01. IRBA

- We support the proposed implementation period of approximately 18-24 months, with early adoption permitted. We believe that the proposed effective date would be appropriate as the amendments, although substantive, would not pose an implementation challenge; and they would provide sufficient time for the firms to revise their methodology and templates.

- With respect to the consideration of a shorter implementation period, we believe that permitting early adoption remains the most appropriate option. However, assuming that the IAASB Board approves the final ISRS in December 2019, and the Public Interest Oversight Board approves it in March 2020, the earliest reasonable effective date that could be proposed is for engagements for which the terms are agreed on or after 15 March 2021.

02. NASBA

The effective date of the standard should be timely enough for the practitioner to sufficiently consider and implement. In consideration of those situations in which national due process and translation are needed, it seems that up to 24 months after the approval of the final ISRS would be more than adequate. We support the notion that early application would be permitted and encouraged.

Notwithstanding the desirability of early implementation, there are some risks attendant to early implementation, especially in light of the concerns we have raised above regarding differences among the proposed ISRS 4400 revision and other standards on issues such as objectivity and independence, and the degree to which AUP services are attest services. In particular, the other standards include not only those developed by the Auditing Standards Board and the Public Company Accounting Oversight Board, but also the rules on objectivity and independence adopted, interpreted and enforced by the U.S. State Boards of Accountancy.

Another consideration in the implementation of the proposed ISRS is that most states have statutory or constitutional limits on the manner of adoption by reference. Typical of those limitations is a requirement that an agency may only adopt a specific, extant version of standards. For example, Michigan Rule 102(1)(d) provides:

> The auditing standards issued by the International Auditing and Assurance Standards Board (IAASB), 529 5th Avenue, New York, NY 10017, in the publication entitled "Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Pronouncements" 2015 edition, and any related pronouncements issued as of the effective date of this rule, which are available at cost from the IAASB's website at: http://www.ifac.org/publications-resources/2015-handbook-international-quality-controlauditing-review-other-assurance.

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1 Exposure Draft International Standard on Related Services 4400, Agreed-Upon Procedures Engagements
The Michigan Rules also state that: "A licensee shall comply with the applicable standards adopted in subrule (1) of this rule." Although the recent trend favors more generic adoptions by reference, it often takes two years for a state to implement a rule change. We do not presume that these issues necessarily rise to the level of license threatening disciplinary cases, but the potential is there and might arise in private litigation.

In light of substantive differences between not only different sets of standards, but also between different versions of the same standards, we believe that it might be worthwhile for IAASB to clarify implementation by reminding those who use the international standards that in most U.S. jurisdictions, the rules also require that whenever other standards differ with the state’s rules on objectivity and independence, the state’s rules take precedence. (See, e.g., Mass. Rule 252 CMR 3.00, other standards apply only "to the extent that the applicable provisions thereof do not conflict with [this state’s] Code and Rules.")

03. WB

In our view, a relatively short transition period (12 to 18 months) would be practicable given the nature of the changes made to the extant standard. We believe the benefits of using promptly an improved standard would outweigh the potential risks associated with the adjustment accountancy practitioners will need to make to meet the new standards. So, we would encourage the IAASB not to delay effective application beyond 18 months after final approval of the standard.

04. AuAASB

The AUASB have no comments on translations and supports the suggested effective date.

05. CAASB

We disagree with the proposed effective date. Paragraph 11 of ED -4400 suggests that the effective date will be based upon the date on which the terms of engagement are agreed. In our view, basing the effective date on when the terms of engagement are agreed would not be practical for recurring engagements or when there has been an amendment in the terms of engagement. We suggest that the effective date be based on the AUP report date. We note that basing the effective date on the date of the report is also consistent with other IAASB pronouncements such as ISAE 3000.

06. CNCC-CSOEC

We have not identified any translation issues and we agree with the effective date.

08. IDW

Once ISRS 4400 has been approved, due process for translation alone would be expected to take about six months. Adopting the translation with additions for German legal issues (if any) may take up to another six months. Once the standard is adopted, we expect firms to need up to six months to change their methodologies (or adopt IDW guidance, which may also take up to six months to develop) and another few months to train all of their staff to use the new standard. For these reasons, a 24-month period after approval would be appropriate for an effective date.
09. JICPA
We do not think the period between the approval of the final ISRS and the effective date should be shortened. A period of at least 24 months should be ensured.

10. MAASB
As there are substantive revisions to the standard, the AASB is of the view that the proposed effective date for the standard is reasonable and provides sufficient period for us to effectively implement the final revised standard.

11. NBA
We consider a period of 18-24 months for implementation after approval of the final ISRS a reasonable period.

12. NBAT
Our Suggestion
The period of approximately 18 – 24 months after the approval of the final ISRS is sufficiently enough to support effective implementation of the ISRS, Earlier adoption should be permitted and encouraged.

13. BDO
We believe that a shorter period between the approval of the final ISRS and the effective date would be possible. However, if the effective date is 18 – 24 months after approval of the ISRS but early adoption is encouraged, that would be a better alternative to meet the needs of those jurisdictions where the adoption of revised ISRS 4400 is a more substantive change from current practice.

15. CHI
We agree with the proposal for the extended implementation date.

16. DTTL
Due to the substantive revisions to ISRS 4400 and the necessary education of practitioners and intended users, DTTL believes 18-24 months after the approval of the final ISRS is a sufficient period to support effective implementation.

Consistent with other standards, DTTL believes that the effective date for the final ISRS should be based on the date of the agreed-upon procedures report and not the date that the terms of engagement are agreed, as stated in ED-4400 paragraph 11. We believe that there may be significant timing differences in adopting ED-4400 since the proposed standard only requires that the practitioner evaluate whether circumstances, including changes in the engagement acceptance considerations, require the terms of the engagement to be revised. Accordingly, we recommend modifying paragraph 11 to acknowledge that the effective date is based on the date of the agreed-upon procedures report. The below edit depicts our recommendation.

11. This ISRS is effective for agreed-upon procedures engagements for which the date of the agreed-upon procedures report is terms of engagement are agreed on or after [DATE].

Lastly, DTTL supports permitting and encouraging earlier application.
17. EYG

We believe that an effective date for AUP engagements for which the terms of engagement are agreed at least 18 months after approval of the final revised standard would provide a sufficient period to support effective implementation. However, we are not in favor of an effective date that falls in March, as the annual training period for our practitioners is generally in the April to June timeframe (and is later in the calendar year for some jurisdictions). We do not believe a shorter period between the approval of the final ISRS and the effective date is practicable. We agree earlier application should be permitted.

18. GTIL

We generally believe that an 18-month period between approval and effective date, with earlier adoption being permitted and encouraged, would be appropriate. However, we note that the IAASB has several other significant standards that will, or are expected to be, effective in 2021-2022. Practitioners and firms will need to devote resources to implementing these changes, while continuing to perform high quality engagements. If the effective date of this standard was to coincide with that of proposed ISA 315 (Revised) or the quality monitoring suite of standards, our preference would be that it be delayed to allow the appropriate amount of focus on updating methodologies and practice guidance for those standards.

Further, we also note that the proposed effective date is determined based on the date on which the terms of the engagement are agreed. We are of the view that the effective date should be based upon the report issuance date and not the agreement of the engagement terms. As noted above in question 6, determining the procedures to be performed in an AUP engagement is an iterative process such that the procedures can be modified throughout the engagement. As such, the terms of the engagement are, in reality, likely not agreed until the engagement is complete.

19. KS

As regards the effective date, in our opinion there is no need for a 24 month gap between the release of the final Standard and its effective date. 12-18 months should be more than sufficient for practitioners to understand the requirements and make the necessary changes to procedures. However we note that early adoption is encouraged and agree that this should be the case particularly if the effective date is delayed to two years from the date of release of the final Standard. We would anticipate that early adoption would be relatively common in practice.

20. KPMG

We have no particular comments regarding the effective date

21. PKF

The revised standard is mainly to address the needs of the public and we recommend that the revised standard be effective sooner rather than later. The manner in which an agreed-upon procedure will be performed has not changed with this revised standard, rather it is our view that this standard now clarifies what practitioners have been doing to date. It is therefore our view that a 12 month period after approval of the final standard can be agreed to.

22. PwC

We support the proposed implementation period of 18-24 months after approval of the final standard, with
early adoption permitted, and the proposed language used to describe the effective date - "...engagements for which the terms of engagement are agreed on or after…"

With respect to consideration of a shorter implementation period, we believe permitting early adoption remains the most appropriate mechanism, recognising the potential spectrum of firm and jurisdictional implementation efforts. However, assuming final approval by the Board in December 2019 and approval by the PIOB in March 2020, we believe the earliest reasonable effective date that could be proposed would be for engagements for which terms are agreed on or after 15 March 2021. While do not believe the changes represent a substantial implementation challenge, we acknowledge the need for sufficient time for translations and revisions to firms’ methodologies and templates.

23. RSM

Despite the substantial revisions in ED-4400, we consider the timescale for implementation to be sufficient.

25. GAO

We do not have any additional comments on the translation of the standard. We believe that an 18 to 24 month period to implement the standard with the option for early implementation is appropriate. A shorter period for implementation is not necessary, as jurisdictions that want to implement earlier have the ability to do so under the early implementation option.

26. NAOT

I do not have specific concern on Translation but shorter period for Effective Date might not be practicable.

27. PAS

We agree that 18-24 months after approval of the final ISRS is reasonable to support effective implementation.

28. ACCA-CAANZ

We believe that an 18–24 month implementation period is practical and appropriate. In New Zealand, any shorter period would present implementation challenges because the New Zealand Auditing and Assurance Standards Board (NZAuASB) is currently working toward a revised mandate that will allow it to become the New Zealand standard setter for AUP engagements. Currently this role is being performed by the New Zealand Regulatory Board of CA ANZ who released APS-1 (Revised) in 2018 under its residual standard setting mandate for these types of engagements. The necessary legislative amendments have been prepared and tabled in Parliament but as yet there is no time frame for their completion. However we would expect that an 18–24 month window would provide sufficient time for that change to be made and for the NZAuASB to expose and adopt a revised standard.

29. AE

We agree with the effective date, but it will be important to make stakeholders aware and plan a broad outreach campaign. Counterparties should be fully aware of the changes.

30. AICPA

Not believe that the proposed effective date is inappropriate, it would be in the public interest for the clarified, enhanced, and modernized standard to be effective earlier. We would propose that the effective date instead be 12-18 months after the approval of the final ISRS.
31. CAI
We agree with proposed timeline and transition period.

32. CPAA
We consider that about 18 months after approval would be ample time to allow for implementation of the revised standard. The issues raised in this exposure draft were addressed in Australia, albeit with somewhat different solutions, when the equivalent standard was completely revised in 2011. That standard has been successfully implemented in practice since it was issued.

33. EFAA
Yes, the proposed effective date of 18-24 months after the approval of a final ISRS should suffice.

35. FAR
FAR agrees that 18-24 months after the approval of the final ISRS is an appropriate effective date. FAR would also like to express that it is important that a final version of ISRS 4400 and any conforming amendments to other standards are available as soon as possible after approval. In FAR’s experience it is helpful to have both a version with marked up changes and a final version without marked up changes to make sure that all changes have been translated correctly. In many cases it is required to make a check against the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements (the Handbook) to make sure that the final version is the same as the published version and that references to the revised standard in other standards are correct. When the Handbook is published at a time close to the effective date it is harder to make this check.

36. FSR
We find the suggested effective date of 18-24 months after the approval of the final ISRS appropriate. We fully support that it will be permitted and encouraged to apply the approved ISRS 4400 earlier than the effective date.

37. IAAA
Yes, we believe that the proposed term of 18 to 24 months after the final approval of the SSRI is adequate, a shorter term could hinder its full application, without which the norm would not make sense, in particular for countries with minors development possibilities that have greater diffusion difficulties.

38. IBRACON
We do not identify any translation issues and we agree with the time proposed for the effective date. Considering that there were no significant changes, we believe a shorter period can be practicable (12 months) after the approval of the final ISRS.

39. IBR-IRE
We agree. The AUP report should be clear as to whether the extant ISRS 4400 has been followed or the revised version of the Standard.

40. ICAEW
We believe that this period is more than sufficient to support effective implementation and would go so far as to question whether, given the nature of these engagements, there is a need for such a long implementation timescale for practitioners. We note, however that earlier application is encouraged.
41. ICAN
No comment.

42. ICAP
We believe that providing 18 to 24 months transition period is sufficient before adoption of revised ISRS 4400.

43. ICAS
We agree with the effective date, but an extensive outreach and communication campaign would be advisable to ensure that other stakeholders are fully aware of the changes.

44. ICPAU
The effective date of the standard should be timely enough for the practitioner to sufficiently appreciate and implement. Up to 24 months after the approval of the final ISRS would be more than adequate time for effective application of the standard. However, early application should be permitted and encouraged.

45. SMPC
We support the proposed effective date of between 18-24 months after the approval of a final ISRS, but believe that 24 months would be preferable, especially where translation will be required. As ED-4400 is a substantial revision and given the need for national due process and translation, we do not consider this should be shorter than 18 months, especially as early application would be permitted.

47. KICPA
We have no other comments on the effective date of the revised ISRS.

48. MICPA
MICPA is agreeable for the effective date to be after a period of 18-24 months from the approval of the final ISRS

49. NYSS
We believe an effective date 18 to 24 months after finalization is appropriate given the national concerns mentioned. The AICPA's Auditing Standards Board does not encourage early implementation for its auditing/attest standards perhaps due to legal constraints. We do not have a strong opinion on early implementation.

50. SAICA
In the SAICA survey, the majority of survey respondents (61%) were in support of an effective date of 18 months after the final approval of the ISRS.

When the survey respondents were questioned whether a shorter period between the approval of the final ISRS and the effective date would be practical, the majority indicated that an 18 month period would be sufficient as smaller practitioners would need sufficient time to implement the new requirements as they do not have the same capacity that their larger counter parts have.

Although comments were noted that the standard might not be complex, sufficient time should be allowed for practitioners to amend internal processes, educate clients on the new AUP report and to make necessary change to software used within the firms.
SAICA support the proposed date of between 18 – 24 months after the approval of the final ISRS and do not consider this to be shorter, as early application would be permitted.

52. TAS

A shorter period of 12-18 months would be practicable for effectiveness of the final ISRS once completed. This is because it gives practitioners a full year to amend systems then also adds 6 months to allow for further alterations should that be required.