assist the auditor in complying with relevant ethical requirements² that require the auditor to avoid being knowingly associated with information that the auditor believes contains a materially false or misleading statement, statements or information furnished recklessly, or omits or obscures information required to be included where such omission or obscurity would be misleading.</p> <p>² International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code), paragraph 110.2</p>	<ul style="list-style-type: none"> Update to the title and references to the Code Corresponding material in the IESBA Code has not changed in substance 	2 International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), paragraph R111.2.410.2.	1 & 3	N/A
ISA 720 (Revised)	Remaining alert for other indications that the other information not related to the financial statements or the	<ul style="list-style-type: none"> Update references to the Code 	12 IESBA Code, paragraph R111.2.410.2	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
Paragraph A38	<p>auditor's knowledge obtained in the audit appears to be materially misstated assists the auditor in complying with relevant ethical requirements that require the auditor to avoid being knowingly associated with other information that the auditor believes contains a materially false or misleading statement, a statement furnished recklessly, or omits or obscures necessary information such that the other information is misleading.¹²</p> <p>Remaining alert for other indications that the other information appears to be materially misstated could potentially result in the auditor identifying such matters as:</p> <ul style="list-style-type: none"> Differences between the other information and the general knowledge, apart from the knowledge obtained in the audit, of the engagement team member reading the other information that lead the auditor to believe that the other information appears to be materially misstated; or 	<ul style="list-style-type: none"> Corresponding material in the IESBA Code has not changed in substance 			

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> An internal inconsistency in the other information that leads the auditor to believe that the other information appears to be materially misstated. <p>12 IESBA Code, paragraph 110.2</p>				
ISA 800 (Revised) Paragraph A9	ISA 200 requires the auditor to comply with (a) relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements, and (b) all ISAs relevant to the audit. It also requires the auditor to comply with each requirement of an ISA unless, in the circumstances of the audit, the entire ISA is not relevant or the requirement is not relevant because it is conditional and the condition does not exist. In exceptional circumstances, the auditor may judge it necessary to depart from a relevant requirement in an ISA by performing alternative audit procedures to achieve the aim of that requirement.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 800 Illustration 3	We also provide those charged with governance with a statement that we have complied with relevant ethical	<ul style="list-style-type: none"> Change to reflect wording 	We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding	2	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.	of the Code (threats)	independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, how actions taken to eliminate threats have been eliminated or safeguards applied. related safeguards.		
ISA 805 (Revised) Paragraph A5	ISA 200 requires the auditor to comply with (a) relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements, and (b) all ISAs relevant to the audit. It also requires the auditor to comply with each requirement of an ISA unless, in the circumstances of the audit, the entire ISA is not relevant or the requirement is not relevant because it is conditional and the condition does not exist. In exceptional circumstances, the auditor may judge it necessary to depart from a relevant requirement in an ISA by performing alternative audit procedures to achieve the aim of that requirement. ¹⁹	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISA 805 Illustration 3	We also provide those charged with governance with a statement that we have complied with relevant ethical	<ul style="list-style-type: none"> Change to reflect wording 	We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding	2	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.	of the Code (threats)	independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, how actions taken to eliminate threats have been eliminated or safeguards applied. related safeguards.		
ISA 810 (Revised) Paragraph A13	<p>In reading the information included in a document containing the summary financial statements and the auditor's report thereon, the auditor may become aware that such information is misleading and may need to take appropriate action. Relevant ethical requirements¹⁴ require the auditor to avoid being knowingly associated with information that the auditor believes contains a materially false or misleading statement, statements or information furnished recklessly, or omits or obscures information required to be included where such omission or obscurity would be misleading.</p> <p>¹⁴ International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), paragraph 110.2</p>	<ul style="list-style-type: none"> Update to the title and references to the Code Corresponding material in the IESBA Code has not changed in substance 	14 International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), paragraph R111.2-110.2	1 & 3	A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISA 810 (Revised) Paragraph A17	A title indicating the report is the report of an independent auditor, for example, "Report of the Independent Auditor," affirms that the auditor has met all of the relevant ethical requirements regarding independence. This distinguishes the report of the independent auditor from reports issued by others.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	
IAPN 1000 Paragraph 78	A key consideration in audits involving financial instruments, particularly complex financial instruments, is the competence of the auditor. ISA 220 ¹⁵ requires the engagement partner to be satisfied that the engagement team, and any auditor's experts who are not part of the engagement team, collectively have the appropriate competence and capabilities to perform the audit engagement in accordance with professional standards and applicable legal and regulatory requirements and to enable an auditor's report that is appropriate in the circumstances to be issued. Further, relevant ethical requirements ¹⁶ require the auditor to determine whether acceptance of the	<ul style="list-style-type: none"> Update to the title and references to the Code 	<p>15 ISA 220, paragraph 14</p> <p>16 International Ethics Standards Board of Accountants (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) paragraphs 320.1–320.10 A1:</p>	1 & 3	A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>engagement would create any threats to compliance with the fundamental principles, including the professional competence and due care. Paragraph 79 below provides examples of the types of matters that may be relevant to the auditor's considerations in the context of financial instruments.</p> <p>15 ISA 220, paragraph 14</p> <p>16 IESBA Code of Ethics for Professional Accountants paragraphs 210.1 and 210.6</p>				
ISRE 2400 (Revised) Paragraph 17(h)	<p><i>Professional judgment</i>—The application of relevant training, knowledge and experience, within the context provided by assurance, accounting and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the review engagement.</p>	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A
ISRE 2400 (Revised) Paragraph 17(i)	<p><i>Relevant ethical requirements</i>—Ethical requirements the engagement team is subject to when undertaking review engagements. These requirements ordinarily comprise Parts A and B of the International Ethics Standards</p>	<ul style="list-style-type: none"> Refer explanation under the Glossary for the changes (including editorial 	<p>Relevant ethical requirements – Ethical requirements <u>to which</u> the engagement team is subject to—when undertaking review engagements. These requirements which ordinarily comprise <u>the provisions of Parts A and B</u> of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for</i></p>	1 & 3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code), together with national requirements that are more restrictive.	changes and alignment with the title of the revised IESBA Code)	<u>Professional Accountants</u> (including <u>International Independence Standards</u>) (IESBA Code) <u>related to a review of financial statements</u> , together with national requirements that are more restrictive.		
ISRE 2400 (Revised) Paragraph 21	The practitioner shall comply with relevant ethical requirements, including those pertaining to independence. (Ref: Para. A15–A16)	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISRE 2400 (Revised) Paragraph 25	<p>The engagement partner shall take responsibility for: (Ref: Para. A27–A30)</p> <p>...</p> <p>(d) The engagement being performed in accordance with the firm's quality control policies, including the following:</p> <p>(i) Being satisfied that appropriate procedures regarding the acceptance and continuance of client relationships and engagements have been followed, and that conclusions reached are appropriate, including considering whether there</p>	<ul style="list-style-type: none"> No change identified (see section 320) 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	is information that would lead the engagement partner to conclude that management lacks integrity; (Ref: Para. A32–A33)				
ISRE 2400 (Revised) Paragraph 26	If the engagement partner obtains information that would have caused the firm to decline the engagement had that information been available earlier, the engagement partner shall communicate that information promptly to the firm, so that the firm and the engagement partner can take the necessary action.	<ul style="list-style-type: none"> No change identified (see paragraph R320.9) 	N/A	N/A	N/A
ISRE 2400 (Revised) Paragraph 27	Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of non-compliance with relevant ethical requirements by members of the engagement team. If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have not complied with relevant ethical requirements, the engagement	<ul style="list-style-type: none"> The Code refers to breaches, rather than non-compliance 	Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of non-compliance with breaches of relevant ethical requirements by members of the engagement team. If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have not complied with breached relevant ethical requirements, the engagement partner, in	4	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	partner, in consultation with others in the firm, shall determine the appropriate action.		consultation with others in the firm, shall determine the appropriate action.		
ISRE 2400 (Revised) Paragraph 29	<p>Unless required by law or regulation, the practitioner shall not accept a review engagement if: (Ref: Para. A34–A35)</p> <p>...</p> <p>(b) The practitioner has reason to believe that relevant ethical requirements, including independence, will not be satisfied;</p> <p>...</p> <p>(d) The practitioner has cause to doubt management's integrity such that it is likely to affect proper performance of the review; or (Ref: Para. A37(b))</p> <p>...</p>	<ul style="list-style-type: none"> No changes identified (see paragraph R320.9) 	N/A	N/A	N/A
ISRE 2400 (Revised) Paragraph 52	When there is an indication that fraud or non-compliance with laws and regulations, or suspected fraud or non-compliance with laws and regulations,	<ul style="list-style-type: none"> No changes identified – see paragraphs 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>has occurred in the entity, the practitioner shall:</p> <p>...</p> <p>(d) Determine whether law, regulation or relevant ethical requirements: (Ref: Para. A94–A98)</p> <p>(i) Require the practitioner to report to an appropriate authority outside the entity.</p> <p>(ii) Establish responsibilities under which reporting to an appropriate authority outside the entity may be appropriate in the circumstances.</p>	R360.36–360.36 A3			
ISRE 2400 (Revised) Paragraph 86	<p>The practitioner's report for the review engagement shall be in writing, and shall contain the following elements: (Ref: Para. A124–A127, A148, A150)</p> <p>...</p> <p>(j) A reference to the practitioner's obligation under this ISRE to comply with relevant ethical requirements;</p> <p>...</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISRE 2400 (Revised) Paragraph A15	<p>Part A of the IESBA Code establishes the fundamental principles of professional ethics practitioners must comply with, and provides a conceptual framework for applying those principles. The fundamental principles are:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. In complying with the IESBA Code, threats to the practitioner's compliance with relevant ethical requirements are required to be identified and appropriately addressed.</p>	<ul style="list-style-type: none"> • Refer paragraph A7 of ISQC 1 for explanation 	<p>Part A of tThe IESBA Code establishes the fundamental principles of ethics, <u>which are that practitioners must comply with, and provides a conceptual framework for applying those principles. The fundamental principles are:</u></p> <ul style="list-style-type: none"> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <p><u>The fundamental principles of ethics establish the standard of behaviour expected of a professional accountant.</u></p> <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. In complying with the IESBA Code, threats to the practitioner's compliance with relevant ethical requirements are required to be identified and appropriately addressed.</p> <p><u>The IESBA Code provides a conceptual framework that establishes the approach which a professional accountants is required are to apply when in order to identifying, evaluating and addressing</u> threats to compliance with the fundamental principles. In the case of audits, reviews and other assurance engagements, the</p>	1	B & C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
			<p>IESBA Code sets out <i>International Independence Standards</i>, established by the application of which apply the conceptual framework of identifying, evaluating and addressing to threats to the fundamental principles and compliance with independence in relation to those engagements requirements.</p>		
ISRE 2400 (Revised) Paragraph A16	<p>In the case of an engagement to review financial statements, the IESBA Code requires that the practitioner be independent of the entity whose financial statements are reviewed. The IESBA Code describes independence as comprising both independence of mind and independence in appearance. The practitioner's independence safeguards the practitioner's ability to form a conclusion without being affected by influences that might otherwise compromise that conclusion. Independence enhances the practitioner's ability to act with integrity, to be objective and to maintain an attitude of professional skepticism.</p>	<ul style="list-style-type: none"> No changes identified (see paragraph 400.1, 400.5) 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISRE 2400 (Revised) Paragraph A21	Professional judgment is essential to the proper conduct of a review engagement. This is because interpretation of relevant ethical requirements and the requirements of this ISRE, and the need for informed decisions throughout the performance of a review engagement, require the application of relevant knowledge and experience to the facts and circumstances of the engagement. Professional judgment is necessary, in particular: ...	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A
ISRE 2400 (Revised) Paragraph A22	The distinguishing feature of the professional judgment expected of the practitioner is that it is exercised by a practitioner whose training, knowledge and experience, including in the use of assurance skills and techniques, have assisted in developing the necessary competencies to achieve reasonable judgments. Consultation on difficult or contentious matters during the course of the engagement, both within the engagement team and between the engagement team and others at the appropriate level within or outside the	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	firm, assists the practitioner in making informed and reasonable judgments.				
ISRE 2400 (Revised) Paragraph A27	Within the context of the firm's system of quality control, engagement teams have a responsibility to implement quality control procedures applicable to the engagement, and provide the firm with relevant information to enable the functioning of that part of the firm's system of quality control relating to independence.	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISRE 2400 (Revised) Paragraph A29	<p>Unless information provided by the firm or other parties suggests otherwise, the engagement team is entitled to rely on the firm's system of quality control. For example, the engagement team may rely on the firm's system of quality control in relation to:</p> <ul style="list-style-type: none"> Competence of personnel through their recruitment and formal training. Independence through the accumulation and communication of relevant independence information. 	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> Maintenance of client relationships through acceptance and continuance systems. Adherence to regulatory and legal requirements through the monitoring process. <p>In considering deficiencies identified in the firm's system of quality control that may affect the review engagement, the engagement partner may consider measures taken by the firm to rectify those deficiencies.</p>				
ISRE 2400 (Revised) Paragraph A32	ISQC 1 requires the firm to obtain information as it considers necessary in the circumstances before accepting an engagement with a new client, when deciding whether to continue an existing engagement, and when considering acceptance of a new engagement with an existing client. Information that assists the engagement partner in determining whether acceptance and continuance of client relationships and review	<ul style="list-style-type: none"> No change identified – see section 320 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>engagements are appropriate may include information concerning:</p> <ul style="list-style-type: none"> • The integrity of the principal owners, key management and those charged with governance; and • Significant matters that have arisen during the current or a previous review engagement, and their implications for continuing the relationship. 				
ISRE 2400 (Revised) Paragraph A34	<p>The practitioner's consideration of engagement continuance, and relevant ethical requirements, including independence, occurs throughout the engagement, as conditions and changes in circumstances occur. Performing initial procedures on engagement continuance and evaluation of relevant ethical requirements (including independence) at the beginning of an engagement informs the practitioner's decisions and actions prior to the performance of other significant activities for the engagement.</p>	<ul style="list-style-type: none"> • No change identified – see section 320 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISRE 2400 (Revised) Paragraph A88	<p>The practitioner may have additional responsibilities under law, regulation or relevant ethical requirements regarding an entity's non-compliance with laws and regulations, including fraud, which may differ from or go beyond this ISRE, such as:</p> <p>(a) Responding to identified or suspected non-compliance with laws and regulations, including requirements in relation to specific communications with management and those charged with governance and considering whether further action is needed;</p> <p>(b) Communicating identified or suspected non-compliance with laws and regulations to an auditor, for example a group engagement partner;¹¹ and</p> <p>(c) Documentation requirements regarding identified or suspected non-compliance with laws and regulations.</p> <p>Complying with any additional responsibilities may provide further information that is relevant to the practitioner's work in accordance with</p>	<ul style="list-style-type: none"> Update references to the Code No other changes identified – see paragraphs R360.29–R360.40 A1 	<p>11 See, for example, Sections 225.44–225.48 paragraphs R360.2931–360.4035 A1 of the IESBA Code.</p>	1	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>this ISRE (e.g., regarding the integrity of management or, where appropriate, those charged with governance).</p> <p>11 See, for example, Sections 225.44–225.48 of the IESBA Code.</p>				
ISRE 2400 (Revised) Paragraph A95	<p>In some cases, the relevant ethical requirements may require the practitioner to report or to consider whether reporting identified or suspected fraud or non-compliance with laws and regulations to an appropriate authority outside the entity is an appropriate action in the circumstances. For example, the IESBA Code requires the practitioner to take steps to respond to identified or suspected non-compliance with laws and regulations, and consider whether further action is needed, which may include reporting to an appropriate authority outside the entity.¹² The IESBA Code explains that such reporting would not be considered a breach of the duty of confidentiality under the IESBA Code.¹³</p> <p>12 See, for example, Section 225.51 to 225.52 of the IESBA Code.</p>	<ul style="list-style-type: none"> • Update references to the Code • No other changes identified – see section R360.29–R360.38 	<p>12 See, for example, paragraphs R360.36–360.36 A3Section 225.51 to 225.52 of the IESBA Code.</p> <p>13 See, for example, Section 140.7 paragraphs R114.1, 114.1 A1 and R360.37 and Section 225.53 of the IESBA Code.</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	13 See, for example, Section 140.7 and Section 225.53 of the IESBA Code.				
ISRE 2400 (Revised) Paragraph A97	In other circumstances, the reporting of identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity may be precluded by the practitioner's duty of confidentiality under law, regulation or relevant ethical requirements.	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.6 and 360.36 A3 	N/A	N/A	N/A
ISRE 2400 (Revised) Paragraph A98	The determination required by paragraph 52(d) may involve complex considerations and professional judgments. Accordingly, the practitioner may consider consulting internally (e.g., within the firm or a network firm) or on a confidential basis with a regulator or a professional body (unless doing so is prohibited by law or regulation or would breach the duty of confidentiality). The practitioner may also consider obtaining legal advice to understand the practitioner's options and the professional or legal	<ul style="list-style-type: none"> No changes identified – see paragraph 360.39 A1 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	implications of taking any particular course of action.				
ISRE 2400 (Revised) Paragraph A125	A title indicating the report is the report of an independent practitioner, for example, "Independent Practitioner's Review Report," affirms that the practitioner has met all of the relevant ethical requirements regarding independence and, therefore, distinguishes the independent practitioner's report from reports issued by others.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISRE 2400 (Revised) Appendix 1	We will conduct our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. ISRE 2400 (Revised) also requires us to	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	comply with relevant ethical requirements.				
ISRE 2400 (Revised) Appendix 2	Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), <i>Engagements to Review Historical Financial Statements</i> . ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISRE 2410 Paragraph 4	The auditor should comply with the ethical requirements relevant to the audit of the annual financial statements of the entity. These ethical requirements govern the auditor's professional responsibilities in the following areas: independence,	<ul style="list-style-type: none"> The fundamental principles highlighted are not the same as the Code, 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	integrity, objectivity, professional competence and due care, confidentiality, professional behavior, and technical standards.	<p>paragraph 110.1 A1</p> <ul style="list-style-type: none"> • General updates to this standard are needed to reference relevant ethical requirements in the same manner as the other standards • However, given that this standard has not been updated for conforming amendments in relation to other recent projects of the IAASB, it is proposed that no changes are made as it may give the 			

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
		appearance that the standard is up to date			
ISAE 3000 (Revised) Paragraph 3	<p>This ISAE is premised on the basis that:</p> <p>(a) The members of the engagement team and the engagement quality control reviewer (for those engagements where one has been appointed) are subject to Parts A and B of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements in law or regulation, that are at least as demanding; and (Ref: Para. A30–A34)</p> <p>...</p>	<ul style="list-style-type: none"> • Update references to the Code • See explanation in the glossary for basis for more general references to the Code. However, in context of ISAE 3000, is this appropriate, given we are more specific about the relevant ethical requirements because the standard may be used by 	<p>This ISAE is premised on the basis that:</p> <p>(a) The members of the engagement team and the engagement quality control reviewer (for those engagements where one has been appointed) are subject to <u>the provisions—Parts A and B of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants—(IESBA Code)</u> related to assurance engagements, or other professional requirements, or requirements in law or regulation, that are at least as demanding; and (Ref: Para. A30–A34)</p>	1 & 3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
		non-accountants			
ISAE 3000 (Revised) Paragraph 4	Quality control within firms that perform assurance engagements, and compliance with ethical principles, including independence requirements, are widely recognized as being in the public interest and an integral part of high-quality assurance engagements. Professional accountants in public practice will be familiar with such requirements. If a competent practitioner other than a professional accountant in public practice chooses to represent compliance with this or other ISAE, it is important to recognize	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	that this ISAE includes requirements that reflect the premise in the preceding paragraph.				
ISAE 3000 (Revised) Paragraph 12(t)	Professional judgment—The application of relevant training, knowledge and experience, within the context provided by assurance and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the engagement.	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISAE 3000 (Revised) Paragraph 20	The practitioner shall comply with Parts A and B of the IESBA Code related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. (Ref: Para. A30–A34, A60)	<ul style="list-style-type: none"> Refer explanation above under paragraph 3 	The practitioner shall comply with <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. (Ref: Para. A30–A34, A60)	1	N/A
ISAE 3000 (Revised) Paragraph 21	The engagement partner shall be satisfied that appropriate procedures regarding the acceptance and continuance of client relationships and assurance engagements have been followed by the firm, and shall determine that conclusions reached in this regard are appropriate.	<ul style="list-style-type: none"> No changes identified – see section 320 	N/A	N/A	N/A
ISAE 3000 (Revised) Paragraph 22	The practitioner shall accept or continue an assurance engagement only when: (Ref: Para. A30–A34) (a) The practitioner has no reason to believe that relevant ethical requirements, including independence, will not be satisfied; (b) The practitioner is satisfied that those persons who are to	<ul style="list-style-type: none"> No changes identified – see section 320 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	perform the engagement collectively have the appropriate competence and capabilities (see also paragraph 32); and ...				
ISAE 3000 (Revised) Paragraph 23	If the engagement partner obtains information that would have caused the firm to decline the engagement had that information been available earlier, the engagement partner shall communicate that information promptly to the firm, so that the firm and the engagement partner can take the necessary action.	<ul style="list-style-type: none"> No changes identified (see paragraph R320.9) 	N/A	N/A	N/A
ISAE 3000 (Revised) Paragraph 33	The engagement partner shall take responsibility for the overall quality on the engagement. This includes responsibility for: (a) Appropriate procedures being performed regarding the acceptance and continuance of client relationships and engagements;	<ul style="list-style-type: none"> No changes identified – see section 320 	N/A	N/A	N/A
ISAE 3000 (Revised) Paragraph 34	Throughout the engagement, the engagement partner shall remain alert, through observation and making	<ul style="list-style-type: none"> The Code refers to breaches, 	Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence	4	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	inquiries as necessary, for evidence of non-compliance with relevant ethical requirements by members of the engagement team. If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have not complied with relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.	<p>rather than non-compliance</p> <ul style="list-style-type: none"> Paragraph R100.4 states "take whatever actions might be available, as soon as possible, to address the consequences of the breach satisfactorily" 	of breaches of non-compliance with relevant ethical requirements by members of the engagement team. If matters come to the engagement partner's attention through the firm's system of quality control or otherwise that indicate that members of the engagement team have breached not complied with relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.		
ISAE 3000 (Revised) Paragraph 69(j)	<p>The assurance report shall include, at a minimum, the following basic elements:</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements. If the</p>	<ul style="list-style-type: none"> Refer explanation above under paragraph 3 	<p>The assurance report shall include, at a minimum, the following basic elements:</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding as the provisions Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements. (Ref: Para. A172) ...		requirements imposed by law or regulation, applied that are at least as demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements. (Ref: Para. A172) ...		
ISAE 3000 (Revised) Paragraph A30	Part A of the IESBA Code establishes the following fundamental principles with which the practitioner is required to comply: (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior.	<ul style="list-style-type: none"> Refer paragraph A7 of ISQC 1 for explanation 	Part A of t The IESBA Code establishes the <u>following</u> fundamental principles <u>of ethics, which are with which the practitioner is required to comply:</u> (a) Integrity; (b) Objectivity; (c) Professional competence and due care; (d) Confidentiality; and (e) Professional behavior. <u>The fundamental principles of ethics establish the standard of behaviour expected of a professional accountant.</u>	1	C
ISAE 3000 (Revised)	Part A of the IESBA Code also provides a conceptual framework for professional accountants to apply to:	<ul style="list-style-type: none"> In ISQC 1 and ISRE 2400 this has been explained 	<u>The IESBA Code provides a conceptual framework that professional accountants are required to apply when in order to identify, evaluate and addressing</u> threats to compliance	1 & 2	C & D

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
Paragraph A31	<p>(a) Identify threats to compliance with the fundamental principles. Threats fall into one or more of the following categories:</p> <ul style="list-style-type: none"> (i) Self-interest; (ii) Self-review; (iii) Advocacy; (iv) Familiarity; and (v) Intimidation; <p>(b) Evaluate the significance of the threats identified; and</p> <p>(c) Apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level. Safeguards are necessary when the professional accountant determines that the threats are not at a level at which a reasonable and informed third party would be likely to conclude, weighing all the specific facts and circumstances available to the professional accountant at that time, that compliance with the</p>	<p>more generally. However, ISAE 3000 contains more detail to explain the Code as this was the Board's decision at the time</p>	<p>with the fundamental principles. In the case of audits, reviews and other assurance engagements, the IESBA Code sets out International Independence Standards, which apply the conceptual framework of identifying, evaluating and addressing threats to the fundamental principles and compliance with independence requirements, including:</p> <p>Part A of the IESBA Code also provides a conceptual framework for professional accountants to apply to. This includes:</p> <p>(a) Identifying threats to compliance with the fundamental principles. Threats fall into one or more of the following categories:</p> <ul style="list-style-type: none"> (i) Self-interest; (ii) Self-review; (iii) Advocacy; (iv) Familiarity; and (v) Intimidation; <p>(b) Evaluating <u>whether the significance of the threats identified are at an acceptable level</u>; and</p> <p>(c) <u>If the identified threats to compliance with the fundamental principles are not at an acceptable level, addressing them by</u></p>		

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	fundamental principles is not compromised.		<p><u>eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level, or withdrawing from the engagement, where withdrawal is possible under applicable law or regulation.</u></p> <p>(c) Apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level. Safeguards are necessary when the professional accountant determines that the threats are not at a level at which a reasonable and informed third party would be likely to conclude, weighing all the specific facts and circumstances available to the professional accountant at that time, that compliance with the fundamental principles is not compromised.</p>		
ISAE 3000 (Revised) Paragraph A32	<p>Part B of the IESBA Code describes how the conceptual framework in Part A applies in certain situations to professional accountants in public practice, including:</p> <ul style="list-style-type: none"> Professional appointment; Conflicts of interest; Second opinions; Fees and other types of remuneration; 	<ul style="list-style-type: none"> ISAE 3000 contains more detail than the other standards to explain the Code as this was the Board's decision at the time 	<p>Part B of <u>The IESBA Code sets out requirements and application material on various topics describes how the conceptual framework in Part A applies in certain situations to professional accountants in public practice, including:</u></p> <ul style="list-style-type: none"> Professional appointment; Conflicts of interest; <u>Professional appointments;</u> Second opinions; 	1 & 4	A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> Marketing professional services; Gifts and hospitality; Custody of client assets; Objectivity; and Independence. 		<ul style="list-style-type: none"> Fees and other types of remuneration; Marketing professional services; Inducements, including gifts and hospitality; Custody of client assets; and Responding to non-compliance with laws and regulations; Objectivity; and Independence. 		
ISAE 3000 (Revised) Paragraph A33	<p>The IESBA Code defines independence as comprising both independence of mind and independence in appearance. Independence safeguards the ability to form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional skepticism. Matters addressed in the IESBA Code with respect to independence include:</p> <ul style="list-style-type: none"> Financial interests; 	<ul style="list-style-type: none"> ISAE 3000 contains more detail than the other standards to explain the Code as this was the Board's decision at the time 	<p>The IESBA Code also includes the <i>International Independence Standards</i>, which contain requirements and application material addressing the independence of professional accountants. The IESBA Code defines independence as comprising both independence of mind and independence in appearance. Independence safeguards the ability to form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional skepticism. Matters addressed in the <i>International Independence Standards</i> in the IESBA Code</p>	1 & 4	A & D

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> Loans and guarantees; Business relationships; Family and personal relationships; Employment with assurance clients; Recent service with an assurance client; Serving as a director or officer of an assurance client; Long association of senior personnel with assurance clients; Provision of non-assurance services to assurance clients; Fees (relative size, overdue, and contingent fees); Gifts and hospitality; and Actual or threatened litigation. 		<p>with respect to independence include, <u>for example:</u></p> <ul style="list-style-type: none"> <u>Fees;</u> <u>Gifts and hospitality;</u> <u>Actual or threatened litigation;</u> Financial interests; Loans and guarantees; Business relationships; Family and personal relationships; Employment with assurance clients; Recent service with an assurance client; Serving as a director or officer of an assurance client; <u>Employment with an assurance client;</u> Long association of senior personnel with <u>an</u> assurance clients; Provision of non-assurance services to <u>an</u> <u>to</u> assurance clients; <u>and</u> <u>Reports that include a restriction on use and distribution.</u> Fees (relative size, overdue, and contingent fees); 		

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
			<ul style="list-style-type: none"> • Gifts and hospitality; and • Actual or threatened litigation. 		
ISAE 3000 (Revised) Paragraph A34	Professional requirements, or requirements imposed by law or regulation, are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements when they address all the matters referred to in paragraphs A30–A33 and impose obligations that achieve the aims of the requirements set out in Parts A and B of the IESBA Code related to assurance engagements.	<ul style="list-style-type: none"> • To reflect the structural changes to the code 	Professional requirements, or requirements imposed by law or regulation, are at least as demanding as <u>the provisions of</u> Parts A and B of the IESBA Code related to assurance engagements when they address all the matters referred to in paragraphs A30–A33 and impose obligations that achieve the aims of the requirements set out in Parts A and B of the IESBA Code related to <u>such</u> engagements.	1	N/A
ISAE 3000 (Revised) Paragraph A60	This ISAE has been written in the context of a range of measures taken to ensure the quality of assurance engagements undertaken by professional accountants in public practice, such as those taken by IFAC member bodies in accordance with IFAC's Member Body Compliance Program and Statements of Membership Obligations. Such measures include: <ul style="list-style-type: none"> • Competency requirements, such as education and 	<ul style="list-style-type: none"> • No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>experience benchmarks for entry to membership, and ongoing continuing professional development as well as life-long learning requirements.</p> <ul style="list-style-type: none"> Quality control policies and procedures implemented across the firm. ISQC 1 applies to all firms of professional accountants in respect of assurance and related services engagements. A comprehensive Code of Ethics, including detailed independence requirements, founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. 				
ISAE 3000 (Revised) Paragraph A61	ISQC 1 deals with the firm's responsibilities to establish and maintain its system of quality control for assurance engagements. It sets out the responsibilities of the firm for establishing policies and procedures designed to provide it with reasonable	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>assurance that the firm and its personnel comply with relevant ethical requirements, including those pertaining to independence. Compliance with ISQC 1 requires, among other things, that the firm establish and maintain a system of quality control that includes policies and procedures addressing each of the following elements, and that it documents its policies and procedures and communicates them to the firm's personnel:</p> <p>...</p>				
ISAE 3000 (Revised) Paragraph A65	<p>Unless information provided by the firm or other parties suggests otherwise, the engagement team is entitled to rely on the firm's system of quality control. For example, the engagement team may rely on the firm's system of quality control in relation to:</p> <p>(a) Competence of personnel through their recruitment and formal training.</p> <p>(b) Independence through the accumulation and</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>communication of relevant independence information.</p> <p>(c) Maintenance of client relationships through acceptance and continuance systems.</p> <p>(d) Adherence to regulatory and legal requirements through the monitoring process.</p> <p>In considering deficiencies identified in the firm's system of quality control that may affect the assurance engagement, the engagement partner may consider measures taken by the firm to rectify those deficiencies.</p>				
ISAE 3000 (Revised) Paragraph A68	<p>The IESBA Code requires the professional accountant in public practice to agree to provide only those services that the professional accountant in public practice is competent to perform.⁴ The practitioner has sole responsibility for the assurance conclusion expressed, and that responsibility is not reduced by the practitioner's use of the work of a practitioner's expert. Nonetheless, if the practitioner using the work of a</p>	<ul style="list-style-type: none"> • Update references to the Code • Requirement in paragraph 210.6 of the Code changed to application material 	<p>The IESBA Code provides requirements and guidance on the self-interest threat to compliance with the principle of professional competence and due care that is created if the engagement team does not possess, or cannot acquire, the competencies to perform the professional services requires the professional accountant in public practice to agree to provide only those services that the professional accountant in public practice is competent to perform.⁴ The practitioner has sole responsibility for the assurance conclusion expressed, and</p>	1	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>practitioner's expert, having followed this ISAE, concludes that the work of that expert is adequate for the practitioner's purposes, the practitioner may accept that expert's findings or conclusions in the expert's field as appropriate evidence.</p> <p>4 IESBA Code, paragraph 210.6</p>		<p>that responsibility is not reduced by the practitioner's use of the work of a practitioner's expert. Nonetheless, if the practitioner using the work of a practitioner's expert, having followed this ISAE, concludes that the work of that expert is adequate for the practitioner's purposes, the practitioner may accept that expert's findings or conclusions in the expert's field as appropriate evidence.</p> <p>4 IESBA Code, paragraph <u>320.3 A3-210.6</u></p>		
ISAE 3000 (Revised) Paragraph A75	<p>Other matters that may be considered in an engagement quality control review include:</p> <p>(a) The engagement team's evaluation of the firm's independence in relation to the engagement;</p> <p>(b) Whether appropriate consultation has taken place on matters involving differences of opinion or other difficult or contentious matters, and the conclusions arising from those consultations; and</p> <p>(c) Whether engagement documentation selected for</p>	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	review reflects the work performed in relation to the significant judgments and supports the conclusions reached.				
ISAE 3000 (Revised) Paragraph A81	Professional judgment is essential to the proper conduct of an assurance engagement. This is because interpretation of relevant ethical requirements and relevant ISAE and the informed decisions required throughout the engagement cannot be made without the application of relevant training, knowledge, and experience to the facts and circumstances. Professional judgment is necessary in particular regarding decisions about:	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A
ISAE 3000 (Revised) Paragraph A82	The distinguishing feature of the professional judgment expected of a practitioner is that it is exercised by a practitioner whose training, knowledge and experience have assisted in developing the necessary competencies to achieve reasonable judgments.	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards		Category of Change	
Standard	Extant Paragraphs		Final Paragraphs			
ISAE 3000 (Revised) Paragraph A102	<p>The practitioner may have additional responsibilities under law, regulation or relevant ethical requirements regarding an entity's non-compliance with laws and regulations, which may differ from or go beyond the practitioner's responsibilities under this ISAE, such as:</p> <p>(a) Responding to identified or suspected non-compliance with laws and regulations, including requirements in relation to specific communications with management and those charged with governance and considering whether further action is needed;</p> <p>(b) Communicating identified or suspected non-compliance with laws and regulations to an auditor;⁷ and</p> <p>(c) Documentation requirements regarding identified or suspected non-compliance with laws and regulations.</p> <p>Complying with any additional responsibilities may provide further information that is relevant to the</p>	<ul style="list-style-type: none"> Update reference to the Code 	7	See, for example, Sections 225.44–225.48 paragraphs R360.31–360.35 A1 of the IESBA Code.	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>practitioner's work in accordance with this and any other ISAE (e.g., regarding the integrity of the responsible party or those charged with governance). Paragraphs A194–A198 further address the practitioner's responsibilities under law, regulation or relevant ethical requirements regarding communicating and reporting identified or suspected non-compliance with laws and regulations.</p> <p>7 See, for example, Sections 225.44–225.48 of the IESBA Code.</p>				
ISAE 3000 (Revised) Paragraph A124	<p>Engagement teams are entitled to rely on the firm's system of quality control, unless information provided by the firm or other parties suggests otherwise. The extent of that reliance will vary with the circumstances, and may affect the nature, timing and extent of the practitioner's procedures with respect to such matters as:</p> <p>...</p> <ul style="list-style-type: none"> The practitioner's evaluation of the objectivity of the practitioner's expert. Practitioner's internal experts 	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>are subject to relevant ethical requirements, including those pertaining to independence.</p> <p>...</p>				
ISAE 3000 (Revised) Paragraph A128	<p>The evaluation of the significance of threats to objectivity and of whether there is a need for safeguards may depend upon the role of the practitioner's expert and the significance of the expert's work in the context of the engagement. There may be some circumstances in which safeguards cannot reduce threats to an acceptable level, for example, if a proposed practitioner's expert is an individual who has played a significant role in preparing the subject matter information.</p>	<ul style="list-style-type: none"> Under the extant Code, safeguards include actions or measures that eliminate or reduce the threats to an acceptable level. Under the revised Code, safeguards are measures that are applied to reduce the threats, while measures to eliminate threats are separate 	<p>The evaluation of <u>whether the threats to objectivity are at an acceptable level</u> the significance of threats to objectivity and of whether there is a need for safeguards may depend upon the role of the practitioner's expert and the significance of the expert's work in the context of the engagement. <u>In some cases, it may not be possible to eliminate circumstances that create threats or apply safeguards to reduce threats to an acceptable level</u> There may be some circumstances in which safeguards cannot reduce threats to an acceptable level, for example, if a proposed practitioner's expert is an individual who has played a significant role in preparing the subject matter information.</p>	2	C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISAE 3000 (Revised) Paragraph A173	<p>The following is an illustration of a statement in the assurance report regarding compliance with ethical requirements:</p> <p>We have complied with the independence and other ethical requirements of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p>	<ul style="list-style-type: none"> Update to the title of the IESBA Code 	<p>The following is an illustration of a statement in the assurance report regarding compliance with ethical requirements:</p> <p>We have complied with the independence and other ethical requirements of the <u>International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p>	3	N/A
ISAE 3000 (Revised) Paragraph A194	<p>Relevant ethical requirements may include a requirement to report identified or suspected non-compliance with laws and regulations to an appropriate level of management or those charged with governance. In some jurisdictions, law or regulation may restrict the practitioner's communication of certain matters with the responsible party, management or those charged with governance. Law or regulation may specifically prohibit a</p>	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.6 and 360.36 A3 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	communication, or other action, that might prejudice an investigation by an appropriate authority into an actual, or suspected, illegal act, including alerting the entity, for example, when the practitioner is required to report the identified or suspected non-compliance to an appropriate authority pursuant to anti-money laundering legislation. In these circumstances, the issues considered by the practitioner may be complex and the practitioner may consider it appropriate to obtain legal advice.				

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISAE 3000 (Revised) Paragraph A195	<p>Law, regulation or relevant ethical requirements may:</p> <p>(a) Require the practitioner to report identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity.</p> <p>(b) Establish responsibilities under which reporting to an appropriate authority outside the entity may be appropriate in the circumstances.⁸</p> <p>⁸ See, for example, Section 225.51 to 225.52 of the IESBA Code.</p>	<ul style="list-style-type: none"> Update footnote No other change identified – see paragraphs R360.36–360.36 A3 	<p>8 See, for example, <u>paragraphs R360.36–R360.37</u> Section 225.51 to 225.52 of the IESBA Code.</p>	1	A & B
ISAE 3000 (Revised) Paragraph A196	<p>Reporting identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity may be required or appropriate in the circumstances because:</p> <p>(a) Law, regulation or relevant ethical requirements require the practitioner to report;</p> <p>(b) The practitioner has determined reporting is an appropriate action to respond to identified or suspected non-compliance in</p>	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.36–360.36 A3 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>accordance with relevant ethical requirements; or</p> <p>(c) Law, regulation or relevant ethical requirements provide the practitioner with the right to do so.</p>				
ISAE 3000 (Revised) Paragraph A197	<p>The reporting of identified or suspected non-compliance with laws and regulations in accordance with law, regulation or relevant ethical requirements may include non-compliance with laws and regulations that the practitioner comes across or is made aware of when performing the engagement but which may not affect the subject matter information. Under this ISAE, the practitioner is not expected to have a level of understanding of laws and regulations beyond those affecting the subject matter information. However, law, regulation or relevant ethical requirements may expect the practitioner to apply knowledge, professional judgment and expertise in responding to such non-compliance. Whether an act constitutes actual non-compliance is ultimately a matter to be</p>	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.29 A1 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	determined by a court or other appropriate adjudicative body.				
ISAE 3000 (Revised) Paragraph A198	<p>In some circumstances, the reporting of identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity may be precluded by the practitioner's duty of confidentiality under law, regulation, or relevant ethical requirements. In other cases, reporting identified or suspected non-compliance to an appropriate authority outside the entity would not be considered a breach of the duty of confidentiality under the relevant ethical requirements.⁹</p> <p>⁹ See, for example, Section 140.7 and Section 225.53 of the IESBA Code.</p>	<ul style="list-style-type: none"> Update footnote reference No other changes identified – see paragraphs R360.6 and 360.36 A3 	<p>9 See, for example, <u>paragraphs R114.1, 114.1 A1 and R360.37</u> Section 140.7 and Section 225.53 of the IESBA Code.</p>	1	N/A
ISAE 3000 (Revised) Paragraph A199	<p>The practitioner may consider consulting internally (e.g., within the firm or network firm), obtaining legal advice to understand the professional or legal implications of taking any particular course of action, or consulting on a confidential basis with a regulator or a professional body (unless doing so is prohibited by law or</p>	<ul style="list-style-type: none"> Update footnote reference No other changes identified – see paragraph 360.39 A1 	<p>10 See, for example, <u>paragraph 360.39 A1</u> Section 225.55 of the IESBA Code.</p>	1	A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>regulations or would breach the duty of confidentiality).¹⁰</p> <p>10 See, for example, Section 225.55 of the IESBA Code.</p>				
ISAE 3000 (Revised) Paragraph A204	<p>Documentation may include a record of, for example:</p> <ul style="list-style-type: none"> • Issues identified with respect to compliance with relevant ethical requirements and how they were resolved. • Conclusions on compliance with independence requirements that apply to the engagement, and any relevant discussions with the firm that support these conclusions. • Conclusions reached regarding the acceptance and continuance of client relationships and assurance engagements. • The nature and scope of, and conclusions resulting from, consultations undertaken during the course of the engagement. 	<ul style="list-style-type: none"> • No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISAE 3402 Paragraph 6	<p>Compliance with ISAE 3000 (Revised) requires, among other things, compliance with Parts A and B of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law and regulation, that are at least as demanding.⁵ It also requires the engagement partner to be a member of a firm that applies ISQC 1,⁶ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1.</p> <p>5 ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>6 ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). <i>International Standard of Quality Control (ISQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Service Engagements.</i></p>	<ul style="list-style-type: none"> Refer to glossary for explanation 	<p>Compliance with ISAE 3000 (Revised) requires, among other things, compliance with <u>the provisions</u> Parts A and B of the <u>International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</u> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law and regulation, that are at least as demanding.⁵ It also requires the engagement partner to be a member of a firm that applies ISQC 1,⁶ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1.</p> <p>5 ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>6 ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). <i>International Standard of Quality Control (ISQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Service Engagements.</i></p>	1 & 3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISAE 3402 Paragraph 11	The service auditor shall comply with Parts A and B of the IESBA Code relating to assurance engagements or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. (Ref: Para. A5)	<ul style="list-style-type: none"> Refer to glossary for explanation 	The service auditor shall comply with <u>the provisions</u> Parts A and B of the IESBA Code relating to assurance engagements or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. (Ref: Para. A5)	1	N/A
ISAE 3402 Paragraph 53(i)	<p>The service auditor's assurance report shall include, at a minimum, the following basic elements (Ref: Para. A47):</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least demanding as Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as Parts A and B of the</p>	<ul style="list-style-type: none"> Refer to glossary for explanation 	A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements.	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	IESBA Code related to assurance engagements.				
ISAE 3402 Paragraph A5	The service auditor is subject to relevant independence requirements, which ordinarily comprise Parts A and B of the IESBA Code together with national requirements that are more restrictive. In performing an engagement in accordance with this ISAE, the IESBA Code does not require the service auditor to be independent from each user entity.	<ul style="list-style-type: none"> Refer to glossary for explanation 	The service auditor is subject to relevant independence requirements, which ordinarily comprise <u>the <i>International Independence Standards</i> Parts A and B</u> of the IESBA Code together with national requirements that are more restrictive. In performing an engagement in accordance with this ISAE, the IESBA Code does not require the service auditor to be independent from each user entity.	1	N/A
ISAE 3402 Paragraph A44	<p>The IESBA Code requires that a service auditor not be associated with information where the service auditor believes that the information:</p> <p>(a) Contains a materially false or misleading statement;</p> <p>(b) Contains statements or information furnished recklessly; or</p> <p>(c) Omits or obscures information required to be included where such omission or obscurity would be misleading.¹⁴</p>	<ul style="list-style-type: none"> Update footnote reference Aligning with terminology used by the Code 	<p>The IESBA Code requires that a service auditor not be associated with information where the service auditor believes that the information:</p> <p>(a) Contains a materially false or misleading statement;</p> <p>(b) Contains statements or information <u>provided</u> furnished recklessly; or</p> <p>(c) Omits or obscures <u>required</u> information required to be included where such omission or obscurity would be misleading.¹⁴</p> <p>If other information included in a document containing the service organization's description of its system and the service auditor's assurance</p>	1 & 4	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>If other information included in a document containing the service organization's description of its system and the service auditor's assurance report contains future-oriented information such as recovery or contingency plans, or plans for modifications to the system that will address deviations identified in the service auditor's assurance report, or claims of a promotional nature that cannot be reasonably substantiated, the service auditor may request that information be removed or restated.</p> <p>14 IESBA Code, paragraph 110.2</p>		<p>report contains future-oriented information such as recovery or contingency plans, or plans for modifications to the system that will address deviations identified in the service auditor's assurance report, or claims of a promotional nature that cannot be reasonably substantiated, the service auditor may request that information be removed or restated.</p> <p>14 IESBA Code paragraph, <u>R111.2440.2</u></p>		
ISAE 3402 Paragraph A53	<p>Appropriate actions to respond to the circumstances identified in paragraph 56, unless prohibited by law or regulation, may include:</p> <ul style="list-style-type: none"> Obtaining legal advice about the consequences of different courses of action. Communicating with those charged with governance of the service organization. 	<ul style="list-style-type: none"> Update footnote reference – the paragraph references need to be expanded from extant to cover the communication requirements in the Code 	<p>36 See, for example, paragraphs R360.3129 to R360.3540 <u>A1Section 225.44 to 225.48</u> of the IESBA Code.</p>	1	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> Determining whether to communicate with third parties (e.g., law, regulation or relevant ethical requirements may require the service auditor to report to an appropriate authority outside the entity or the external auditor of the service organization,³⁶ or establish responsibilities under which such reporting may be appropriate in the circumstances). Modifying the service auditor's opinion, or adding an Other Matter paragraph. Withdrawing from the engagement. <p>³⁶ See, for example, Section 225.44 to 225.48 of the IESBA Code.</p>				
ISAE 3402 Appendix 2	We have complied with the independence and other ethical requirements of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of	<ul style="list-style-type: none"> Update reference to the Code 	We have complied with the independence and other ethical requirements of the <u>International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants</i></u> issued by the International Ethics Standards Board for Accountants <i>(including <u>International Independence Standards</u>)</i> (IESBA	3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	integrity, objectivity, professional competence and due care, confidentiality and professional behavior.		<u>Code</u>), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.		
ISAE 3410 Paragraph 10	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with Parts A and B of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. It also requires the engagement partner to be a member of a firm that applies ISQC 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1. (Ref: Para. A5–A6)	<ul style="list-style-type: none"> Refer to glossary for explanation 	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with <u>the provisions</u> Parts A and B of the International <u>Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i></u> issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding. It also requires the engagement partner to be a member of a firm that applies ISQC 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1. (Ref: Para. A5–A6)	1 & 3	N/A
ISAE 3410 Paragraph 67	The practitioner shall include in the engagement documentation: (a) Issues identified with respect to compliance with relevant ethical requirements and how they	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>were resolved;</p> <p>(b) Conclusions on compliance with independence requirements that apply to the engagement, and any relevant discussions with the firm that support these conclusions;</p> <p>(c) Conclusions reached regarding the acceptance and continuance of client relationships and assurance engagements; and</p> <p>(d) The nature and scope of, and conclusions resulting from, consultations undertaken during the course of the engagement.</p>				
ISAE 3410 Paragraph 76(j)	<p>The assurance report shall include, at a minimum, the following basic elements: (Ref. Para. A134)</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding as Parts A and</p>	<ul style="list-style-type: none"> Refer to glossary for explanation 	<p>The assurance report shall include, at a minimum, the following basic elements: (Ref. Para. A134)</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements.		engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as <u>the provisions Parts A and B</u> of the IESBA Code related to assurance engagements.		
ISAE 3410 Paragraph A5	<p>The IESBA Code adopts a threats and safeguards approach to independence. Compliance with the fundamental principles may potentially be threatened by a broad range of circumstances. Many threats fall into the following categories:</p> <ul style="list-style-type: none"> • Self-interest, for example, undue dependence on total fees from the entity. • Self-review, for example, performing another service for the entity that directly affects the GHG statement, such as involvement in the quantification of the entity's emissions. • Advocacy, for example, acting 	<ul style="list-style-type: none"> • Describing the Code as a threats and safeguards approach appears inaccurate 	<p>The IESBA Code <u>sets out International Independence Standards, established by the application of the conceptual framework to threats to independence in relation to these engagements adopts requires application of a conceptual framework to identify, evaluate and address threats to the fundamental principles and and safeguards approach to independence.</u></p> <p>Compliance with the fundamental principles may potentially be threatened by a broad range of circumstances. Many threats fall into the following categories:</p> <ul style="list-style-type: none"> • Self-interest, for example, undue dependence on total fees from the entity. • Self-review, for example, performing another service for the entity that directly affects the GHG statement, such as 	2	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>as an advocate on behalf of the entity with respect to the interpretation of the applicable criteria.</p> <ul style="list-style-type: none"> • Familiarity, for example, a member of the engagement team having a long association, or close or immediate family relationship, with an employee of the entity who is in a position to exert direct and significant influence over the preparation of the GHG statement. • Intimidation, for example, being pressured to reduce inappropriately the extent of work performed in order to lower fees, or being threatened with withdrawal of the practitioner's registration by a registering authority that is associated with the entity's industry group. 		<p>involvement in the quantification of the entity's emissions.</p> <ul style="list-style-type: none"> • Advocacy, for example, acting as an advocate on behalf of the entity with respect to the interpretation of the applicable criteria. • Familiarity, for example, a member of the engagement team having a long association, or close or immediate family relationship, with an employee of the entity who is in a position to exert direct and significant influence over the preparation of the GHG statement. • Intimidation, for example, being pressured to reduce inappropriately the extent of work performed in order to lower fees, or being threatened with withdrawal of the practitioner's registration by a registering authority that is associated with the entity's industry group. 		
ISAE 3410 Paragraph A6	Safeguards created by the profession, law or regulation, or safeguards in the work environment, may eliminate or reduce such threats to an acceptable level.	<ul style="list-style-type: none"> • Paragraph R120.6, R120.7 and R120.10 have been amended 	Safeguards created by the profession, law or regulation, or safeguards in the work environment, may eliminate or reduce such threats to an acceptable level. In cases when identified threats are not at an acceptable level.	2	C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
		from the extant Code, in particular in relation to how identified threats are addressed	<u>the IESBA Code requires that the threats be addressed by eliminating the circumstances that create the threats, applying safeguards to reduce threats to an acceptable level, or withdrawing from the engagement, where withdrawal is possible under applicable law or regulation.</u>		
ISAE 3410 Paragraph A114	<p>Relevant matters that the engagement team may request another practitioner to communicate include:</p> <ul style="list-style-type: none"> Whether the other practitioner has complied with ethical requirements that are relevant to the group engagement, including independence and professional competence. ... 	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISAE 3410 Paragraph A123	If the engagement does not include assurance on comparative information, the requirement to perform procedures in the circumstances addressed by paragraph 63(a) is to satisfy the practitioner's ethical obligation to not knowingly be associated with materially false or misleading	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	information.				
ISAE 3410 Paragraph A130	<p>Other matters that may be considered in an engagement quality control review include:</p> <ul style="list-style-type: none"> The engagement team's evaluation of the firm's independence in relation to the engagement. <p>...</p>	<ul style="list-style-type: none"> N/A 	N/A	N/A	N/A
ISAE 3410 Appendix 2	<p>We have complied with the independence and other ethical requirements of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p>	<ul style="list-style-type: none"> Update reference to the Code 	<p>We have complied with the independence and other ethical requirements of the <u>International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</u> (IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p>	3	N/A
ISAE 3420 Paragraph 8	<p>Compliance with ISAE 3000 (Revised) requires, among other things, compliance with Parts A and B of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board</p>	<ul style="list-style-type: none"> Refer to glossary for explanation 	<p>Compliance with ISAE 3000 (Revised) requires, among other things, compliance with <u>the provisions Parts A and B of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International</u></p>	1 & 3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding.³ It also requires the engagement partner to be a member of a firm that applies ISQC 1,⁴ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1.</p> <p>3 ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>4 ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Service Engagements</i>.</p>		<p>Independence Standards issued by the International Ethics Standards Board for Accountants (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding.³ It also requires the engagement partner to be a member of a firm that applies ISQC 1,⁴ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQC 1.</p> <p>3 ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>4 ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of Quality Control (ISQC) 1, <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Service Engagements</i>.</p>		
ISAE 3420 Paragraph 13	<p>Before agreeing to accept an engagement to report on whether pro forma financial information included in a prospectus has been compiled, in all material respects, on the basis of the applicable criteria, the practitioner shall:</p>	<p>No changes that affect this application material – see section 320</p>	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(a) Determine that those persons who are to perform the engagement collectively have the appropriate competence and capabilities; (Ref: Para. A10)</p> <p>...</p>				
ISAE 3420 Paragraph 35(h)	<p>The practitioner's report shall include, at a minimum, the following basic elements: (Ref: Para. A51)</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law and regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as Parts A and B of the IESBA Code related to assurance</p>	<ul style="list-style-type: none"> Refer to glossary for explanation 	<p>The practitioner's report shall include, at a minimum, the following basic elements: (Ref: Para. A51)</p> <p>...</p> <p>A statement that the practitioner complies with the independence and other ethical requirements of the IESBA Code, or other professional requirements, or requirements imposed by law and regulation, applied that are at least as demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements imposed by law or regulation, applied that are at least as demanding as <u>the provisions</u> Parts A and B of the IESBA Code related to assurance engagements.</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	engagements.				
ISAE 3420 Paragraph A10	<p>The IESBA Code requires the practitioner to maintain appropriate professional knowledge and skill, including an awareness and understanding of relevant technical, professional and business developments, in order to provide competent professional service.⁷ In the context of this requirement of the IESBA Code, relevant capabilities and competence to perform the engagement also include matters such as the following:</p> <ul style="list-style-type: none"> • Knowledge and experience of the industry in which the entity operates; • An understanding of the relevant securities laws and regulations and related developments; • An understanding of the listing requirements of the relevant securities exchange and of capital market transactions such as mergers, acquisitions and securities offerings; 	<ul style="list-style-type: none"> • Update footnote reference • Paragraph R113.1 – 113.1A2 of the IESBA Code now include these requirements, but seem to have been slightly amended 	<p>The IESBA Code requires the practitioner to <u>comply with the principle of professional competence and due care by attaining and maintaining appropriate professional knowledge and skill, including an awareness and understanding of relevant technical, professional and business developments, in order to provide competent professional service, based on current technical and professional standards and relevant legislation and to act acting diligently and in accordance with such professional standards and legislation.</u>⁷ In the context of this requirement of the IESBA Code, relevant capabilities and professional competence to perform the engagement also <u>may</u> include matters such as the following:</p> <p>....</p> <p>⁷ IESBA Code, paragraphs R113.1-130.1-130.3</p>	1 & 4	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<ul style="list-style-type: none"> Familiarity with the process of preparing a prospectus and listing securities on the securities exchange; and Knowledge of the financial reporting frameworks used in the preparation of the sources from which the unadjusted financial information and, if applicable, the acquiree's financial information have been extracted. <p>7 IESBA Code, paragraphs 130.1–130.3</p>				
ISAE 3420 Paragraph A41	<p>The IESBA Code requires that a practitioner not knowingly be associated with reports, returns, communications or other information that the practitioner believes:⁹</p> <p>(a) Contain a materially false or misleading statement;</p> <p>(b) Contain statements or information furnished recklessly; or</p> <p>(c) Omit or obscure information required to be included where such omission or obscurity</p>	<ul style="list-style-type: none"> Update footnote reference Minor changes to wording of the requirement in the Code 	<p>The IESBA Code requires that a practitioner not knowingly be associated with reports, returns, communications or other information that the practitioner believes:⁹</p> <p>(a) Contain a materially false or misleading statement;</p> <p>(b) Contain statements or information furnished<u>provided</u> recklessly; or</p> <p>(c) Omit or obscure <u>required</u> information required to be included where such omission or obscurity would be misleading.</p>	1 & 4	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	would be misleading. 9 IESBA Code, paragraph 110.2		9 IESBA Code, paragraph R111.2440:2		
ISAE 3420 Paragraph A51	A title indicating that the report is the report of an independent practitioner, for example, “Independent Practitioner’s Assurance Report on the Compilation of Pro Forma Financial Information Included in a Prospectus,” affirms that the practitioner has met all of the relevant ethical requirements regarding independence as required by ISAE 3000 (Revised). ¹⁰ This distinguishes the report of the independent practitioner from reports issued by others. ¹⁰ ISAE 3000 (Revised), paragraph 20	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISAE 3420 Appendix	We have complied with the independence and other ethical requirement of the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional	<ul style="list-style-type: none"> Update reference to the Code 	We have complied with the independence and other ethical requirement of the <u>International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards)</u> issued by the International Ethics Standards Board for Accountants (IESBA Code) , which is founded on fundamental principles of integrity, objectivity,	3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	behavior.		professional competence and due care, confidentiality and professional behavior.		
ISRS 4400 Paragraph 7	<p>The auditor should comply with the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code). Ethical principles governing the auditor's professional responsibilities for this type of engagement are:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality;</p> <p>(e) Professional behavior; and</p> <p>(f) Technical standards.</p> <p>Independence is not a requirement for agreed-upon procedures engagements; however, the terms or objectives of an engagement or national standards may require the auditor to comply with the independence requirements of the</p>	<ul style="list-style-type: none"> Update references to the Code The references to the fundamental principles are outdated – see paragraph 110.1 A1 	<p>The auditor should comply with the <u>International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)</u> issued by the International Ethics Standards Board for Accountants (IESBA Code). Ethical principles governing the auditor's professional responsibilities for this type of engagement are:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; <u>and</u></p> <p>(e) Professional behavior.; and</p> <p>(f) Technical standards.</p> <p>Independence is not a requirement for agreed-upon procedures engagements; however, the terms or objectives of an engagement or national standards may require the auditor to comply with the <u>International Independence Standards in independence requirements of the IESBA Code.</u> Where the auditor is not independent, a</p>	1 & 3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	IESBA Code. Where the auditor is not independent, a statement to that effect would be made in the report of factual findings.		statement to that effect would be made in the report of factual findings.		
ISRS 4410 (Revised) Paragraph 17(g)	<i>Relevant ethical requirements</i> – Ethical requirements the engagement team is subject to when undertaking compilation engagements. These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code) (excluding Section 290, <i>Independence—Audit and Review Engagements</i> , and Section 291, <i>Independence—Other Assurance Engagements</i> in Part B), together with national requirements that are more restrictive. (Ref: Para. A21)	<ul style="list-style-type: none"> Refer to glossary for explanation 	Relevant ethical requirements – Ethical requirements <u>to which</u> the engagement team is subject to when undertaking <u>a</u> compilation engagements, which These requirements ordinarily comprise Parts A and B of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) (excluding Section 290, Independence—Audit and Review Engagements, and Section 291, Independence—Other Assurance Engagements in Part B) , together with national requirements that are more restrictive. (Ref: Para. A21)	1 & 3	N/A
ISRS 4410 (Revised) Paragraph 21	The practitioner shall comply with relevant ethical requirements. (Ref: Para. A19–A21e)	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISRS 4410 (Revised)	The engagement partner shall take responsibility for: ...	<ul style="list-style-type: none"> The Code refers to breaches, rather than 	The engagement partner shall take responsibility for: ...	4	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
Paragraph 23(b)	<p>(b) The engagement being performed in accordance with the firm's quality control policies and procedures, by: (Ref: Para. A25)</p> <p>(i) Following appropriate procedures regarding the acceptance and continuance of client relationships and engagements; (Ref: Para. A26)</p> <p>....</p> <p>(iii) Being alert for indications of non-compliance by members of the engagement team with relevant ethical requirements, and determining the appropriate action if matters come to the engagement partner's attention indicating that members of the engagement team have not complied with relevant</p>	non-compliance	<p>(b) The engagement being performed in accordance with the firm's quality control policies and procedures, by: (Ref: Para. A25)</p> <p>(i) Following appropriate procedures regarding the acceptance and continuance of client relationships and engagements; (Ref: Para. A26)</p> <p>....</p> <p>(iii) Being alert for indications of <u>breaches of relevant ethical requirements</u> non-compliance by members of the engagement team with relevant ethical requirements, and determining the appropriate action if matters come to the engagement partner's attention indicating that members of the engagement team have not complied with relevant ethical requirements; (Ref: Para. A27)</p>		

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	ethical requirements; (Ref: Para. A27)				
ISRS 4410 (Revised) Paragraph 40	The practitioner's report issued for the compilation engagement shall be in writing, and shall include the following elements: (Ref: Para. A56–A57, A63) ... (g) A description of the practitioner's responsibilities in compiling the financial information, including that the engagement was performed in accordance with this ISRS, and that the practitioner has complied with relevant ethical requirements; ...	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISRS 4410 (Revised) Paragraph A19	Part A of the IESBA Code establishes the fundamental principles of professional ethics that practitioners must comply with, and provides a conceptual framework for applying those principles. The fundamental principles are: (a) Integrity;	<ul style="list-style-type: none"> Refer to paragraph A7 of ISQC 1 for explanation 	<p>Part A of the IESBA Code establishes the fundamental principles of professional ethics that practitioners must comply with, which are and provides a conceptual framework for applying those principles. The fundamental principles are:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p>	4	B & C

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p> <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. In complying with the IESBA Code, threats to the practitioner's compliance with relevant ethical requirements are required to be identified and appropriately addressed.</p>		<p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p> <p><u>The fundamental principles of ethics establish the standard of behaviour expected of a professional accountant.</u></p> <p>Part B of the IESBA Code illustrates how the conceptual framework is to be applied in specific situations. In complying with the IESBA Code, threats to the practitioner's compliance with relevant ethical requirements are required to be identified and</p> <p>The IESBA Code provides a conceptual framework that <u>establishes the approach which a professional accountant is required are to apply when in order to identifying, evaluating and addressing</u> threats to compliance with the fundamental principles. In the case of audits, reviews and other assurance engagements, the IESBA Code sets out <i>International Independence Standards</i>, <u>established by the application of which apply the conceptual framework of identifying, evaluating and addressing to threats to the fundamental principles and compliance with independence in relation to those engagements requirements.</u></p>		

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISRS 4410 (Revised) Paragraph A20	<p>Under the IESBA Code,⁵ in applying the principle of integrity, a professional accountant is required to not knowingly be associated with reports, returns, communications or other information where the professional accountant believes that the information:</p> <p>(a) Contains a materially false or misleading statement;</p> <p>(b) Contains statements or information furnished recklessly; or</p> <p>(c) Omits or obscures information required to be included where such omission or obscurity would be misleading.</p> <p>When a professional accountant becomes aware that the accountant has been associated with such information, the accountant is required by the IESBA Code to take steps to be disassociated from that information.</p> <p>⁵ IESBA Code Part A, paragraph 110.2</p>	<ul style="list-style-type: none"> Update footnote reference to paragraph R111.2 Minor changes to wording of the requirement in the Code 	<p>Under the IESBA Code,⁵ in applying the principle of integrity, a professional accountant is required to not knowingly be associated with reports, returns, communications or other information where the professional accountant believes that the information:</p> <p>(a) Contains a materially false or misleading statement;</p> <p>(b) Contain statements or information furnished<u>provided</u> recklessly; or</p> <p>(c) Omit or obscure <u>required</u> information required to be included where such omission or obscurity would be misleading.</p> <p>When a professional accountant becomes aware that the accountant has been associated with such information, the accountant is required by the IESBA Code to take steps to be disassociated from that information.</p> <p>⁵ IESBA Code-Part A, paragraph <u>R111.2110.2</u></p>	1 & 4	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISRS 4410 (Revised) Paragraph A21	Notwithstanding that Section 290, <i>Independence—Audit and Review Engagements</i> and Section 291, <i>Independence—Other Assurance Engagements</i> in Part B of the IESBA Code do not apply to compilation engagements, national ethical codes or laws or regulations may specify requirements or disclosure rules pertaining to independence.	<ul style="list-style-type: none"> Update reference to the Code 	Notwithstanding that the <i>International Independence Standards</i> Section 290, <i>Independence—Audit and Review Engagements</i> and Section 291, <i>Independence—Other Assurance Engagements</i> in Part B of the IESBA Code do not apply to compilation engagements, national ethical codes or laws or regulations may specify requirements or disclosure rules pertaining to independence.	1	N/A
ISRS 4410 (Revised) Paragraph A22	<p>Law, regulation or relevant ethical requirements may:</p> <p>(a) Require the practitioner to report identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity.</p> <p>(b) Establish responsibilities under which reporting to an appropriate authority outside the entity may be appropriate in the circumstances.³⁷</p> <p>³⁷ See, for example, Section 225.51 to 225.52 of the IESBA Code.</p>	<ul style="list-style-type: none"> Update footnote No changes identified – see paragraphs R360.36–360.36 A3 	³⁷ See, for example, paragraphs R360.36 and R360.37 Section 225.51 to 225.52 of the IESBA Code.	1	N/A
ISRS 4410 (Revised)	Reporting identified or suspected non-compliance with laws and regulations	No changes identified – see	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
Paragraph A21b	<p>to an appropriate authority outside the entity may be required or appropriate in the circumstances because:</p> <p>(a) Law, regulation or relevant ethical requirements require the practitioner to report;</p> <p>(b) The practitioner has determined reporting is an appropriate action to respond to identified or suspected non-compliance in accordance with relevant ethical requirements; or</p> <p>(c) Law, regulation or relevant ethical requirements provide the practitioner with the right to do so.</p>	<p>paragraphs R360.36–360.36 A3</p>			
ISRS 4410 (Revised) Paragraph A21c	<p>Under paragraph 28 of this ISRS, the practitioner is not expected to have a level of understanding of laws and regulations beyond that necessary to be able to perform the compilation engagement. However, law, regulation or relevant ethical requirements may expect the practitioner to apply knowledge, professional judgment and expertise in responding to identified or suspected non-compliance. Whether</p>	<ul style="list-style-type: none"> No changes identified – see paragraphs R360.29 A1 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	an act constitutes actual non-compliance is ultimately a matter to be determined by a court or other appropriate adjudicative body.				
ISRS 4410 (Revised) Paragraph A25	<p>In some circumstances, the reporting of identified or suspected non-compliance with laws and regulations to an appropriate authority outside the entity may be precluded by the practitioner's duty of confidentiality under law, regulation or relevant ethical requirements. In other cases, reporting identified or suspected non-compliance to an appropriate authority outside the entity would not be considered a breach of the duty of confidentiality under the relevant ethical requirements.³⁸</p> <p>³⁸ See, for example, Section 140.7 and Section 225.53 of the IESBA Code.</p>	<ul style="list-style-type: none"> • Update footnote reference • No other changes identified – see paragraph R360.6 and 360.36 A3 	<p>38 See, for example, <u>paragraphs R114.1, 114.1 A1 and R360.37</u> Section 140.7 and Section 225.53 of the IESBA Code.</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
ISRS 4410 (Revised) Paragraph A21e	<p>The practitioner may consider consulting internally (e.g., within the firm or network firm), obtaining legal advice to understand the professional or legal implications of taking any particular course of action, or consulting on a confidential basis with a regulator or a professional body (unless doing so is prohibited by law or regulations or would breach the duty of confidentiality).³⁹</p> <p>³⁹ See, for example, Section 225.55 of the IESBA Code.</p>	<ul style="list-style-type: none"> Update footnote reference No other changes identified – see paragraph 360.39 A1 	39 See, for example, paragraph 360.39 A1-Section 225.55 of the IESBA Code	1	A
ISRS 4410 (Revised) Paragraph A22	<p>Professional judgment is essential to the proper conduct of a compilation engagement. This is because interpretation of relevant ethical requirements and the requirements of this ISRS, and the need for informed decisions throughout the performance of a compilation engagement, require the application of relevant knowledge and experience to the facts and circumstances of the engagement. Professional judgment is necessary, in particular, when the engagement</p>	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	involves assisting management of the entity regarding decisions about:				
ISRS 4410 (Revised) Paragraph A23	Professional judgment involves the application of relevant training, knowledge and experience, within the context provided by this ISRS and accounting and ethical standards, in making informed decisions about the courses of action that are appropriate in the circumstances of the compilation engagement.	<ul style="list-style-type: none"> See comment on ISA 200 Paragraph A25 	N/A	N/A	N/A
ISRS 4410 (Revised) Paragraph A26	ISQC 1 requires the firm to obtain such information as it considers necessary in the circumstances before accepting an engagement with a new client, when deciding whether to continue an existing engagement, and when considering acceptance of a new engagement with an existing client. Information that assists the engagement partner in determining whether acceptance or continuance of client relationships and compilation engagements is appropriate may include information concerning the integrity of the principal owners, key management and those charged with	<ul style="list-style-type: none"> No changes identified – see section 320 	N/A	N/A	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	governance. If the engagement partner has cause to doubt management's integrity to a degree that is likely to affect proper performance of the engagement, it may not be appropriate to accept the engagement.				
ISRS 4410 (Revised) Paragraph A27	ISQC 1 sets out the responsibilities of the firm for establishing policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply with relevant ethical requirements. This ISRS sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
ISRS 4410 (Revised) Appendix 1	We will perform the compilation engagement in accordance with the International Standard on Related Services (ISRS) 4410 (Revised), <i>Compilation Engagements</i> . ISRS 4410 (Revised) requires that, in undertaking this engagement, we comply with relevant ethical requirements, including principles of integrity, objectivity, professional competence	<ul style="list-style-type: none"> Update to title of IESBA Code 	We will perform the compilation engagement in accordance with the International Standard on Related Services (ISRS) 4410 (Revised), <i>Compilation Engagements</i> . ISRS 4410 (Revised) requires that, in undertaking this engagement, we comply with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care. For that purpose, we are required to comply with the International Ethics Standards	3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	and due care. For that purpose, we are required to comply with the International Ethics Standards Board for Professional Accountants' <i>Code of Ethics for Professional Accountants</i> (IESBA Code).		Board for Professional Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code).		
ISRS 4410 (Revised) Appendix 2	We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements on the basis of accounting described in Note X to the financial statements. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.	<ul style="list-style-type: none"> No changes identified 	N/A	N/A	N/A
International Framework for Assurance Engagements Paragraph 2	This Framework is not a Standard and, accordingly, does not establish any requirements (or basic principles or essential procedures) for the performance of audits, reviews, or other assurance engagements. ⁸ An assurance report cannot, therefore, claim that an engagement has been conducted in accordance with this Framework, but rather should refer to	<ul style="list-style-type: none"> Update to the title of the Code 	This Framework is not a Standard and, accordingly, does not establish any requirements (or basic principles or essential procedures) for the performance of audits, reviews, or other assurance engagements. ⁸ An assurance report cannot, therefore, claim that an engagement has been conducted in accordance with this Framework, but rather should refer to relevant Assurance Standards. Assurance Standards contain objectives, requirements,	3	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>relevant Assurance Standards. Assurance Standards contain objectives, requirements, application and other explanatory material, introductory material and definitions that are consistent with this Framework, and are to be applied in audit, review, and other assurance engagements. Appendix 1 illustrates the ambit of pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) and their relationship to each other and to the <i>Code of Ethics for Professional Accountants</i> issued by the International Ethics Standards Board for Accountants (IESBA Code).</p> <p>⁸ See the <i>Preface to the International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements</i>.</p>		<p>application and other explanatory material, introductory material and definitions that are consistent with this Framework, and are to be applied in audit, review, and other assurance engagements. Appendix 1 illustrates the ambit of pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) and their relationship to each other and to the <u>International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants</i> (including <i>International Independence Standards</i>)</u>issued by the International Ethics Standards Board for Accountants (IESBA Code).</p> <p>⁸ See the <i>Preface to the International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements</i>.</p>		
International Framework for Assurance Engagements Paragraph 5	<p>Ethical Principles and Quality Control Standards</p> <p>Quality control within firms that perform assurance engagements, and compliance with ethical principles, including independence requirements, are widely recognized as being in the</p>	<ul style="list-style-type: none"> Reflecting the structural changes to the Code 	<p>Ethical Principles and Quality Control Standards</p> <p>Quality control within firms that perform assurance engagements, and compliance with ethical principles, including independence requirements, are widely recognized as being in the public interest and an integral part of high-</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>public interest and an integral part of high-quality assurance engagements. Such engagements are performed in accordance with Assurance Standards, which are premised on the basis that:</p> <p>(a) The members of the engagement team and the engagement quality control reviewer (for those engagements where one has been appointed) are subject to Parts A and B of the IESBA Code related to assurance engagements, other professional requirements, or requirements in law or regulation, that are at least demanding; and</p> <p>(b) ...</p>		<p>quality assurance engagements. Such engagements are performed in accordance with Assurance Standards, which are premised on the basis that:</p> <p>a) The members of the engagement team and the engagement quality control reviewer (for those engagements where one has been appointed) are subject to the provisions Parts A and B of the IESBA Code related to assurance engagements, other professional requirements, or requirements in law or regulation, that are at least demanding; and</p> <p>b) ...</p>		
International Framework for Assurance Engagements Paragraph 6	<p>The IESBA Code</p> <p>Part A of the IESBA Code establishes the following fundamental principles with which the practitioner is required to comply:</p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p>	<ul style="list-style-type: none"> Reflecting the structural changes to the Code 	<p>The IESBA Code</p> <p>Part A of tThe IESBA Code establishes the following fundamental principles <u>of ethics, which are with which the practitioner is required to comply:</u></p> <p>(a) Integrity;</p> <p>(b) Objectivity;</p> <p>(c) Professional competence and due care;</p>	1	B

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	<p>(c) Professional competence and due care;</p> <p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p>		<p>(d) Confidentiality; and</p> <p>(e) Professional behavior.</p> <p><u>The fundamental principles of ethics establish the standard of behaviour expected of a professional accountant.</u></p>		
International Framework for Assurance Engagements Paragraph 7	Part A also provides a conceptual framework for professional accountants to apply to identify threats to compliance with the fundamental principles, evaluate the significance of the threats identified, and apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level.	<ul style="list-style-type: none"> Reflecting the structural changes to the Code Aligning with terminology used in the Code 	<p><u>The IESBA Code provides a conceptual framework that professional accountants are to apply in order to identify, evaluate and address threats to compliance with the fundamental principles.</u></p> <p>Part A also provides a conceptual framework for professional accountants to apply to identify threats to compliance with the fundamental principles, evaluate the significance of the threats identified, and apply safeguards, when necessary, to eliminate the threats or reduce them to an acceptable level.</p>	1, 2 & 4	N/A
International Framework for Assurance Engagements Paragraph 8	Part B of the IESBA Code describes how the conceptual framework in Part A applies in certain situations to professional accountants in public practice, including independence. The IESBA Code defines independence as comprising both independence of mind and independence in appearance. Independence safeguards the ability to	<ul style="list-style-type: none"> Reflecting the structural changes to the Code 	<p>Part B of t<u>The IESBA Code sets out requirements and application material on various topics</u>describes how the conceptual framework in Part A applies in certain situations to professional accountants in public practice, including independence. The IESBA Code defines independence as comprising both independence of mind and independence in appearance. Independence safeguards the</p>	1	N/A

IAASB Standards		Notes in Relation to the 2018 IESBA Code	Proposed Changes to the IAASB Standards	Category of Change	
Standard	Extant Paragraphs		Final Paragraphs		
	form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional skepticism.		ability to form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional skepticism.		

