ISA 600, Group Audits

Agenda Item 2
IAASB December 2021 Meeting

Len Jui, ISA 600 Task Force Chair
Outreach, Coordination Activities

Liaison with IAASB Task Forces and Working Groups

IESBA Engagement Team – Group Audits Independence Task Force

Outreach

• IOSCO’s Committee 1, Auditing Subcommittee
• IFIAR’s Standards Coordination Working Group
• Basel Committee’s Accounting and Audit Experts Group
• IFAC’s Small and Medium Practices Committee
• INTOSAI’s Financial Audit and Accounting Subcommittee
• IAIS’ Accounting and Auditing Working Group
• PIOB Staff
December 2021 Discussion

Goal: Approve proposed ISA 600 (Revised) and related conforming and consequential amendments

Nature of changes to standard: Respond to Board input and comments on ED-600 (no changes in key principles)
Introduction, Objectives, Definitions

Matter for IAASB Consideration
The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Matter for IAASB Consideration
The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Requirements (Continued)

Paragraphs
30–44

Matter for IAASB Consideration
The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Evaluate Component Auditor’s Communications and Adequacy of Work

- **Request CA to communicate matters relevant to GA’s conclusion (600.45)**
- **Discuss significant matters from all communications with CA, CM or GM (600.46(a))**
- **Determine whether, and extent to which, it is necessary to review additional CA audit documentation (600.47)**
- **Are comm’s adequate for GA’s purposes? (600.46(b))**
- **Consider implications for group audit (600.46(b))**
- **Determine additional procedures to be performed and by whom (600.48)**
- **Is CA’s work adequate for GA’s purposes? (600.48)**
- **Evaluate whether SAAE has been obtained from procedures performed by GA and CAs (600.51)**
- **Overall conclusion on SAAE (330.26)**

**Group engagement partner responsibility for DSR; ongoing communications and review during course of group audit (600.28/29)**

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**Flowchart Diagram:**
- **Yes** for evaluating if SAAE has been obtained and if the work is adequate.
- **No** for considering additional procedures.
- **Yes** for determining the need to review additional documentation.
- **No** for discussing significant matters.
- **Yes** for evaluating communications adequacy.
Review of Component Auditor Audit Documentation

Engagement partner responsibility* for NTE of DSR
ISA 220 (Revised), paragraph 29
ISA 600 (Revised), paragraph 28

Review of work performed by less experienced engagement team members
(ISQM 1, ISA 220 (Revised), paragraph 30 and A81-A84)

EP review of specific documentation (ISA 220 (Revised), paragraph 31)

Ongoing involvement of group auditor: comm's from CA, and review done to fulfill other requirements of ISA 600 (Revised) (e.g., paragraphs 34, 42, 43)

Review done

Determine need to review additional CA audit documentation
ISA 600 (Revised), par 47

* EP takes overall responsibility for quality on the engagement, even if some procedures, tasks or actions are assigned to others
ISA 220 (Revised), para 13-15, 40
ISA 600 (Revised), para 16
Matter for IAASB Consideration

The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Matter for IAASB Consideration

The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Matter for IAASB Consideration
The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Matter for IAASB Consideration

The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Matter for IAASB Consideration

The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Matter for IAASB Consideration

The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Matter for IAASB Consideration
The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Matter for IAASB Consideration

The IAASB is asked for its views on the Task Force’s revisions to proposed ISA 600 (Revised) as presented in Agenda Item 2-B related to the paragraphs noted above.
Appendices

Matter for IAASB Consideration
The IAASB is asked for its views on the Task Force’s revisions to Appendices 1-3 of proposed ISA 600 (Revised) as presented in Agenda Item 2-B.
Matter for IAASB Consideration
The IAASB is asked for its views on the Task Force’s proposed conforming and consequential amendments, as presented in Agenda Item 2-D, and in particular whether the Board agrees with the consequential amendment to ISA 320.