

# Agenda Item 2-A

## PROPOSED CHANGES TO THE CONFORMING AND CONSEQUENTIAL AMENDMENTS TO THE IAASB'S OTHER STANDARDS AS A RESULT OF THE NEW AND REVISED QUALITY MANAGEMENT STANDARDS AFTER CONSIDERING COMMENTS RECEIVED

**Note to IAASB:**

- Marked changes show the changes from the extant standards.
- Changes made since the September 2021 IAASB meeting are marked with **yellow highlight**.

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<b>ISRE 2400</b>	<b><i>Engagements to Review Historical Financial Statements</i></b>	
ISRE 2400, boxed text following TOC	International Standard on Review Engagements (ISRE) 2400 (Revised), <i>Engagements to Review Historical Financial Statements</i> , should be read in conjunction with the <i>Preface to the International Quality Control Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	International Standard on Review Engagements (ISRE) 2400 (Revised), <i>Engagements to Review Historical Financial Statements</i> , should be read in conjunction with the <i>Preface to the International Quality Control Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISRE 2400, paragraph 4	<p><b>Introduction</b></p> <p><i>Relationship with ISQGM 1<sup>2</sup></i></p> <p><del>Systems of quality control management systems, and policies and or procedures are the responsibility of the firm. ISQGM 1 applies to firms of professional accountants in respect of a firm's engagements to review financial statements.<sup>3</sup> The provisions of this ISRE regarding quality control management at the level of individual review engagements are premised on the basis that the firm is</del></p>	<p><b>Introduction</b></p> <p><i>Relationship with ISQGM 1<sup>2</sup></i></p> <p>The <del>s</del>Systems of quality control management systems, and policies and or procedures are the responsibility of the firm. ISQGM 1 applies to firms of professional accountants in respect of a firm's engagements to review financial statements.<sup>3</sup> The provisions of this ISRE regarding quality control management at the level of individual review engagements are premised on the basis that the firm is subject to ISQGM 1 or requirements that are at least as demanding. (Ref: Para. A3–A5)</p>

<sup>1</sup> Changes to headings that appear in the Table of Contents for a standard will be amended when the changes are published in the International Auditing and Assurance Standards Board's (IAASB) *Handbook of International Quality Management, Auditing, Review, Other Assurance, and Related Services Pronouncements*.

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	<p>subject to ISQCM 1 or requirements that are at least as demanding. (Ref: Para. A3–A5)</p> <p><sup>2</sup> International Standard on Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and</del>or Reviews of Financial Statements, <del>and</del>or Other Assurance <del>and</del>or Related Services Engagements</i></p> <p><sup>3</sup> ISQCM 1, paragraph 5</p>	<p><sup>2</sup> International Standard on Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and</del>or Reviews of Financial Statements, <del>and</del>or Other Assurance <del>and</del>or Related Services Engagements</i></p> <p><sup>3</sup> ISQCM 1, paragraph 5</p>
ISRE 2400, paragraph 16	<p><b>Definitions</b></p> <p>The Handbook's Glossary of Terms<sup>5</sup> (the Glossary) includes the terms defined in this ISRE as well as descriptions of other terms used in this ISRE, to assist in consistent application and interpretation. For example, the terms "management," and "those charged with governance" used throughout this ISRE are as defined in the Glossary. (Ref: Para. A11–A12)</p> <p><sup>5</sup> The Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality <del>Control</del>Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (the Handbook), published by IFAC</p>	<p><b>Definitions</b></p> <p>The Handbook's Glossary of Terms<sup>5</sup> (the Glossary) includes the terms defined in this ISRE as well as descriptions of other terms used in this ISRE, to assist in consistent application and interpretation. For example, the terms "management," and "those charged with governance" used throughout this ISRE are as defined in the Glossary. (Ref: Para. A11–A12)</p> <p><sup>5</sup> The Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality <del>Control</del>Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (the Handbook), published by IFAC</p>
ISRE 2400, paragraph 17(i) <sup>2</sup>	<p><i>Relevant ethical requirements – Principles of professional ethics and ethical requirements that are applicable to which the engagement team is subject when undertaking reviews of financial statements engagements, which Relevant ethical requirements ordinarily comprise the</i></p>	<p><i>Relevant ethical requirements – Principles of professional ethics and ethical requirements that are applicable to which professional accountants the engagement team is subject when undertaking reviews of financial statements engagements, which. Relevant ethical requirements ordinarily comprise the provisions of the International Ethics Standards Board for</i></p>

<sup>2</sup> Extant text reflects updates approved in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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	provisions 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-reviews of financial statements, together with national requirements that are more restrictive.	Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code)-related to a-reviews of financial statements, together with national requirements that are more restrictive.
ISRE 2400, paragraph 24	<p><b>Requirements</b>  <del>Ethical Requirements</del> <b>Engagement Level Quality ControlManagement</b></p> <p>The engagement partner shall <u>have competence</u> in assurance skills and techniques, and <u>competence</u> in financial reporting, <u>and capabilities, including being given sufficient time,</u> appropriate to the engagement circumstances. (Ref: Para. A26)</p>	<p><b>Requirements</b>  <del>Ethical Requirements</del> <b>Engagement Level Quality ControlManagement</b></p> <p>The engagement partner shall <u>have competence</u> in assurance skills and techniques, and <u>competence</u> in financial reporting, <u>and capabilities, including having being given sufficient time,</u> appropriate to the engagement circumstances. (Ref: Para. A26)</p>
ISRE 2400, paragraph 25	The engagement partner shall take <u>overall</u> responsibility for: (Ref: Para. A27–A30)	The engagement partner shall take <u>overall</u> responsibility for: (Ref: Para. A27–A30)
ISRE 2400, paragraph 25	(a) <del>The overall</del> <u>Managing and achieving quality of on each review engagement to which that partner is assigned and being sufficiently and appropriately involved throughout the engagement;</u>	(a) <del>The overall</del> <u>Managing and achieving quality of on each review engagement to which that partner is assigned and being sufficiently and appropriately involved throughout the engagement;</u>
ISRE 2400, paragraph 25	(b) The direction, supervision, planning and performance of the review engagement in compliance with professional standards and applicable legal and regulatory requirements; (Ref: Para. A31)	(b) The direction, supervision, planning and performance of the review engagement in compliance with professional standards and applicable legal and regulatory requirements; (Ref: Para. A31)
ISRE 2400, paragraph 25	(c) The practitioner's report being appropriate in the circumstances; and	(c) The practitioner's report being appropriate in the circumstances; and

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ISRE 2400, paragraph 25	(d) The engagement being performed in accordance with the firm's <del>quality control</del> policies <u>or procedures</u> , including the following:	(d) The engagement being performed in accordance with the firm's <del>quality control</del> <u>quality management</u> policies <u>or procedures</u> , including the following:
ISRE 2400, paragraph 25	(i) Being satisfied that <del>appropriate procedures regarding the firm's policies or procedures</del> for the acceptance and continuance of client relationships and engagements have been followed, and that conclusions reached are appropriate, including considering whether there is information that would lead the engagement partner to conclude that management lacks integrity; (Ref: Para. A32–A33)	(i) Being satisfied that <del>appropriate procedures regarding the firm's policies or procedures</del> for the acceptance and continuance of client relationships and <u>review</u> engagements have been followed, and that conclusions reached are appropriate, including considering whether there is information that would lead the engagement partner to conclude that management lacks integrity; (Ref: Para. A32–A33)
	(iA) <u>Determining that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the engagement, the firm's policies or procedures, and any changes that may arise during the engagement.</u>	(iA) <u>Determining that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the engagement, the firm's policies or procedures, and any changes that may arise during the engagement.</u>
ISRE 2400, paragraph 25	(ii) Being satisfied that the engagement team collectively has the appropriate competence and capabilities, <u>including being given sufficient time, as well as including</u> assurance skills and techniques and expertise in financial reporting, to:	(ii) Being satisfied that the engagement team collectively has the appropriate competence and capabilities, <u>including being given having sufficient time, as well as including</u> assurance skills and techniques and expertise in financial reporting, to:

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ISRE 2400, paragraph 25	a. Perform the review engagement in accordance with professional standards and applicable legal and regulatory requirements; and	a. Perform the review engagement in accordance with professional standards and applicable legal and regulatory requirements; and
ISRE 2400, paragraph 25	b. Enable a report that is appropriate in the circumstances to be issued; and	b. Enable a report that is appropriate in the circumstances to be issued; and
ISRE 2400, paragraph 25	(iii) Taking responsibility for appropriate engagement documentation being maintained.	(iii) Taking responsibility for appropriate engagement documentation being maintained.  <u>(iv) When an engagement quality review is required in accordance with ISQM 1 or the firm's policies or procedures, not dating the report until the completion of the engagement quality review.<sup>5A</sup></u>  <sup>5A</sup> ISQM 2, <i>Engagement Quality Reviews</i>
ISRE 2400, paragraph 27 <sup>3</sup>	<i>Compliance with Relevant Ethical Requirements</i> Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of 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 <u>management control</u> or otherwise that indicate that members of the engagement team have breached relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.	<i>Compliance with Relevant Ethical Requirements</i> Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of 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 <u>management control</u> or otherwise that indicate that members of the engagement team have breached relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.
ISRE 2400, paragraph 28	<i>Monitoring and Remediation</i>	<i>Monitoring and Remediation</i>

<sup>3</sup> Extant text reflects updates approved in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#)

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	<p><del>An effective firm's system of quality management control for a firm includes establishing a monitoring and remediation process to designed to provide the firm with reasonable assurance that the firm's policies and procedures relating to the system of quality control are relevant, adequate and operate effectively.</del></p> <p><del>(a) Provide the firm with relevant, reliable and timely information about the design, implementation and operation of the system of quality management.</del></p> <p><del>(b) Take appropriate actions to respond to identified deficiencies such that deficiencies are remediated by the firm on a timely basis.</del></p> <p>The engagement partner shall consider the <u>information from results</u> of the firm's monitoring <u>and remediation process, as communicated as evidenced in the latest information circulated</u> by the firm and, if applicable, other network firms, and whether <del>deficiencies noted in that</del> information may affect the review engagement.</p>	<p>An effective firm's system of quality <u>management control</u> for a firm includes <u>establishing a monitoring and remediation process to designed to provide the firm with reasonable assurance that the firm's policies and procedures relating to the system of quality control are relevant, adequate and operate effectively.</u></p> <p>(a) <u>Provide the firm with relevant, reliable and timely information about the design, implementation and operation of the system of quality management.</u></p> <p>(b) <u>Take appropriate actions to respond to identified deficiencies such that deficiencies are remediated by the firm on a timely basis.</u></p> <p>The engagement partner shall consider the <u>information from results</u> of the firm's monitoring <u>and remediation process, as communicated as evidenced in the latest information circulated</u> by the firm and, if applicable, other network firms, and whether <del>deficiencies noted in that</del> information may affect the review engagement.</p>
<p>ISRE 2400, paragraph 92</p>	<p><i>Date of the Practitioner's Report</i></p> <p>The practitioner shall date the report no earlier than the date on which the practitioner has obtained sufficient appropriate evidence as the basis for the practitioner's conclusion on the financial statements, including being satisfied that: (Ref: Para. A144–A147)</p> <p>(a) All the statements that comprise the financial statements under the applicable financial reporting</p>	<p><i>Date of the Practitioner's Report</i></p> <p>The practitioner shall date the report no earlier than the date on which the practitioner has obtained sufficient appropriate evidence as the basis for the practitioner's conclusion on the financial statements, including being satisfied that: (Ref: Para. A144–A147)</p> <p>(a) All the statements that comprise the financial statements under the applicable financial reporting framework, including the related notes where applicable, have been prepared; and</p>

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	<p>framework, including the related notes where applicable, have been prepared; and</p> <p>(b) Those with the recognized authority have asserted that they have taken responsibility for those financial statements.</p> <p><u>92A. When an engagement quality review is required in accordance with ISQM 1, the practitioner shall not date the report until the completion of the engagement quality review.</u><sup>5A</sup></p> <p><sup>5A</sup> ISQM 2, <i>Engagement Quality Reviews</i></p>	<p>(b) Those with the recognized authority have asserted that they have taken responsibility for those financial statements.</p> <p><del>92A. When an engagement quality review is required in accordance with ISQM 1 or the firm's policies or procedures, the practitioner shall not date the report until the completion of the engagement quality review.</del><sup>5A</sup></p> <p><sup>5A</sup> ISQM 2, <i>Engagement Quality Reviews</i></p>
<p>ISRE 2400, paragraph 94</p>	<p><b>Documentation</b></p> <p>...</p> <p>In documenting the nature, timing and extent of procedures performed as required in this ISRE, the practitioner shall record:</p> <p>(a) Who performed the work and the date such work was completed; and</p> <p>(b) Who reviewed the work performed for the purpose of quality <u>management</u> for the engagement, and the date and extent of the review.</p>	<p><b>Documentation</b></p> <p>...</p> <p>In documenting the nature, timing and extent of procedures performed as required in this ISRE, the practitioner shall record:</p> <p>(a) Who performed the work and the date such work was completed; and</p> <p>(b) Who reviewed the work performed for the purpose of <u>quality management</u> for the engagement, and the date and extent of the review.</p>
<p>ISRE 2400, paragraph A3</p>	<p><b>Application and Other Explanatory Material</b></p> <p><b>Scope of this ISRE (Ref: Para. 1–2)</b></p> <p>...</p> <p><i>Relationship with ISQGMs</i> (Ref: Para. 4)</p>	<p><b>Application and Other Explanatory Material</b></p> <p><b>Scope of this ISRE (Ref: Para. 1–2)</b></p> <p>...</p> <p><i>Relationship with ISQGMs</i> (Ref: Para. 4)</p>

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	<p><del>ISQCM 1 deals with at the firm's responsibilities to establish and maintain its design, implement and operate a system of quality control management for assurance engagements including review engagements.<sup>5A</sup> ISQM 1 also deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews. ISQM 2 deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.</del></p> <p>These responsibilities are directed at establishing the firm's:</p> <ul style="list-style-type: none"> <li>● <del>Quality control system; and</del></li> <li>● <del>Related policies designed to achieve the objective of the quality control system and the firm's procedures to implement and monitor compliance with those policies, including policies and procedures that address each of the following elements:</del> <ul style="list-style-type: none"> <li>○ <del>Leadership responsibilities for quality within the firm.</del></li> <li>○ <del>Relevant ethical requirements.</del></li> <li>○ <del>Acceptance and continuance of client relationships and specific engagements.</del></li> <li>○ <del>Human resources</del></li> <li>○ <del>Engagement performance.</del></li> <li>○ <del>Monitoring.</del></li> </ul> </li> </ul>	<p><del>ISQCM 1 deals with at the firm's responsibilities to establish and maintain its design, implement and operate a system of quality control management for assurance engagements including review engagements.<sup>5A</sup> ISQM 1 also deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews.<sup>5B</sup> ISQM 2 deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.<sup>5C</sup></del></p> <p>These responsibilities are directed at establishing the firm's:</p> <ul style="list-style-type: none"> <li>● <del>Quality control system; and</del></li> <li>● <del>Related policies designed to achieve the objective of the quality control system and the firm's procedures to implement and monitor compliance with those policies, including policies and procedures that address each of the following elements:</del> <ul style="list-style-type: none"> <li>○ <del>Leadership responsibilities for quality within the firm.</del></li> <li>○ <del>Relevant ethical requirements.</del></li> <li>○ <del>Acceptance and continuance of client relationships and specific engagements.</del></li> <li>○ <del>Human resources</del></li> <li>○ <del>Engagement performance.</del></li> <li>○ <del>Monitoring.</del></li> </ul> </li> </ul> <p><u>A system of quality management addresses the following eight components:</u>  <sup>5D</sup></p> <p>(a) <u>The firm's risk assessment process;</u></p> <p>(b) <u>Governance and leadership;</u></p>

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	<p><u>A system of quality management addresses the following eight components:</u><sup>5C</sup></p> <p>(a) <u>The firm's risk assessment process;</u></p> <p>(b) <u>Governance and leadership;</u></p> <p>(c) <u>Relevant ethical requirements;</u></p> <p>(d) <u>Acceptance and continuance of client relationships and specific engagements;</u></p> <p>(e) <u>Engagement performance;</u></p> <p>(f) <u>Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(h) <u>The monitoring and remediation process.</u></p> <p><u>Firms or national requirements may use different terminology or frameworks to describe the components of the system of quality management.</u></p> <p><sup>5A</sup> ISQM 1, paragraph 1</p> <p><sup>5C</sup> ISQM 1, paragraph 6</p>	<p>(c) <u>Relevant ethical requirements;</u></p> <p>(d) <u>Acceptance and continuance of client relationships and <span style="background-color: yellow;">specific reviews</span> specific engagements;</u></p> <p>(e) <u>Engagement performance;</u></p> <p>(f) <u>Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(h) <u>The monitoring and remediation process.</u></p> <p><u>Firms or national requirements may use different terminology or frameworks to describe the components of the system of quality management.</u></p> <p><sup>5A</sup> ISQM 1, paragraph 1</p> <p><sup>5B</sup> ISQM 1, paragraph 2(a)</p> <p><sup>5C</sup> ISQM 1, paragraph 2(b)</p> <p><sup>5D</sup> ISQM 1, paragraph 6</p>
ISRE 2400, paragraph A4	<p><u>Under ISQCM 1, the objective of the firm has an obligation to establish and maintain to design, implement and operate a system of quality control management for assurance engagements, including reviews of financial statements, that <del>to</del> provides <del>the</del> the firm with reasonable assurance that:</u></p> <p>(a) <u>The firm and its personnel <del>comply</del> fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory</u></p>	<p><u>Under ISQCM 1, the objective of the firm has an obligation to establish and maintain to design, implement and operate a system of quality control management for assurance engagements, including reviews of financial statements, that <del>to</del> provides <del>the</del> the firm with reasonable assurance that:</u></p> <p>(a) <u>The firm and its personnel <del>comply</del> fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and</u></p>

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	<p>requirements, and conduct engagements in accordance with such standards and requirements; and</p> <p>(b) <del>Reports</del>Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.<sup>7</sup></p> <p><sup>7</sup> ISQM 1, paragraph 4414</p>	<p>(b) <del>Reports</del>Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.<sup>7</sup></p> <p><sup>7</sup> ISQM 1, paragraph 4414</p>
ISRE 2400, paragraph A5	National requirements that deal with the firm's responsibilities to <del>establish and maintain</del> design, implement and operate a system of quality controlmanagement are at least as demanding as ISQCISQM 1 when they address all the requirements of ISQM 1 elements referred to in paragraph A3, and impose obligations on the firm tothat achieve the aims of the requirements set out inobjective of ISQCISQM 1.	National requirements that deal with the firm's responsibilities to establish and maintaindesign, implement and operate a system of quality controlmanagement are at least as demanding as ISQCISQM 1 when they address all the requirements of ISQM 1 elements referred to in paragraph A3, and impose obligations on the firm tothat achieve the aims of the requirements set out inobjective of ISQCISQM 1.
ISRE 2400, paragraph A27	Within the context of the firm's system of quality management, engagement teams have a responsibility to implement quality controlthe firm's policies or procedures applicable to the engagement, and providecommunicate to the firm with relevant information to enable the functioning of that part of arising from the review engagement that is required to be communicated by the firm's policies or procedures to support the firm's system of quality management control relating to independence.	Within the context of the firm's system of quality management, engagement teams have a responsibility to implement quality controlthe firm's policies or procedures applicable to the engagement, and providecommunicate to the firm with relevant information to enable the functioning of that part of arising from the review engagement that is required to be communicated by the firm's policies or procedures to support the firm's system of quality management control relating to independence.
ISRE 2400, paragraph A28	The actions of the engagement partner and appropriate messages to the other members of the engagement team, in the context of the engagement partner taking overall	The actions of the engagement partner and appropriate messages to the other members of the engagement team, in the context of the engagement partner taking overall responsibility for the overall managing and achieving

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	<p>responsibility for <del>the overall</del> <u>managing and achieving</u> quality on each review engagement, emphasize the fact that quality is essential in performing a review engagement, and the importance to the quality of the review engagement of:</p> <p>(a) Performing work that complies with professional standards and regulatory and legal requirements.</p> <p>(b) Complying with the firm's quality <del>control</del> <u>management</u> policies <del>and/or</del> <u>procedures</u> as applicable.</p> <p>(c) Issuing a report for the engagement that is appropriate in the circumstances.</p> <p>(d) The engagement team's ability to raise concerns without fear of reprisals.</p>	<p>quality on each review engagement, emphasize the fact that quality is essential in performing a review engagement, and the importance to the quality of the review engagement of:</p> <p>(a) Performing work that complies with professional standards and regulatory and legal requirements.</p> <p>(b) Complying with the firm's quality <del>control</del> <u>management</u> policies <del>and/or</del> <u>procedures</u> as applicable.</p> <p>(c) Issuing a report for the engagement that is appropriate in the circumstances.</p> <p>(d) The engagement team's ability to raise concerns without fear of reprisals.</p>
ISRE 2400, paragraph A29	<p><del>Unless information provided by the firm or other parties suggests otherwise</del> <u>Ordinarily</u>, the engagement team is <del>entitled to rely</del> <u>may depend</u> on the firm's system of quality <del>control</del> <u>management</u> unless:</p> <ul style="list-style-type: none"> <li><u>The engagement team's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li><u>Information provided by the firm or other parties about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul> <p>For example, the engagement team may <del>rely</del> <u>depend</u> on the firm's system of quality <del>control</del> <u>management</u> in relation to:</p>	<p><del>Unless information provided by the firm or other parties suggests otherwise</del> <u>Ordinarily</u>, the engagement team is <del>entitled to rely</del> <u>may depend</u> on the firm's system of quality <del>control</del> <u>management</u> unless:</p> <ul style="list-style-type: none"> <li><u>The engagement team's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li><u>Information provided by the firm or other parties about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul> <p>For example, the engagement team may <del>rely</del> <u>depend</u> on the firm's system of quality <del>control</del> <u>management</u> in relation to:</p> <ul style="list-style-type: none"> <li>Competence <u>and capabilities</u> of personnel through their recruitment and formal training.</li> </ul>

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	<ul style="list-style-type: none"> <li>• Competence <u>and capabilities</u> of personnel through their recruitment and formal training.</li> <li>• Independence through the accumulation and communication of relevant independence information.</li> <li>• Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance of client relationships and specific engagements</u> systems.</li> <li>• Adherence to regulatory and legal requirements through the <u>firm's monitoring and remediation</u> process.</li> </ul> <p>In considering deficiencies<sup>7B</sup> identified in the firm's system of quality <del>control</del><u>management</u> that may affect the review engagement, the engagement partner may consider <del>measures</del><u>the remedial actions taken</u><del>undertaken</del> by the firm to <del>rectify</del><u>address</u> those deficiencies.</p> <p><sup>7B</sup> ISQM 1, paragraph 16(a)</p>	<ul style="list-style-type: none"> <li>• Independence through the accumulation and communication of relevant independence information.</li> <li>• Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance of client relationships and specific review engagements</u> systems.</li> <li>• Adherence to regulatory and legal requirements through the <u>firm's monitoring and remediation</u> process.</li> </ul> <p>In considering deficiencies<sup>7B</sup> identified in the firm's system of quality <del>control</del><u>management</u> that may affect the review engagement, the engagement partner may consider <del>measures</del><u>the remedial actions taken</u><del>undertaken</del> by the firm to <del>rectify</del><u>address</u> those deficiencies.</p> <p><sup>7B</sup> ISQM 1, paragraph 16(a)</p>
ISRE 2400, paragraph A30	A30. A deficiency in the firm's system of quality <u>management</u> does not necessarily indicate that a review engagement was not performed in accordance with professional standards and applicable legal and regulatory requirements, or that the practitioner's report was not appropriate.	A30. A deficiency in the firm's system of quality <u>management</u> does not necessarily indicate that a review engagement was not performed in accordance with professional standards and applicable legal and regulatory requirements, or that the practitioner's report was not appropriate.

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ISRE 2400, paragraph A31	<p><i>Assignment of Engagement Teams</i> (Ref: Para. 25(b))</p> <p>When considering the appropriate competence and capabilities expected of the engagement team as a whole, the engagement partner may take into consideration such matters as the team's:</p> <p>...</p> <ul style="list-style-type: none"> <li>• Understanding of the firm's <u>quality management</u> <del>quality control</del> policies <del>and</del> <u>procedures</u>.</li> </ul>	<p><i>Assignment of Engagement Teams</i> (Ref: Para. 25(b))</p> <p>When considering the appropriate competence and capabilities expected of the engagement team as a whole, the engagement partner may take into consideration such matters as the team's:</p> <p>...</p> <ul style="list-style-type: none"> <li>• Understanding of the firm's <u>quality management</u> <del>quality control</del> policies <del>and</del> <u>procedures</u>.</li> </ul>
ISRE 2400, paragraph A32	<p><i>Acceptance and Continuance of Client Relationships and Review Engagements</i> (Ref: Para. 25(d)(i))</p> <p><del>ISQC</del><u>ISQM</u> 1<sup>ZA</sup> requires the firm to <u>establish quality objectives that address the acceptance and continuance of client relationships and specific engagements.</u></p> <p><del>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 the firm's policies or procedures for the acceptance and continuance of client relationships and review engagements have been followed, and that conclusions reached are appropriate, may include information concerning:</del></p>	<p><i>Acceptance and Continuance of Client Relationships and Review Engagements</i> (Ref: Para. 25(d)(i))</p> <p><del>ISQC</del><u>ISQM</u> 1<sup>ZA</sup> requires the firm to <u>establish quality objectives that address the acceptance and continuance of client relationships and specific review engagements.</u></p> <p><del>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 the firm's policies or procedures for the acceptance and continuance of client relationships and review engagements have been followed, and that conclusions reached are appropriate, may include information concerning:</del></p> <ul style="list-style-type: none"> <li>• The integrity of the principal owners, key management and those charged with governance; and</li> </ul>

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	<ul style="list-style-type: none"> <li>The integrity of the principal owners, key management and those charged with governance; and</li> <li>Significant matters that have arisen during the current or a previous review engagement, and their implications for continuing the relationship.</li> </ul> <p><sup>7A</sup> ISQM 1, paragraphs 30</p>	<ul style="list-style-type: none"> <li>Significant matters that have arisen during the current or a previous review engagement, and their implications for continuing the relationship.</li> </ul> <p><sup>7A</sup> ISQM 1, paragraphs 30</p>
ISRE 2400, paragraph A34	<p><b>Acceptance and Continuance of Client Relationships and Review Engagements</b> (Ref: Para. 29)</p> <p>The practitioner's consideration of <u>acceptance and engagement continuance of client relationships and review engagements</u>, and relevant ethical requirements, including independence, occurs throughout the engagement, as conditions and changes in circumstances occur. Performing initial procedures on <u>acceptance and engagement continuance of client relationships and review engagements</u> 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>	<p><b>Acceptance and Continuance of Client Relationships and Review Engagements</b> (Ref: Para. 29)</p> <p>The practitioner's consideration of <u>acceptance and engagement continuance of client relationships and review engagements</u>, and relevant ethical requirements, including independence, occurs throughout the engagement, as conditions and changes in circumstances occur. Performing initial procedures on <u>acceptance and engagement continuance of client relationships and review engagements</u> 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>
ISRE 2400, paragraph A151	<p><b>Documentation</b></p> <p>ISQGM 1 requires the firm to establish <u>a quality objective that engagement documentation is assembledtime limits that reflect the need to complete the assembly of final engagement files</u> on a timely basis <u>after the date of the engagement report</u>.</p>	<p><b>Documentation</b></p> <p>ISQGM 1 requires the firm to establish <u>a quality objective that engagement documentation is assembledtime limits that reflect the need to complete the assembly of final engagement files</u> on a timely basis <u>after the date of the engagement report</u>.</p>

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<b>ISAE 3000 (Revised)</b>	<b>Assurance Engagements Other Than Audits or Reviews of Historical Financial Information</b>	
ISAE 3000, boxed text following TOC	International Standard on Assurance Engagements (ISAE) 3000, <i>Assurance Engagements Other Than Audits or Reviews of Historical Financial Statements</i> , should be read in conjunction with the <i>Preface to the International Quality <del>Control</del>Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	International Standard on Assurance Engagements (ISAE) 3000 ( <u>Revised</u> ), <i>Assurance Engagements Other Than Audits or Reviews of Historical Financial Statements</i> , should be read in conjunction with the <i>Preface to the International Quality <del>Control</del>Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISAE 3000 (Revised), para. 3 <sup>4</sup>	<p><b>Introduction</b></p> <p>...</p> <p>(a) The members of the engagement team and the engagement quality <del>control</del>–reviewer (for those engagements where one has been appointed) are subject to 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) 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>(b) The practitioner who is performing the engagement is a member of a firm that is subject to ISQ<del>CM</del> 1,<sup>1</sup> or other professional requirements, or requirements in law or regulation, regarding the firm's responsibility</p>	<p><b>Introduction</b></p> <p>...</p> <p>(a) The members of the engagement team and the engagement quality <del>control</del>–reviewer (for those engagements where one has been appointed) are subject to 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) 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>(b) The practitioner who is performing the engagement is a member of a firm that is subject to ISQ<del>CM</del> 1,<sup>1</sup> or other professional requirements, or requirements in law or regulation, regarding the firm's responsibility for its system of quality <del>control</del>management, that are at least as demanding as ISQ<del>CM</del> 1. (Ref: Para. A61–A66)</p> <p><sup>1</sup> International Standard on Quality <del>Control</del>Management (ISQ<del>CM</del>) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and/or</del> Reviews of Financial</i></p>

<sup>4</sup> Extant text reflects updates approved in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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	<p>for its system of quality <del>control</del>management, that are at least as demanding as ISQGM 1. (Ref: Para. A61–A66)</p> <p><sup>1</sup> International Standard on Quality <del>Control</del>Management (ISQGM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and</del> Reviews of Financial Statements, <del>and</del> Other Assurance <del>and</del> Related Services Engagements</i></p>	<p><i>Statements, <del>and</del> Other Assurance <del>and</del> Related Services Engagements</i></p>
<p>ISAE 3000 (Revised), para. 4</p>	<p>Quality <del>control</del>management 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 that this ISAE includes requirements that reflect the premise in the preceding paragraph.</p>	<p>Quality <del>control</del>management 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 that this ISAE includes requirements that reflect the premise in the preceding paragraph.</p>
<p>ISAE 3000 (Revised), para. 12</p>	<p><b>Definitions</b></p> <p>(e) Engagement partner—The partner or other <u>individual, appointed by</u><del>person in</del> the firm, who is responsible for the engagement and its performance, and for the assurance report that is issued on behalf of the firm, and who, where required, has the appropriate authority from a professional, legal or regulatory body. “Engagement partner” should be read as referring to its public sector equivalents where relevant.</p>	<p><b>Definitions</b></p> <p>(e) Engagement partner—The partner or other <u>individual, appointed by</u><del>person in</del> the firm, who is responsible for the engagement and its performance, and for the assurance report that is issued on behalf of the firm, and who, where required, has the appropriate authority from a professional, legal or regulatory body. “Engagement partner” should be read as referring to its public sector equivalents where relevant.</p> <p>...</p>

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	<p>...</p> <p>(h) Engagement team—All partners and staff performing the engagement, and any <u>other</u> individuals engaged by the firm or a network firm who perform procedures on the engagement. <del>This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</del></p>	<p>(h) Engagement team—All partners and staff performing the engagement, and any <u>other</u> individuals engaged by the firm or a network firm who perform procedures on the engagement. <del>This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</del></p>
ISAE 3000 (Revised), para. 21	The engagement partner shall be satisfied that <u>the firm's policies or appropriate</u> procedures <del>for</del> 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.	The engagement partner shall be satisfied that <u>the firm's policies or appropriate</u> procedures <del>for</del> 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.
ISAE 3000 (Revised), para. 22 (b)	<ul style="list-style-type: none"> <li>• <b>Acceptance and Continuance</b></li> <li>• ...</li> <li>• The practitioner shall accept or continue an assurance engagement only when: <ul style="list-style-type: none"> <li>• ...</li> <li>(b) The practitioner is satisfied that those persons who are to perform the engagement collectively have the appropriate competence and capabilities, <u>including being given sufficient time to perform the engagement</u> (see also paragraph 32); and ...</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Acceptance and Continuance</b></li> <li>• ...</li> <li>• The practitioner shall accept or continue an assurance engagement only when: <ul style="list-style-type: none"> <li>• ...</li> <li>(b) The practitioner is satisfied that those persons who are to perform the engagement collectively have the appropriate competence and capabilities, <u>including having been given sufficient time to perform the engagement</u> (see also paragraph 32); and ...</li> </ul> </li> </ul>
ISAE 3000 (Revised), para. 23	<ul style="list-style-type: none"> <li>• If the engagement partner obtains information that <del>may</del>would have caused the firm to decline the engagement had that information been <u>known by the firm prior to</u></li> </ul>	<ul style="list-style-type: none"> <li>• If the engagement partner obtains information that <del>may</del>would have caused the firm to decline the engagement had that information been <u>known by the firm prior to accepting or continuing the client relationship or specific</u></li> </ul>

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	<p><del>accepting or continuing the client relationship or specific engagement 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.</del></p>	<p>engagement 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.</p>
ISAE 3000 (Revised), para. 31(a)	<p><b>Quality Control<del>Management</del></b> <i>Characteristics of the Engagement Partner</i> The engagement partner shall:</p> <p>(a) Be a member of a firm that applies ISQGM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQGM 1;</p>	<p><b>Quality Control<del>Management</del></b> <i>Characteristics of the Engagement Partner</i> The engagement partner shall:</p> <p>(a) Be a member of a firm that applies ISQCM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1;</p>
	<p><u>Engagement Resources</u> (aa) <u>Determine that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the engagement, the firm's policies or procedures, and any changes that may arise during the engagement.</u> ...</p>	<p><u>Engagement Resources</u> (aa) <u>Determine that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the engagement, the firm's policies or procedures, and any changes that may arise during the engagement.</u> ...</p>
ISAE 3000 (Revised), para. 32(a)	<p><del>Assignment of the Team</del> The engagement partner shall:</p> <p>(a) Be satisfied that those persons who are to perform the engagement collectively have the appropriate competence and capabilities, <u>including being given sufficient time to: ...</u></p>	<p><del>Assignment of the Team</del> The engagement partner shall:</p> <p>(a) Be satisfied that those persons who are to perform the engagement collectively have the appropriate competence and capabilities, <u>including having being given sufficient time to: ...</u></p>

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ISAE 3000 (Revised), para. 33	<p><i>Responsibilities of the Engagement Partner</i></p> <p>The engagement partner shall take <u>overall</u> responsibility for <del>the overall</del> <u>managing and achieving</u> quality on the engagement and <u>being sufficiently and appropriately involved throughout the engagement</u>. This includes responsibility for:</p> <p>(a) <u>Being satisfied that the firm's policies or procedures for</u> <del>Appropriate procedures being performed regarding</del> the acceptance and continuance of client relationships and <u>assurance engagements have been followed</u>;</p> <p>(b) The engagement being planned and performed (including appropriate direction and supervision <u>of engagement team members</u>) <del>to comply in accordance</del> with professional standards and applicable legal and regulatory requirements;</p> <p>(c) Reviews being performed in accordance with the firm's <del>review</del> policies <del>and/or</del> <u>procedures</u> and reviewing the engagement documentation on or before the date of the assurance report; ...</p>	<p><i>Responsibilities of the Engagement Partner</i></p> <p>The engagement partner shall take <u>overall</u> responsibility for <del>the overall</del> <u>managing and achieving</u> quality on the engagement and <u>being sufficiently and appropriately involved throughout the engagement</u>. This includes responsibility for:</p> <p>(a) <u>Being satisfied that the firm's policies or procedures for</u> <del>Appropriate procedures being performed regarding</del> the acceptance and continuance of client relationships and <u>assurance engagements have been followed</u>;</p> <p>(b) The engagement being planned and performed (including appropriate direction and supervision <u>of engagement team members</u>) <del>to comply in accordance</del> with professional standards and applicable legal and regulatory requirements;</p> <p>(c) Reviews being performed in accordance with the firm's <del>review</del> policies <del>and/or</del> <u>procedures</u> and reviewing the engagement documentation on or before the date of the assurance report; ...</p>
ISAE 3000 (Revised), para. 34	<p>Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of 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 <del>control</del> <u>management</u> or otherwise that indicate that members of the engagement</p>	<p>Throughout the engagement, the engagement partner shall remain alert, through observation and making inquiries as necessary, for evidence of 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 <del>control</del> <u>management</u> or otherwise that indicate that members of the engagement team have breached relevant ethical</p>

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	team have breached relevant ethical requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.	requirements, the engagement partner, in consultation with others in the firm, shall determine the appropriate action.
ISAE 3000 (Revised), para. 35	The engagement partner shall consider the <u>information from results</u> of the firm's monitoring and remediation process as <u>communicated evidenced in the latest information</u> circulated by the firm and, if applicable, other network firms and whether <u>deficiencies noted in that</u> the information may affect the assurance engagement.	The engagement partner shall consider the <u>information from results</u> of the firm's monitoring and remediation process, as <u>communicated evidenced in the latest information</u> circulated by the firm and, if applicable, other network firms and whether <u>deficiencies noted in that</u> the information may affect the assurance engagement.
ISAE 3000 (Revised), para. 36	<p><i>Engagement Quality Control-Review</i></p> <p>For those engagements, <del>if any,</del> for which an <u>engagement quality control review</u> is required <del>by law or regulation or for which the firm has determined that an engagement quality control review is required</del> in accordance with ISQM 1 :</p> <p>(a) <del>T</del>the engagement partner shall <del>take responsibility for discussing significant matters and significant judgments arising during the engagement with the engagement quality control reviewer, and not date the assurance report until completion of that review.</del><sup>2A</sup> and</p> <p>(b) <del>The engagement quality control reviewer shall perform an objective evaluation of the significant judgments made by the engagement team, and the conclusions reached in formulating the assurance report. This evaluation shall involve: (Ref: Para. A75)</del></p> <p>(i) <del>Discussion of significant matters with the engagement partner;</del></p>	<p><i>Engagement Quality Control-Review</i></p> <p>For those engagements, <del>if any,</del> for which an <u>engagement quality control review</u> is required <del>by law or regulation or for which the firm has determined that an engagement quality control review is required</del> in accordance with <u>ISQM 1 or the firm's policies or procedures:</u></p> <p>(a) <del>T</del>the engagement partner shall <del>take responsibility for discussing significant matters and significant judgments arising during the engagement with the engagement quality control reviewer, and not date the assurance report until completion of that review.</del><sup>2A</sup> and</p> <p>(b) <del>The engagement quality control reviewer shall perform an objective evaluation of the significant judgments made by the engagement team, and the conclusions reached in formulating the assurance report. This evaluation shall involve: (Ref: Para. A75)</del></p> <p>(i) <del>Discussion of significant matters with the engagement partner;</del></p> <p>(ii) <del>Review of the subject matter information and the proposed assurance report;</del></p>

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	<p>(ii) <del>Review of the subject matter information and the proposed assurance report;</del></p> <p>(iii) <del>Review of selected engagement documentation relating to the significant judgments the engagement team made and the conclusions it reached; and</del></p> <p>(v) <del>Evaluation of the conclusions reached in formulating the assurance report and consideration of whether the proposed assurance report is appropriate.</del></p> <p><sup>2A</sup> <u>ISQM 2. Engagement Quality Reviews</u></p>	<p>(iii) <del>Review of selected engagement documentation relating to the significant judgments the engagement team made and the conclusions it reached; and</del></p> <p>(v) <del>Evaluation of the conclusions reached in formulating the assurance report and consideration of whether the proposed assurance report is appropriate.</del></p> <p><sup>2A</sup> <u>ISQM 2. Engagement Quality Reviews</u></p>
<p>ISAE 3000 (Revised), paragraph 69</p>	<p><b>Preparing the Assurance Report</b>  <i>Assurance Report Content</i></p> <ul style="list-style-type: none"> <li>• The assurance report shall include, at a minimum, the following basic elements:</li> <li>• ...</li> <li>(i) A statement that the firm of which the practitioner is a member applies ISQCM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are at least as demanding as ISQCM 1. (Ref: Para. A172)</li> </ul>	<p><b>Preparing the Assurance Report</b>  <i>Assurance Report Content</i></p> <ul style="list-style-type: none"> <li>• The assurance report shall include, at a minimum, the following basic elements:</li> <li>• ...</li> <li>(i) A statement that the firm of which the practitioner is a member applies ISQCM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are at least as demanding as ISQCM 1. (Ref: Para. A172)</li> <li>• ...</li> </ul>

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	<p>...</p> <p>(n) The date of the assurance report. The assurance report shall be dated no earlier than the date on which:</p> <p>(i) <del>The</del> practitioner has obtained the evidence on which the practitioner's conclusion is based, including evidence that those with the recognized authority have asserted that they have taken responsibility for the subject matter information; <u>and.</u></p> <p>(ii) <u>When an engagement quality review is required in accordance with ISQM 1, the engagement quality review is complete.</u> (Ref: Para. A184A–A185A)</p> <p>...</p>	<p>(n) The date of the assurance report. The assurance report shall be dated no earlier than the date on which:</p> <p>(i) <del>The</del> practitioner has obtained the evidence on which the practitioner's conclusion is based, including evidence that those with the recognized authority have asserted that they have taken responsibility for the subject matter information; <u>and.</u></p> <p>(ii) <u>When an engagement quality review is required in accordance with ISQM 11— or the firm's policies or procedures, the engagement quality review is complete.</u> (Ref: Para. A184A–A185A)</p> <p>...</p>
<p>ISAE 3000 (Revised), paragraph A60</p>	<p><b>Quality Control<del>Management</del></b></p> <p><i>Professional Accountants in Public Practice</i> (Ref: Para. 20, 31(a)–(b))</p> <p>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:</p> <ul style="list-style-type: none"> <li>• Competency requirements, such as education and experience benchmarks for entry to membership,</li> </ul>	<p><b>Quality Control<del>Management</del></b></p> <p><i>Professional Accountants in Public Practice</i> (Ref: Para. 20, 31(a)–(b))</p> <p>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:</p> <ul style="list-style-type: none"> <li>• Competency requirements, such as education and experience benchmarks for entry to membership, and ongoing continuing professional development as well as life-long learning requirements.</li> <li>• <u>A system of quality management</u> <del>Quality control policies and procedures</del> implemented across the firm. ISQGM 1 applies to all firms</li> </ul>

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	<p>and ongoing continuing professional development as well as life-long learning requirements.</p> <ul style="list-style-type: none"> <li>• <del>A system of quality management</del> <u>Quality control policies and procedures</u> implemented across the firm. ISQCM 1 applies to all firms of professional accountants in respect of assurance and related services engagements.</li> <li>• 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.</li> </ul>	<p><del>of professional accountants</del> in respect of assurance and related services engagements.</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>
ISAE 3000 (Revised), paragraph A61	<p><del>Firm Level Quality Control</del><u>Management</u> (Ref: Para. 3(b), 31(a))</p> <p>ISQCM 1 deals with the firm's responsibilities to <del>establish and maintain design, implement and operate a</del> <u>its system of quality control management</u> for assurance engagements.<sup>3A</sup> It sets out the responsibilities of the firm for <del>establishing policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply quality objectives that address the fulfillment of responsibilities in accordance</del> <u>with relevant ethical requirements, including those pertaining related to independence. ISQM 1 also deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews. ISQM 2<sup>3B</sup> deals with the appointment and eligibility of the engagement quality</u></p>	<p><del>Firm Level Quality Control</del><u>Management</u> (Ref: Para. 3(b), 31(a))</p> <p>ISQCM 1 deals with the firm's responsibilities to <del>establish and maintain design, implement and operate a its</del> <u>system of quality control management</u> for assurance engagements.<sup>3A</sup> It sets out the responsibilities of the firm for <del>establishing policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply quality objectives that address the fulfillment of responsibilities in accordance</del> <u>with relevant ethical requirements, including those pertaining related to independence. ISQM 1 also deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews.<sup>3B</sup> ISQM 2<sup>3B</sup> deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.<sup>3C</sup></u></p> <p><del>Compliance with ISQCM 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</del></p>

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	<p><u>reviewer, and the performance and documentation of the engagement quality review.</u></p> <p><del>Compliance with ISQM 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. A system of quality management addresses the following eight components:<sup>3C</sup></del></p> <p>(a) <u>The firm's risk assessment process</u><del>Leadership responsibilities for quality within the firm;</del></p> <p>(b) <u>Governance and leadership;</u></p> <p>(<del>b</del>c) <u>Relevant ethical requirements;</u></p> <p>(<del>e</del>d) <u>Acceptance and continuance of client relationships and specific engagements;</u></p> <p>(e) <u>Engagement performance; and</u></p> <p>(<del>e</del>f) <u>Human Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(<del>f</del>h) <u>Monitoring</u><del>The monitoring and remediation process.</del></p> <p><u>Firms or national requirements may use different terminology or frameworks to describe the system of quality management.</u></p> <p><sup>3A</sup> ISQM 1, paragraph 1</p> <p><sup>3B</sup> ISQM 2, <i>Engagement Quality Reviews</i></p> <p><sup>3C</sup> ISQM 1, paragraph 6</p>	<p><del>documents its policies and procedures and communicates them to the firm's personnel. A system of quality management addresses the following eight components:<sup>3D</sup></del></p> <p>(a) <u>The firm's risk assessment process</u><del>Leadership responsibilities for quality within the firm;</del></p> <p>(b) <u>Governance and leadership;</u></p> <p>(<del>b</del>c) <u>Relevant ethical requirements;</u></p> <p>(<del>e</del>d) <u>Acceptance and continuance of client relationships and <b>specific assurance</b> specific engagements;</u></p> <p>(e) <u>Engagement performance; and</u></p> <p>(<del>e</del>f) <u>Human Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(<del>f</del>h) <u>Monitoring</u><del>The monitoring and remediation process.</del></p> <p><u>Firms or national requirements may use different terminology or frameworks to describe the components of the system of quality management.</u></p> <p><sup>3A</sup> ISQM 1, paragraph 1</p> <p><del><sup>3B</sup> ISQM 2, <i>Engagement Quality Reviews</i></del></p> <p><sup>3B</sup> ISQM 1, paragraph 2(a)</p> <p><sup>3C</sup> ISQM 1, paragraph 2(b)</p> <p><sup>3D</sup> ISQM 1, paragraph 6</p>

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ISAE 3000 (Revised), paragraph A62	Other professional requirements, or requirements in law or regulation that deal with the firm's responsibilities to establish and maintain a system of quality <del>control</del> <u>management</u> , are at least as demanding as ISQCM 1 when they address all the <del>requirements of ISQM 1</del> <u>requirements of ISQM 1</u> <del>referred to in the preceding paragraph</del> and impose obligations on the firm that achieve the aims of the <del>requirements set out in</del> <u>objective of ISQCM 1</u> .	Other professional requirements, or requirements in law or regulation that deal with the firm's responsibilities to <u>design, implement, and operate</u> <del>establish and maintain</del> a system of quality <del>control</del> <u>management</u> , are at least as demanding as ISQCM 1 when they address <del>all the requirements of ISQM 1</del> <u>all the requirements of ISQM 1</u> <del>referred to in the preceding paragraph</del> and impose obligations on the firm <del>to</del> <u>that</u> achieve the aims of the <del>requirements set out in</del> <u>objective of ISQCM 1</u> .
ISAE 3000 (Revised), paragraph A63	The actions of the engagement partner, and appropriate messages to the other members of the engagement team, in the context of the engagement partner taking <u>overall</u> responsibility for <del>the overall</del> <u>managing and achieving</u> quality on each engagement <u>and being sufficiently and appropriately involved throughout the engagement</u> , emphasize the fact that quality is essential in performing an assurance engagement, and the importance to the quality of the assurance engagement of:  (a) Performing work that complies with professional standards and regulatory and legal requirements.  (b) Complying with the firm's <del>quality control</del> policies <u>and/or</u> procedures as applicable.  (c) Issuing a report for the engagement that is appropriate in the circumstances.  (d) The engagement team's ability to raise concerns without fear of reprisals.	The actions of the engagement partner, and appropriate messages to the other members of the engagement team, in the context of the engagement partner taking <u>overall</u> responsibility for <del>the overall</del> <u>managing and achieving</u> quality on each engagement <u>and being</u> <del>sufficiently and appropriately involved throughout the engagement</del> , emphasize the fact that quality is essential in performing an assurance engagement, and the importance to the quality of the assurance engagement of:  (a) Performing work that complies with professional standards and regulatory and legal requirements.  (b) Complying with the firm's <del>quality control</del> policies <u>and/or</u> procedures as applicable.  (c) Issuing a report for the engagement that is appropriate in the circumstances.  (d) The engagement team's ability to raise concerns without fear of reprisals.
ISAE 3000 (Revised),	An effective <u>firm's system of quality control</u> <del>management</del> includes <u>establishing a monitoring and remediation process</u>	An <del>effective</del> <u>firm's system of quality control</u> <del>management</del> includes <u>establishing a monitoring and remediation process designed to provide the</u>

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paragraph A64	<p><del>designed to provide the firm with reasonable assurance that its policies and procedures relating to the system of quality control are relevant, adequate and operating effectively.:</del></p> <p>(a) <u>Provide relevant, reliable and timely information about the design, implementation and operation of the system of quality management.</u></p> <p>(b) <u>Take appropriate actions to respond to identified deficiencies such that deficiencies are remediated on a timely basis.</u></p>	<p><del>firm with reasonable assurance that its policies and procedures relating to the system of quality control are relevant, adequate and operating effectively.:</del></p> <p>(a) <u>Provide the firm with relevant, reliable and timely information about the design, implementation and operation of the system of quality management.</u></p> <p>(b) <u>Take appropriate actions to respond to identified deficiencies such that deficiencies are remediated by the firm on a timely basis.</u></p>
ISAE 3000 (Revised), paragraph A65	<p><del>Unless information provided by the firm or other parties suggests otherwise Ordinarily, the engagement team is entitled to rely may depend on the firm's system of quality control management unless:</del></p> <ul style="list-style-type: none"> <li>• <u>The engagement team's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li>• <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul> <p>For example, the engagement team may <del>rely</del><u>depend</u> on the firm's system of quality <del>control</del><u>management</u> in relation to:</p> <p>(a) <u>Competence and capabilities of personnel through their recruitment and formal training.</u></p>	<p><del>Unless information provided by the firm or other parties suggests otherwise Ordinarily, the engagement team is entitled to rely may depend on the firm's system of quality control management unless:</del></p> <ul style="list-style-type: none"> <li>• <u>The engagement team's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li>• <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul> <p>For example, the engagement team may <del>rely</del><u>depend</u> on the firm's system of quality <del>control</del><u>management</u> in relation to:</p> <p>(a) <u>Competence and capabilities of personnel through their recruitment and formal training.</u></p> <p>(b) <u>Independence through the accumulation and communication of relevant independence information.</u></p> <p>(c) <u>Maintenance of client relationships through the firm's policies or procedures for acceptance and continuance systems of client relationships and assurance engagements.</u></p>

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	<p>(b) Independence through the accumulation and communication of relevant independence information.</p> <p>(c) Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance systems of client relationships and assurance engagements.</u></p> <p>(d) Adherence to regulatory and legal requirements through <u>the firm's monitoring and remediation process.</u></p> <p>In considering deficiencies identified in the firm's system of quality <del>control</del><u>management</u> that may affect the assurance engagement, the engagement partner may consider <u>the remedial actions—measures undertaken</u> by the firm to <del>rectify</del><u>address</u> those deficiencies.</p>	<p>(d) Adherence to regulatory and legal requirements through <u>the firm's monitoring and remediation</u> process.</p> <p>In considering deficiencies<sup>4A</sup> identified in the firm's system of quality <del>control</del><u>management</u> that may affect the assurance engagement, the engagement partner may consider <u>the remedial actions—measures undertaken</u> by the firm to <del>rectify</del><u>address</u> those deficiencies.</p> <p><sup>4A</sup> ISQM 1, paragraph 16(a)</p>
ISAE 3000 (Revised), paragraph A66	A deficiency in the firm's system of quality <del>control</del> <u>management</u> does not necessarily indicate that an assurance engagement was not performed in accordance with professional standards and applicable legal and regulatory requirements, or that the practitioner's report was not appropriate.	A deficiency in the firm's system of quality <del>control</del> <u>management</u> does not necessarily indicate that an assurance engagement was not performed in accordance with professional standards and applicable legal and regulatory requirements, or that the practitioner's report was not appropriate.
ISAE 3000 (Revised), paragraph A69	<p><del>Assignment of the Team</del><u>Engagement Resources</u></p> <p>Collective Competence and Capabilities (Ref: Para. 32)</p> <p>ISQGM 1 requires the firm to establish <del>policies and procedures</del><u>quality objectives that address</u> for the acceptance and continuance of client relationships and</p>	<p><del>Assignment of the Team</del><u>Engagement Resources</u></p> <p>Collective Competence and Capabilities (Ref: Para. 32)</p> <p>ISQGM 1 requires the firm to establish <del>policies and procedures</del><u>quality objectives that address</u> for the acceptance and continuance of client relationships and <del>assurance specific engagements, designed to provide the</del></p>

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	<p>specific engagements. <del>The quality objectives deal with the appropriateness of judgments by the firm about whether to accept or continue relationships and engagements that are based on the firm's ability to perform the engagement in accordance with professional standards and applicable legal and regulatory requirements where the firm is competent to perform the engagement and has the capabilities, including time and resources, to do so.</del><sup>5</sup></p> <p><sup>5</sup> ISQGM 1, paragraphs 2630(a)(ii) and A72</p>	<p><del>firm with reasonable assurance that it will only undertake</del> <u>The quality objectives deal with the appropriateness of judgments by the firm about whether to accept or continue relationships and engagements that are based on the firm's ability to perform the engagement in accordance with professional standards and applicable legal and regulatory requirements where the firm is competent to perform the engagement and has the capabilities, including time and resources, to do so.</u><sup>5</sup></p> <p><sup>5</sup> ISQGM 1, paragraphs 2630(a)(ii) and A72</p>
<p>ISAE 3000 (Revised), paragraph A74</p>	<p><i>Review Responsibilities</i> (Ref: Para. 33(c))</p> <p>Under ISQGM 1, the firm's <u>is required to establish a quality objective that addresses the nature, timing and extent of the direction and supervision of engagement teams and review of their work. review responsibility policies and procedures are determined</u> ISQM 1 also requires that such direction, supervision and review is planned and performed on the basis that the work performed by <u>of less experienced team members is directed, supervised and reviewed</u> by more experienced team members.<sup>6</sup></p> <p><sup>6</sup> ISQGM 1, paragraph 3331(b)</p>	<p><i>Review Responsibilities</i> (Ref: Para. 33(c))</p> <p>Under ISQGM 1, the firm's <u>is required to establish a quality objective that addresses the nature, timing and extent of the direction and supervision of engagement teams and review of their work. review responsibility policies and procedures are determined</u> ISQM 1 also requires that such direction, supervision and review is planned and performed on the basis that the work performed by <u>of less experienced engagement team members is directed, supervised and reviewed</u> by more experienced <u>engagement</u> team members.<sup>6</sup></p> <p><sup>6</sup> ISQGM 1, paragraph 3331(b)</p>
<p>ISAE 3000 (Revised), paragraph A754</p>	<p><i>Engagement Quality Control Review</i> (Ref: Para. 36(b))</p> <p>A75. Other matters that may be considered in an engagement quality <del>control</del> review include:</p>	<p><i>Engagement Quality <del>Control</del> Review</i> (Ref: Para. 36(b))</p> <p>A75. Other matters that may be considered in an engagement quality <del>control</del> review include:</p> <p>(a) The engagement team's evaluation of the firm's independence in relation to the engagement;</p>

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	<ul style="list-style-type: none"> <li>(a) The engagement team's evaluation of the firm's independence in relation to the engagement;</li> <li>(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</li> <li>(c) Whether engagement documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached.</li> </ul>	<ul style="list-style-type: none"> <li>(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</li> <li>(c) Whether engagement documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached.</li> </ul>
<p>ISAE 3000 (Revised), paragraph A86</p>	<p><b>Planning and Performing the Engagement</b></p> <p><i>Planning</i> (Ref: Para. 40)</p> <p>Planning involves the engagement partner, other key members of the engagement team, and any key practitioner's external experts developing an overall strategy for the scope, emphasis, timing and conduct of the engagement, and an engagement plan, consisting of a detailed approach for the nature, timing and extent of procedures to be performed, and the reasons for selecting them. Adequate planning helps to devote appropriate attention to important areas of the engagement, identify potential problems on a timely basis and properly organize and manage the engagement in order for it to be performed in an effective and efficient manner. Adequate planning also assists the practitioner to properly assign work to engagement team members, and facilitates the direction;</p>	<p><b>Planning and Performing the Engagement</b></p> <p><i>Planning</i> (Ref: Para. 40)</p> <p>Planning involves the engagement partner, other key members of the engagement team, and any key practitioner's external experts developing an overall strategy for the scope, emphasis, timing and conduct of the engagement, and an engagement plan, consisting of a detailed approach for the nature, timing and extent of procedures to be performed, and the reasons for selecting them. Adequate planning helps to devote appropriate attention to important areas of the engagement, identify potential problems on a timely basis and properly organize and manage the engagement in order for it to be performed in an effective and efficient manner. Adequate planning also assists the practitioner to properly assign work to engagement team members, and facilitates the direction, <u>and supervision of engagement team members</u>, and the review of their work. ...</p>

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	<p><u>and supervision of engagement team members</u>, and the review of their work. ...</p>	
<p>ISAE 3000 (Revised), paragraph A121</p>	<p><i>Considerations When a Practitioner's Expert Is Involved on the Engagement</i></p> <p>Nature, Timing and Extent of Procedures (Ref: Para. 52)</p> <p>The following matters are often relevant when determining the nature, timing and extent of procedures with respect to the work of a practitioner's expert when some of the assurance work is performed by one or more practitioner's expert (see paragraph A70):</p> <p>...</p> <p>(e) Whether that expert is subject to the practitioner's firm's quality <del>control</del> management policies <del>and</del> procedures (see also paragraphs A124–A125).</p>	<p><i>Considerations When a Practitioner's Expert Is Involved on the Engagement</i></p> <p>Nature, Timing and Extent of Procedures (Ref: Para. 52)</p> <p>The following matters are often relevant when determining the nature, timing and extent of procedures with respect to the work of a practitioner's expert when some of the assurance work is performed by one or more practitioner's expert (see paragraph A70):</p> <p>...</p> <p>(e) Whether that expert is subject to the practitioner's firm's quality <del>control</del> management policies <del>and</del> procedures (see also paragraphs A124–A125).</p>
<p>ISAE 3000 (Revised), paragraph A124</p>	<p>The practitioner's firm's quality <del>control</del> <u>management</u> policies <del>and</del> procedures</p> <p>A practitioner's internal expert may be a partner or staff, including temporary staff, of the practitioner's firm, and therefore subject to the <u>firm's system of quality management, including its control</u> policies <del>and</del> procedures, <del>of that firm</del> in accordance with ISQCM 1 or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. Alternatively, a practitioner's internal expert may be a partner or staff, including temporary staff, of a network firm, which may share common quality <del>control</del> management</p>	<p>The practitioner's firm's quality <del>control</del> <u>management</u> policies <del>and</del> procedures</p> <p>A practitioner's internal expert may be a partner or staff, including temporary staff, of the practitioner's firm, and therefore subject to the <u>firm's system of quality management, including its control</u> policies <del>and</del> procedures, <del>of that firm</del> in accordance with ISQCM 1 or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. Alternatively, a practitioner's internal expert may be a partner or staff, including temporary staff, of a network firm, which may share common quality <del>control</del> management policies <del>and</del> procedures with the practitioner's firm. A practitioner's external expert is not a member of the engagement</p>

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	<p>policies <del>and/or</del> procedures with the practitioner's firm. A practitioner's external expert is not a member of the engagement team <del>and is not subject to quality control policies and procedures in accordance with ISQC 1.</del></p>	<p><del>team and is not subject to quality control policies and procedures in accordance with ISQC 1.</del></p>
<p>ISAE 3000 (Revised), paragraph A125</p>	<p><del>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. Ordinarily, the engagement team may depend on the firm's system of quality management (see paragraph A65). The extent of that reliance dependence will vary with the circumstances, and may affect the nature, timing and extent of the practitioner's procedures with respect to such matters as:</del></p> <p>...</p> <ul style="list-style-type: none"> <li>• The practitioner's evaluation of the adequacy of the practitioner's expert's work. For example, the firm's training programs may provide the practitioner's internal experts with an appropriate understanding of the interrelationship of their expertise with the evidence gathering process. <del>Reliance Depending</del> on such training and other firm processes, such as protocols for scoping the work of the practitioner's internal experts, may affect the nature, timing and extent of the practitioner's procedures to evaluate the adequacy of the practitioner's expert's work.</li> <li>• Adherence to regulatory and legal requirements, through <u>the monitoring and remediation</u> processes.</li> </ul> <p>...</p>	<p><del>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. Ordinarily, the engagement team may depend on the firm's system of quality management (see paragraph A65). The extent of that reliance dependence will vary with the circumstances, and may affect the nature, timing and extent of the practitioner's procedures with respect to such matters as:</del></p> <p>...</p> <ul style="list-style-type: none"> <li>• The practitioner's evaluation of the adequacy of the practitioner's expert's work. For example, the firm's training programs may provide the practitioner's internal experts with an appropriate understanding of the interrelationship of their expertise with the evidence gathering process. <del>Reliance Depending</del> on such training and other firm processes, such as protocols for scoping the work of the practitioner's internal experts, may affect the nature, timing and extent of the practitioner's procedures to evaluate the adequacy of the practitioner's expert's work.</li> <li>• Adherence to regulatory and legal requirements, through <u>the firm's monitoring and remediation</u> processes.</li> </ul> <p>...</p> <p>Such <del>dependance reliance</del> does not reduce the practitioner's responsibility to meet the requirements of this ISAE.</p>

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ISAE 3000 (Revised), paragraph A126 <del>5</del>	<p>The Competence, Capabilities and Objectivity of the Practitioner's Expert (Ref: Para. 52(a))</p> <p>A126. Information regarding the competence, capabilities and objectivity of a practitioner's expert may come from a variety of sources, such as:</p> <p>...</p> <ul style="list-style-type: none"> <li>The firm's quality <del>control</del><u>management</u> policies and procedures (see also paragraphs A124–A125).</li> </ul>	<p>The Competence, Capabilities and Objectivity of the Practitioner's Expert (Ref: Para. 52(a))</p> <p>A126. Information regarding the competence, capabilities and objectivity of a practitioner's expert may come from a variety of sources, such as:</p> <p>...</p> <ul style="list-style-type: none"> <li>The firm's quality <del>control</del><u>management</u> policies and procedures (see also paragraphs A124–A125).</li> </ul>
ISAE 3000 (Revised), paragraph A147	<p><b>Forming the Assurance Conclusion</b></p> <p><i>Sufficiency and Appropriateness of Evidence</i> (Ref: Para. 12(i), 64)</p> <p>Evidence is necessary to support the practitioner's conclusion and assurance report. It is cumulative in nature and is primarily obtained from procedures performed during the course of the engagement. It may, however, also include information obtained from other sources such as previous engagements (provided the practitioner has determined whether changes have occurred since the previous engagement that may affect its relevance to the current engagement) or a firm's <del>quality control</del><u>policies or procedures for client acceptance and continuance of client relationships and assurance engagements</u>. Evidence may come from sources inside and outside the appropriate party(ies). Also, information that may be used as evidence may have been prepared by an expert employed or engaged by the appropriate party(ies). Evidence comprises</p>	<p><b>Forming the Assurance Conclusion</b></p> <p><i>Sufficiency and Appropriateness of Evidence</i> (Ref: Para. 12(i), 64)</p> <p>Evidence is necessary to support the practitioner's conclusion and assurance report. It is cumulative in nature and is primarily obtained from procedures performed during the course of the engagement. It may, however, also include information obtained from other sources such as previous engagements (provided the practitioner has determined whether changes have occurred since the previous engagement that may affect its relevance to the current engagement) or a firm's <del>quality control</del><u>policies or procedures for the client acceptance and continuance of client relationships and assurance engagements</u>. Evidence may come from sources inside and outside the appropriate party(ies). Also, information that may be used as evidence may have been prepared by an expert employed or engaged by the appropriate party(ies). Evidence comprises both information that supports and corroborates aspects of the subject matter information, and any information that contradicts aspects of the subject matter information. In addition, in some cases, the absence of information (for example, refusal by the appropriate party(ies) to provide a requested representation) is used</p>

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	<p>both information that supports and corroborates aspects of the subject matter information, and any information that contradicts aspects of the subject matter information. In addition, in some cases, the absence of information (for example, refusal by the appropriate party(ies) to provide a requested representation) is used by the practitioner, and therefore, also constitutes evidence. Most of the practitioner's work in forming the assurance conclusion consists of obtaining and evaluating evidence.</p>	<p>by the practitioner, and therefore, also constitutes evidence. Most of the practitioner's work in forming the assurance conclusion consists of obtaining and evaluating evidence.</p>
<p>ISAE 3000 (Revised), paragraph A156</p>	<p>Scope Limitations (Ref: Para. 26, 66) A scope limitation may arise from: ... (c) Limitations imposed by the responsible party, the measurer or evaluator, or the engaging party on the practitioner that, for example, may prevent the practitioner from performing a procedure the practitioner considers to be necessary in the circumstances. Limitations of this kind may have other implications for the engagement, such as for the practitioner's consideration of engagement risk and <u>the engagement acceptance and continuance of the client relationship and the assurance engagement.</u></p>	<p>Scope Limitations (Ref: Para. 26, 66) A scope limitation may arise from: ... (c) Limitations imposed by the responsible party, the measurer or evaluator, or the engaging party on the practitioner that, for example, may prevent the practitioner from performing a procedure the practitioner considers to be necessary in the circumstances. Limitations of this kind may have other implications for the engagement, such as for the practitioner's consideration of engagement risk and <u>the engagement acceptance and continuance of the client relationship and the assurance engagement.</u></p>

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<p>ISAE 3000 (Revised), paragraph A172</p>	<p><b>Preparing the Assurance Report</b></p> <p>Applicable Quality <del>Control</del><u>Management</u> Requirements (Ref: Para. 69(i))</p> <p>The following is an illustration of a statement in the assurance report regarding applicable quality <del>control</del><u>management</u> requirements:</p> <p style="padding-left: 40px;">The firm applies International Standard on Quality <del>Control</del><u>Management</u> 1 and, accordingly, maintains a comprehensive system of quality <del>control</del><u>management</u> including documented policies <del>and</del><u>or</u> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>	<p><b>Preparing the Assurance Report</b></p> <p>Applicable Quality <del>Control</del><u>Management</u> Requirements (Ref: Para. 69(i))</p> <p>The following is an illustration of a statement in the assurance report regarding applicable quality <del>control</del><u>management</u> requirements:</p> <p style="padding-left: 40px;"><del>The firm applies International Standard on Quality Control</del><u>Management</u> 1 and, accordingly, maintains a comprehensive system of quality <del>control</del><u>management</u> including documented policies <del>and</del><u>or</u> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p style="padding-left: 40px;"><u>The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p>
<p>ISAE 3000 (Revised), paragraph A205</p>	<p><i>Assembly of the Final Engagement File</i></p> <p>ISQGM 1 (or other professional requirements, or requirements in law or regulation that are at least as demanding as ISQGM 1) requires firms to establish <u>a quality objective that addresses policies and procedures the assembly of engagement documentation on a timely basis after the date of the engagement report</u><del>for the timely completion of the assembly of engagement files.</del><sup>11</sup> An appropriate time limit within which to complete the assembly of the final engagement file is ordinarily not more than 60 days after the date of the assurance report.<sup>12</sup></p> <p><sup>11</sup> ISQGM 1, paragraph <del>4531(f)</del></p> <p><sup>12</sup> ISQGM 1, paragraph <del>A54A83</del></p>	<p><i>Assembly of the Final Engagement File</i></p> <p>ISQGM 1 (or other professional requirements, or requirements in law or regulation that are at least as demanding as ISQGM 1) requires firms to establish <u>a quality objective that addresses policies and procedures the assembly of engagement documentation on a timely basis after the date of the engagement report</u><del>for the timely completion of the assembly of engagement files.</del><sup>11</sup> An appropriate time limit within which to complete the assembly of the final engagement file is ordinarily not more than 60 days after the date of the assurance report.<sup>12</sup></p> <p><sup>11</sup> ISQGM 1, paragraph <del>4531(f)</del></p> <p><sup>12</sup> ISQGM 1, paragraph <del>A54A83</del></p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
ISAE 3000 (Revised), paragraph A207	<p>ISQGM 1 (or national requirements that are at least as demanding as ISQGM 1) requires firms to establish <u>a quality objective policies and/or procedures that addresses for the maintenance and retention of engagement documentation to meet the needs of the firm and comply with law, regulation, relevant ethical requirements, or professional standards.</u><sup>13</sup> The retention period for assurance engagements ordinarily is no shorter than five years from the date of the assurance report.<sup>14</sup></p> <p><sup>13</sup> ISQGM 1, paragraph 4731(f) <sup>14</sup> ISQGM 1, paragraph A64A85</p>	<p>ISQGM 1 (or national requirements that are at least as demanding as ISQGM 1) requires firms to establish <u>a quality objective policies and/or procedures that addresses for the maintenance and retention of engagement documentation to meet the needs of the firm and comply with law, regulation, relevant ethical requirements, or professional standards.</u><sup>13</sup></p> <p>The retention period for assurance engagements ordinarily is no shorter than five years from the date of the assurance report.<sup>14</sup></p> <p><sup>13</sup> ISQGM 1, paragraph 4731(f) <sup>14</sup> ISQGM 1, paragraph A64A85</p>
<b>ISAE 3400</b>	<b>The Examination of Prospective Financial Information</b>	
ISAE 3400, boxed text following TOC	International Standard on Assurance Engagements (ISAE) 3000, <i>Assurance Engagements Other Than Audits or Reviews of Historical Financial Statements</i> , should be read in conjunction with the <i>Preface to the International Quality Control Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	International Standard on Assurance Engagements (ISAE) 3000/3400, <del><i>Assurance Engagements Other Than Audits or Reviews of Historical Financial Statements</i></del> <i>The Examination of Prospective Financial Information</i> , should be read in conjunction with the <i>Preface to the International Quality Control Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
<b>ISAE 3402</b>	<b>Assurance Reports on Controls at a Service Organization</b>	
ISAE 3402, boxed text following TOC	International Standard on Assurance Engagements, <i>Assurance Reports on Controls at a Service Organization</i> , should be read in conjunction with the <i>Preface to the International Quality Control Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	International Standard on Assurance Engagements, <i>Assurance Reports on Controls at a Service Organization</i> , should be read in conjunction with the <i>Preface to the International Quality Control Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISAE 3402,	Compliance with ISAE 3000 (Revised) requires, among	Compliance with ISAE 3000 (Revised) requires, among other things,

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paragraph 6 <sup>5</sup>	<p>other things, compliance with 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) related to assurance engagements, or other professional requirements, or requirements imposed by law and regulation, that are at least as demanding.<sup>5</sup> It also requires the engagement partner to be a member of a firm that applies ISQCM 1,<sup>6</sup> or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1.</p> <p><sup>5</sup> ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p><sup>6</sup> ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Service Engagements</i></p>	<p>compliance with 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) related to assurance engagements, or other professional requirements, or requirements imposed by law and regulation, that are at least as demanding.<sup>5</sup> It also requires the engagement partner to be a member of a firm that applies ISQCM 1,<sup>6</sup> or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1.</p> <p><sup>5</sup> ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p><sup>6</sup> ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Service Engagements</i></p>
ISAE 3402, paragraph 50	<p>The service auditor shall assemble the documentation in an engagement file and complete the administrative process of assembling the final engagement file on a timely basis after the date of the service auditor's assurance report.<sup>10</sup></p> <p><sup>10</sup> Paragraphs <del>A54–A55</del><del>A83–A85</del> of ISQCM 1 provide further guidance.</p>	<p>The service auditor shall assemble the documentation in an engagement file and complete the administrative process of assembling the final engagement file on a timely basis after the date of the service auditor's assurance report.<sup>10</sup></p> <p><sup>10</sup> Paragraphs <del>A54–A55</del><del>A83–A85</del> of ISQCM 1 provide further guidance.</p>
ISAE 3402, paragraph 53	<p><b>Preparing the Service Auditor's Assurance Report</b></p> <p><i>Content of the Service Auditor's Assurance Report</i></p>	<p><b>Preparing the Service Auditor's Assurance Report</b></p> <p><i>Content of the Service Auditor's Assurance Report</i></p>

<sup>5</sup> Paragraph has been previously updated in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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	<p>The service auditor's assurance report shall include, at a minimum, the following basic elements: (Ref: Para. A47)</p> <p>...</p> <p>(h) A statement that the firm of which the practitioner is a member applies <u>ISQGM 1</u>, or other professional requirements, or requirements in law or regulation, that are at least as demanding as <u>ISQGM 1</u>. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are at least as demanding as <u>ISQGM 1</u>.</p> <p>...</p> <p>(n) The date of the service auditor's assurance report, which shall be no earlier than the date on which:</p> <p>(i) <u>T</u>he service auditor has obtained the evidence on which the service auditor's opinion is based; and</p> <p>(ii) <u>When an engagement quality review is required in accordance with ISQM 1, the engagement quality review is complete.</u></p>	<p>The service auditor's assurance report shall include, at a minimum, the following basic elements: (Ref: Para. A47)</p> <p>...</p> <p>(h) A statement that the firm of which the practitioner is a member applies <u>ISQGM 1</u>, or other professional requirements, or requirements in law or regulation, that are at least as demanding as <u>ISQGM 1</u>. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are at least as demanding as <u>ISQGM 1</u>.</p> <p>...</p> <p>(n) The date of the service auditor's assurance report, which shall be no earlier than the date on which:</p> <p>(i) <u>T</u>he service auditor has obtained the evidence on which the service auditor's opinion is based; and</p> <p>(ii) <u>When an engagement quality review is required in accordance with ISQM 1 or the firm's policies or procedures, the engagement quality review is complete.</u></p>
<p>ISAE 3402, paragraph A46</p>	<p><b>Documentation</b></p> <p><u>ISQGM 1 (or professional requirements, or requirements in law or regulation that are at least as demanding as ISQGM 1) requires firms to establish to establish a quality objective that addresses the assembly of engagement documentation on a timely basis after the date of the</u></p>	<p><b>Documentation</b></p> <p><u>ISQGM 1 (or professional requirements, or requirements in law or regulation that are at least as demanding as ISQGM 1) requires firms to establish to establish a quality objective that addresses the assembly of engagement documentation on a timely basis after the date of the engagement report policies and procedures for the timely completion of the assembly of</u></p>

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	<p><del>engagement report policies and procedures for the timely completion of the assembly of engagement files.</del><sup>15</sup> An appropriate time limit within which to complete the assembly of the final engagement file is ordinarily not more than 60 days after the date of the service auditor's report.<sup>16</sup></p> <p><sup>5</sup> ISQCM 1, paragraph 4531(f)  <sup>16</sup> ISQCM 1, paragraph A54A83</p>	<p>engagement files.<sup>15</sup> An appropriate time limit within which to complete the assembly of the final engagement file is ordinarily not more than 60 days after the date of the service auditor's report.<sup>16</sup></p> <p><sup>15</sup> ISQCM 1, paragraph 4531(f)  <sup>16</sup> ISQCM 1, paragraph A54A83</p>
<p>ISAE 3402, Appendix 2<sup>6</sup></p>	<p><b>Illustration 1: Type 2 Service Auditor's Assurance Report</b></p> <p>...</p> <p><i>Our Independence and Quality <u>Management</u><del>Control</del></i></p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants</i> (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p>The firm applies International Standard on Quality Control<del>Management</del> 1<sup>2</sup> and accordingly maintains a comprehensive system of quality <del>control</del><u>management</u> including documented policies <del>and</del><u>or</u> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>	<p><b>Illustration 1: Type 2 Service Auditor's Assurance Report</b></p> <p>...</p> <p><i>Our Independence and Quality <u>Management</u><del>Control</del></i></p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants</i> (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p><del>The firm applies International Standard on Quality Control<del>Management</del> 1<sup>2</sup> and accordingly maintains a comprehensive system of quality control<del>management</del> including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</del></p> <p><u>The firm applies International Standard on Quality Management 1<sup>2</sup>, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with</u></p>

<sup>6</sup> Paragraph has been previously updated in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<sup>2</sup> ISQCM 1, <del>Quality Control</del> <u>Management</u> for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements	<u>ethical requirements, professional standards and applicable legal and regulatory requirements</u>  <sup>2</sup> ISQCM 1, <del>Quality Control</del> <u>Management</u> for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements
ISAE 3402, Appendix 2 <sup>7</sup>	<p><b>Illustration 2: Type 2 Service Auditor's Assurance Report</b></p> <p>...</p> <p><i>Our Independence and Quality <del>Management</del><u>Control</u></i></p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants</i> (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p>The firm applies International Standard on Quality <del>Control</del><u>Management</u> 1<sup>4</sup> and accordingly maintains a comprehensive system of quality <del>control</del><u>management</u> including documented policies <del>and/or</del> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p><sup>4</sup> ISQCM 1, <del>Quality Control</del><u>Management</u> for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements</p>	<p><b>Illustration 2: Type 2 Service Auditor's Assurance Report</b></p> <p>...</p> <p><i>Our Independence and Quality <del>Management</del><u>Control</u></i></p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants</i> (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p><del>The firm applies International Standard on Quality Control</del><u>Management</u> 1<sup>4</sup> and accordingly maintains a comprehensive system of quality <del>control</del><u>management</u> including documented policies <del>and/or</del> procedures regarding compliance with <u>ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p> <p><u>The firm applies International Standard on Quality Management 1<sup>4</sup>, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p>

<sup>7</sup> Paragraph has been previously updated in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
		<sup>4</sup> ISQCM 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements</i>
<b>ISAE 3410</b>	<b>Assurance Engagements on Greenhouse Gas Statements</b>	
ISAE 3410, boxed text following TOC	International Standard on Assurance Engagements (ISAE) 3410, <i>Assurance Engagements on Greenhouse Gas Statements</i> , should be read in conjunction with the <i>Preface to the International Quality <del>Control</del>Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	International Standard on Assurance Engagements (ISAE) 3410, <i>Assurance Engagements on Greenhouse Gas Statements</i> , should be read in conjunction with the <i>Preface to the International Quality <del>Control</del>Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISAE 3410, paragraph 10 <sup>8</sup>	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with 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) 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 ISQCM 1, <sup>7</sup> or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. (Ref: Para. A5–A6)  <sup>7</sup> ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard on Quality <del>Control</del> Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Service Engagements</i>	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with 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) 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 ISQCM 1, <sup>7</sup> or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. (Ref: Para. A5–A6)  <sup>7</sup> ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard on Quality <del>Control</del> Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Service Engagements</i>

<sup>8</sup> Paragraph has been previously updated in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
ISAE 3410, paragraph 71	<p><b>Engagement Quality Control Review</b></p> <p><del>For those engagements, if any, for which a quality control review is required by law or regulation or for which the firm has determined that an engagement quality control review is required, the engagement quality control reviewer shall perform an objective evaluation of the significant judgments made by the engagement team, and the conclusions reached in formulating the assurance report. This evaluation shall involve: (Ref: Para. A130)</del></p> <p><del>(a) Discussion of significant matters with the engagement partner, including the engagement team's professional competencies with respect to the quantification and reporting of emissions and assurance;</del></p> <p><del>(b) Review of the GHG statement and the proposed assurance report;</del></p> <p><del>(c) Review of selected engagement documentation relating to the significant judgments the engagement team made and the conclusions it reached; and</del></p> <p><del>(d) Evaluation of the conclusions reached in formulating the assurance report and consideration of whether the proposed assurance report is appropriate.</del></p>	<p><b>Engagement Quality Control Review</b></p> <p><del>For those engagements, if any, for which a quality control review is required by law or regulation or for which the firm has determined that an engagement quality control review is required, the engagement quality control reviewer shall perform an objective evaluation of the significant judgments made by the engagement team, and the conclusions reached in formulating the assurance report. This evaluation shall involve: (Ref: Para. A130)</del></p> <p><del>(a) Discussion of significant matters with the engagement partner, including the engagement team's professional competencies with respect to the quantification and reporting of emissions and assurance;</del></p> <p><del>(b) Review of the GHG statement and the proposed assurance report;</del></p> <p><del>(c) Review of selected engagement documentation relating to the significant judgments the engagement team made and the conclusions it reached; and</del></p> <p><del>(d) Evaluation of the conclusions reached in formulating the assurance report and consideration of whether the proposed assurance report is appropriate.</del></p>
ISAE 3410, paragraph 76	<p><b>Assurance Report Content</b></p> <p>The assurance report shall include, at a minimum, the following basic elements: (Ref: Para. A134)</p> <p>...</p>	<p><b>Assurance Report Content</b></p> <p>The assurance report shall include, at a minimum, the following basic elements: (Ref: Para. A134)</p> <p>...</p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<p>(i) A statement that the firm of which the practitioner is a member applies ISQGM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQGM 1. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are as least as demanding as ISQGM 1.</p> <p>...</p> <p>(n) The date of the assurance report. The assurance report shall be dated no earlier than the date on which:</p> <p>(i) <del>¶</del>The practitioner has obtained the evidence on which the practitioner's conclusion is based, including evidence that those with the recognized authority have asserted that they have taken responsibility for the GHG statement; <u>and</u></p> <p>(ii) <u>When an engagement quality review is required in accordance with ISQM 1, the engagement quality review is complete.</u></p> <p>...</p>	<p>(i) A statement that the firm of which the practitioner is a member applies ISQGM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQGM 1. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are as least as demanding as ISQGM 1.</p> <p>...</p> <p>(n) The date of the assurance report. The assurance report shall be dated no earlier than the date on which:</p> <p>(i) <del>¶</del>The practitioner has obtained the evidence on which the practitioner's conclusion is based, including evidence that those with the recognized authority have asserted that they have taken responsibility for the GHG statement; <u>and</u></p> <p>(ii) <u>When an engagement quality review is required in accordance with ISQM 14 or the firm's policies or procedures, the engagement quality review is complete.</u></p> <p>...</p>
ISAE 3410, paragraph A128	<p><b>Documentation</b></p> <p><i>Matters Arising after the Date of the Assurance Report</i> (Ref: Para. 68)</p>	<p><b>Documentation</b></p> <p><i>Matters Arising after the Date of the Assurance Report</i> (Ref: Para. 68)</p> <p>Examples of exceptional circumstances include facts which become known to the practitioner after the date of the assurance report but which existed</p>

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	<p>Examples of exceptional circumstances include facts which become known to the practitioner after the date of the assurance report but which existed at that date and which, if known at that date, might have caused the GHG statement to be amended or the practitioner to modify the conclusion in the assurance report, for example, the discovery of a significant uncorrected error. The resulting changes to the engagement documentation are reviewed in accordance with the firm's policies <del>and/or</del> procedures with respect to <u>the nature, timing and extent of the review of engagement team member's work</u> as required by ISQGM 1,<sup>24</sup> with the engagement partner taking final responsibility for the changes.<sup>24</sup></p> <p><sup>24</sup> ISQGM 1, <i>Quality <del>Control</del> Management for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements</i>, paragraphs <del>32–33</del>31(b).</p>	<p>at that date and which, if known at that date, might have caused the GHG statement to be amended or the practitioner to modify the conclusion in the assurance report, for example, the discovery of a significant uncorrected error. The resulting changes to the engagement documentation are reviewed in accordance with the firm's policies <del>and/or</del> procedures with respect to <u>the nature, timing and extent of the review of engagement team members' work</u> as required by ISQGM 1,<sup>24</sup> with the engagement partner taking final responsibility for the changes.<sup>24</sup></p> <p><sup>24</sup> ISQGM 1, <i>Quality <del>Control</del> Management for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements</i>, paragraphs <del>32–33</del>31(b).</p>
ISAE 3410, paragraph A129	<p><i>Assembly of the Final Engagement File</i> (Ref: Para. 69)</p> <p>ISQGM 1 (or other professional requirements, or requirements in law or regulation that are at least as demanding as ISQGM 1) requires firms to establish <u>a quality objective that addresses policies and procedures the assembly of engagement documentation on a timely basis after the date of the engagement report</u> for the timely completion of the assembly of engagement files.<sup>11</sup> An appropriate time limit within which to complete the assembly of the final engagement file is ordinarily not more than 60 days after the date of the assurance report.<sup>12</sup></p>	<p><i>Assembly of the Final Engagement File</i> (Ref: Para. 69)</p> <p>ISQGM 1 (or other professional requirements, or requirements in law or regulation that are at least as demanding as ISQGM 1) requires firms to establish <u>a quality objective that addresses policies and procedures the assembly of engagement documentation on a timely basis after the date of the engagement report</u> for the timely completion of the assembly of engagement files.<sup>11</sup> An appropriate time limit within which to complete the assembly of the final engagement file is ordinarily not more than 60 days after the date of the assurance report.<sup>12</sup></p> <p><sup>11</sup> ISQGM 1, paragraph <del>45</del>31(f)</p> <p><sup>12</sup> ISQGM 1, paragraph <del>A54</del>A83</p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<sup>11</sup> ISQM 1, paragraph 4531(f) <sup>12</sup> ISQM 1, paragraph A54A83	
ISAE 3410, paragraph A130	<p><b>Engagement Quality Control Review</b> (Ref: Para. 71)</p> <p>Other matters that may be considered in an engagement quality control review include:</p> <ul style="list-style-type: none"> <li>• The engagement team's evaluation of the firm's independence in relation to the engagement.</li> <li>• 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.</li> <li>• Whether engagement documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached.</li> </ul>	<p><b>Engagement Quality Control Review</b> (Ref: Para. 71)</p> <p>Other matters that may be considered in an engagement quality control review include:</p> <ul style="list-style-type: none"> <li>• The engagement team's evaluation of the firm's independence in relation to the engagement.</li> <li>• 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.</li> <li>• Whether engagement documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached.</li> </ul>
ISAE 3410, Appendix 2 Illustration 1 <sup>9</sup>	<p><b>Illustrations of Assurance Reports on GHG Statements</b></p> <p><b>Illustration 1:</b></p> <p>...</p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), which is founded</p>	<p><b>Illustrations of Assurance Reports on GHG Statements</b></p> <p><b>Illustration 1:</b></p> <p>...</p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care,</p>

<sup>9</sup> Paragraph has been previously updated in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<p>on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p>The firm applies International Standard on Quality <del>Control</del><u>Management</u> 1<sup>4</sup> and accordingly maintains a comprehensive system of quality <del>control</del><u>management</u> including documented policies <del>and/or</del> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p><sup>4</sup> ISQCM 1, Quality <del>Control</del><u>Management</u> for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements</p>	<p>confidentiality and professional behavior.</p> <p><del>The firm applies International Standard on Quality Control</del><u>Management</u> 1<sup>4</sup> <del>and accordingly maintains designs, implements and operates a comprehensive system of quality control</del><u>management</u> <del>including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</del></p> <p><u>The firm applies International Standard on Quality Management 1<sup>4</sup>, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p> <p><sup>4</sup> ISQCM 1, Quality <del>Control</del><u>Management</u> for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements</p>
ISAE 3410, Appendix 2 Illustration 2 <sup>10</sup>	<p><b>Illustrations of Assurance Reports on GHG Statements</b></p> <p><b><u>Illustration 2:</u></b></p> <p>...</p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), which is founded on fundamental principles of integrity, objectivity,</p>	<p><b>Illustrations of Assurance Reports on GHG Statements</b></p> <p><b><u>Illustration 2:</u></b></p> <p>...</p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p>

<sup>10</sup> Paragraph has been previously updated in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<p>professional competence and due care, confidentiality and professional behavior.</p> <p>The firm applies International Standard on Quality <del>Control</del><u>Management</u> 1<sup>8</sup> and accordingly maintains a comprehensive system of quality <del>control</del><u>management</u> including documented policies <del>and</del><u>or</u> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p><sup>8</sup> ISQGM 1, <i>Quality <del>Control</del><u>Management</u> for Firms that Perform Audits <del>and</del><u>or</u> Reviews of Financial Statements, <del>and</del><u>or</u> Other Assurance <del>and</del><u>or</u> Related Services Engagements</i></p>	<p><del>The firm applies International Standard on Quality Control</del><u>Management</u> 1<sup>8</sup> and accordingly maintains a comprehensive system of quality <del>control</del><u>management</u> including documented policies <del>and</del><u>or</u> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p><u>The firm applies International Standard on Quality Management 1<sup>8</sup>, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p> <p><sup>8</sup> ISQGM 1, <i>Quality <del>Control</del><u>Management</u> for Firms that Perform Audits <del>and</del><u>or</u> Reviews of Financial Statements, <del>and</del><u>or</u> Other Assurance <del>and</del><u>or</u> Related Services Engagements</i></p>
<b>ISAE 3420</b>	<b>Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus</b>	
ISAE 3420, boxed text following TOC	International Standard on Assurance Engagements (ISAE) 3420, <i>Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus</i> , should be read in conjunction with the <i>Preface to the International Quality <del>Control</del><u>Management</u>, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	International Standard on Assurance Engagements (ISAE) 3420, <i>Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus</i> , should be read in conjunction with the <i>Preface to the International Quality <del>Control</del><u>Management</u>, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISAE 3420, paragraph 8 <sup>11</sup>	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with the provisions of the International Ethics Standards Board for Accountants'	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with the provisions of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants</i>

<sup>11</sup> Paragraph has been previously updated in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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	<p><i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding.<sup>3</sup> It also requires the engagement partner to be a member of a firm that applies ISQCM 1,<sup>4</sup> or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1.</p> <p><sup>3</sup> ISAE 3000 (Revised), paragraphs 3(a), 20 and 34</p> <p><sup>4</sup> ISAE 3000 (Revised), paragraphs 3(b) and 31(a). International Standard on Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p>	<p><i>(including International Independence Standards)</i> (IESBA Code) related to assurance engagements, or other professional requirements, or requirements imposed by law or regulation, that are at least as demanding.<sup>3</sup> It also requires the engagement partner to be a member of a firm that applies ISQCM 1,<sup>4</sup> or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1.</p> <p><sup>3</sup> ISAE 3000 (Revised), paragraphs 3(a), 20 and 34</p> <p><sup>4</sup> ISAE 3000 (Revised), paragraphs 3(b) and 31(a). International Standard on Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p>
<p>ISAE 3420, paragraph 35</p>	<p>The practitioner's report shall include, at a minimum, the following basic elements: (Ref: Para. A57)</p> <p>...</p> <p>(g) A statement that the firm of which the practitioner is a member applies ISQCM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are at least as demanding as ISQCM 1.</p> <p>...</p>	<p>The practitioner's report shall include, at a minimum, the following basic elements: (Ref: Para. A57)</p> <p>...</p> <p>(g) A statement that the firm of which the practitioner is a member applies ISQCM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are at least as demanding as ISQCM 1.</p> <p>...</p>

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Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
<p>ISAE 3420, Appendix<sup>12</sup></p>	<p><b>Illustrative Practitioner's Report with an Unmodified Opinion</b></p> <p>...</p> <p><i>Our Independence and Quality <del>Management</del>Control</i></p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p>The firm applies International Standard on Quality <del>Control</del>Management<sup>12</sup> and accordingly maintains a comprehensive system of quality <del>control</del>management including documented policies <del>and</del>or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p><sup>2</sup> ISQCM 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and</del>or Reviews of Financial Statements, <del>and</del>or Other Assurance <del>and</del>or Related Services Engagements</i></p>	<p><b>Illustrative Practitioner's Report with an Unmodified Opinion</b></p> <p>...</p> <p><i>Our Independence and Quality <u>Management</u>Control</i></p> <p>We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' <i>International Code of Ethics for Professional Accountants (including International Independence Standards)</i> (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.</p> <p><del>The firm applies International Standard on Quality ControlManagement<sup>12</sup> and accordingly maintains designs, implements and operates a comprehensive system of quality controlmanagement including documented policies andor procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</del></p> <p><u>The firm applies International Standard on Quality Management<sup>12</sup>, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p> <p><sup>2</sup> ISQCM 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits <del>and</del>or Reviews of Financial Statements, <del>and</del>or Other Assurance <del>and</del>or Related Services Engagements</i></p>
<p><b>ISRS 4400 (Revised)</b></p>	<p><b>Agreed-Upon Procedures Engagements</b></p>	

<sup>12</sup> Extant text reflects updates approved in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
ISRS 4400 (Revised), boxed text following TOC	International Standard on Related Services (ISRS) 4400 (Revised), <i>Agreed-Upon Procedures Engagements</i> , should be read in the context of the <i>Preface to the International Quality <del>Control</del>Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	International Standard on Related Services (ISRS) 4400 (Revised), <i>Agreed-Upon Procedures Engagements</i> , should be read in the context of the <i>Preface to the International Quality <del>Control</del>Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISRS 4400 (Revised), paragraph 3	<p><b>Introduction</b></p> <p><b>Scope of this ISRS</b></p> <p><i>Relationship with ISQCM 1<sup>1</sup></i></p> <p><u>Systems of qQuality controlmanagement systems, and policies and/or procedures are the responsibility of the firm. ISQCM 1 applies to firms of professional accountants in respect of a firm's agreed-upon procedures engagements.<sup>1A</sup> The provisions of this ISRS regarding quality controlmanagement at the level of individual agreed-upon procedures engagements are premised on the basis that the firm is subject to ISQCM 1 or requirements that are at least as demanding. (Ref: Para. A3–A8)</u></p> <p><sup>1</sup> International Standard on Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p> <p><sup>1A</sup> ISQM 1, paragraph 5</p>	<p><b>Introduction</b></p> <p><b>Scope of this ISRS</b></p> <p><i>Relationship with ISQCM 1<sup>1</sup></i></p> <p><u>The sSystems of qQuality controlmanagement systems, and policies and/or procedures are the responsibility of the firm. ISQCM 1 applies to firms of professional accountants in respect of a firm's agreed-upon procedures engagements.<sup>1A</sup> The provisions of this ISRS regarding quality controlmanagement at the level of individual agreed-upon procedures engagements are premised on the basis that the firm is subject to ISQCM 1 or requirements that are at least as demanding. (Ref: Para. A3–A8)</u></p> <p><sup>1</sup> International Standard on Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p> <p><sup>1A</sup> ISQM 1, paragraph 5</p>
ISRS 4400 (Revised), paragraph 13	<p><b>Definitions</b></p> <p>For purposes of this ISRS, the following terms have the meanings attributed below:</p> <p>...</p>	<p><b>Definitions</b></p> <p>For purposes of this ISRS, the following terms have the meanings attributed below:</p> <p>...</p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<p>(c) Engagement partner – The partner or other person <del>in individual appointed by</del> the firm, who is responsible for the engagement and its performance, and for the agreed-upon procedures report that is issued on behalf of the firm, and who, where required, has the appropriate authority from a professional, legal or regulatory body.</p> <p>...</p> <p>(e) Engagement team— All partners and staff performing the agreed-upon procedures engagement, and any <u>other</u> individuals engaged by the firm or a network firm who perform procedures on the engagement. <del>This excludes</del> <u>excluding</u> a practitioner's external expert engaged by the firm or a network firm.</p> <p>...</p> <p>(k) Relevant ethical requirements – <u>Principles of professional ethics and ethical requirements that are applicable to</u> the engagement team is <del>subject to</del> when undertaking agreed-upon procedures engagements. <del>These Relevant Ethical</del> requirements ordinarily comprise the International Ethics Standards Board for Accountants' (IESBA) <i>International Code of Ethics for Professional Accountants (including International Independence Standards (IESBA Code))</i>, together with national requirements that are more restrictive.</p>	<p>(c) Engagement partner – The partner or other person <del>in individual,</del> <u>appointed by</u> the firm, who is responsible for the engagement and its performance, and for the agreed-upon procedures report that is issued on behalf of the firm, and who, where required, has the appropriate authority from a professional, legal or regulatory body.</p> <p>...</p> <p>(e) Engagement team— All partners and staff performing the agreed-upon procedures engagement, and any <u>other</u> individuals engaged by the firm or a network firm who perform procedures on the engagement. <del>This excludes</del> <u>excluding</u> a practitioner's external expert engaged by the firm or a network firm.</p> <p>...</p> <p>(k) Relevant ethical requirements – <u>Principles of professional ethics and ethical requirements that are applicable to</u> the engagement team is <del>subject to</del> when undertaking agreed-upon procedures engagements. <del>These Relevant Ethical</del> requirements ordinarily comprise the provisions of International Ethics Standards Board for Accountants' (IESBA) <i>International Code of Ethics for Professional Accountants (including International Independence Standards (IESBA Code))</i>, together with national requirements that are more restrictive.</p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
ISRS 4400 (Revised), paragraph 19	<p><b>Engagement Level Quality Control Management</b></p> <p>The engagement partner shall take responsibility for:</p> <p>(a) <del>The overall</del> Managing and achieving quality of on the agreed-upon procedures engagement <u>and being sufficiently and appropriately involved throughout the engagement</u> including, if applicable, work performed by a practitioner's expert; and (Ref: Para. A24)</p> <p>(b) The engagement being performed in accordance with the firm's <del>quality control</del> policies <del>and/or</del> procedures by:</p> <p>(i) Following <del>appropriate</del> the firm's policies or procedures regarding the acceptance and continuance of client relationships and engagements; (Ref: Para. A25)</p> <p>(iA) <u>Determining that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the engagement, the firm's policies or procedures, and any changes that may arise during the engagement;</u></p> <p>(ii) Being satisfied that the engagement team, and any practitioner's experts who are not part of the engagement team, collectively have the appropriate competence and capabilities, <u>including being given sufficient time, to perform the agreed-upon procedures engagement;</u></p>	<p><b>Engagement Level Quality Control Management</b></p> <p>The engagement partner shall take <u>overall</u> responsibility for:</p> <p>(a) <del>The overall</del> Managing and achieving quality of on the agreed-upon procedures engagement <u>and being sufficiently and appropriately involved throughout the engagement</u> including, if applicable, work performed by a practitioner's expert, <u>and being</u> sufficiently and appropriately involved throughout the engagement; and (Ref: Para. A24)</p> <p>(b) The engagement being performed in accordance with the firm's <del>quality control</del> <u>quality management</u> policies <del>and/or</del> procedures by:</p> <p>(i) Following <del>appropriate</del> the firm's policies or procedures regarding the acceptance and continuance of client relationships and <u>agreed-upon procedures engagements</u>; (Ref: Para. A25)</p> <p>(iA) <u>Determining that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the engagement, the firm's policies or procedures, and any changes that may arise during the engagement;</u></p> <p>(ii) Being satisfied that the engagement team, and any practitioner's experts who are not part of the engagement team, collectively have the appropriate competence and capabilities, <u>including being given having sufficient time, to perform the agreed-upon procedures engagement;</u></p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<p>(iii) Being alert for indications of <del>non-compliance breaches</del> <u>of relevant ethical requirements</u> by members of the engagement team <del>with relevant ethical requirements</del>, and determining the appropriate actions if matters come to the engagement partner's attention indicating that members of the engagement team have <del>not complied with</del> <u>breached</u> relevant ethical requirements; (Ref: Para. A26)</p> <p>(iv) Directing, <del>and</del> <u>supervising engagement team members, reviewing their work,</u> and performing the engagement in compliance with professional standards and applicable legal and regulatory requirements; and</p> <p>(v) Taking responsibility for appropriate engagement documentation being <u>assembled, appropriately maintained and retained.</u></p>	<p>(iii) Being alert for indications of <del>non-compliance breaches of relevant ethical requirements</del> by members of the engagement team <del>with relevant ethical requirements</del>, and determining the appropriate actions if matters come to the engagement partner's attention indicating that members of the engagement team have <del>not complied with</del> <u>breached</u> relevant ethical requirements; (Ref: Para. A26)</p> <p>(iv) Directing, <del>and</del> <u>supervising engagement team members, reviewing their work,</u> and performing the engagement in compliance with professional standards and applicable legal and regulatory requirements; and</p> <p>(v) Taking responsibility for appropriate engagement documentation being <u>assembled, appropriately maintained and retained.</u></p> <p><u>(vi) When an engagement quality review is required in accordance with ISQM 1 or the firm's policies or procedures, not dating the report until the completion of the engagement quality review.<sup>5A</sup></u></p> <p><sup>5A</sup> <u>ISQM 2. Engagement Quality Reviews</u></p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
ISRS 4400 (Revised), paragraph 21	<p><b>Engagement Acceptance and Continuance</b></p> <p>Before accepting or continuing an agreed-upon procedures engagement, the practitioner shall obtain an understanding of the purpose of the engagement. The practitioner shall not accept or continue the <u>agreed-upon procedures engagement</u> if the practitioner is aware of any facts or circumstances indicating that the procedures the practitioner is being asked to perform are inappropriate for the purpose of the agreed-upon procedures engagement. (Ref: Para. A28–A31)</p>	<p><b>Engagement Acceptance and Continuance</b></p> <p>Before accepting or continuing an agreed-upon procedures engagement, the practitioner shall obtain an understanding of the purpose of the engagement. The practitioner shall not accept or continue the <u>agreed-upon procedures engagement</u> if the practitioner is aware of any facts or circumstances indicating that the procedures the practitioner is being asked to perform are inappropriate for the purpose of the agreed-upon procedures engagement. (Ref: Para. A28–A31)</p>
ISRS 4400 (Revised), paragraph 23	<p>If the engagement partner obtains information that may have caused the firm to decline the engagement had that information been <u>known by the firm prior to accepting or continuing the engagement</u> <del>available earlier</del>, the engagement partner shall communicate that information promptly to the firm, so that the firm and the engagement partner can take necessary action.</p>	<p>If the engagement partner obtains information that may have caused the firm to decline the engagement had that information been <u>known by the firm prior to accepting or continuing the engagement</u> <del>available earlier</del>, the engagement partner shall communicate that information promptly to the firm, so that the firm and the engagement partner can take necessary action.</p>
ISRS 4400 (Revised), paragraph 26	<p><b>Agreeing the Terms of the Engagement</b></p> <p><i>Recurring Agreed-Upon Procedures Engagements</i></p> <p>On recurring agreed-upon procedures engagements, the practitioner shall evaluate whether circumstances, including changes in the <u>firm's judgments about whether to accept or continue the engagement</u> <del>acceptance considerations</del>, require the terms of the engagement to be revised and whether there is a need to remind the engaging party of the existing terms of engagement. (Ref: Para. A44)</p>	<p><b>Agreeing the Terms of the Engagement</b></p> <p><i>Recurring Agreed-Upon Procedures Engagements</i></p> <p>On recurring agreed-upon procedures engagements, the practitioner shall evaluate whether circumstances, including changes in the <u>firm's judgments about whether to accept or continue the engagement</u> <del>acceptance considerations</del>, require the terms of the engagement to be revised and whether there is a need to remind the engaging party of the existing terms of engagement. (Ref: Para. A44)</p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
<p>ISRS 4400 (Revised), paragraph 30</p>	<p><b>The Agreed-Upon Procedures Report</b></p> <p>The agreed-upon procedures report shall be in writing and shall include: (Ref: Para. A51)</p> <p>...</p> <p>(m) A statement that the firm of which the practitioner is a member applies ISQCM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are at least as demanding as ISQCM 1;</p> <p>...</p> <p>(q) The date of the agreed-upon procedures report; and (Ref: Para A58A)</p> <p>...</p>	<p><b>The Agreed-Upon Procedures Report</b></p> <p>The agreed-upon procedures report shall be in writing and shall include: (Ref: Para. A51)</p> <p>...</p> <p>(m) A statement that the firm of which the practitioner is a member applies ISQCM 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1. If the practitioner is not a professional accountant, the statement shall identify the professional requirements, or requirements in law or regulation, applied that are at least as demanding as ISQCM 1;</p> <p>...</p> <p>(q) The date of the agreed-upon procedures report. <del>When an engagement quality review is required in accordance with ISQM 1 or the firm's policies or procedures, the practitioner shall not date the report until the completion of the engagement quality review.</del><sup>5A</sup>; and (Ref: Para A58A)</p> <p>...</p> <p><sup>5A</sup> <del>ISQM 2. Engagement Quality Reviews</del></p>
<p>ISRS 4400 (Revised), paragraph A3</p>	<p><i>Relationship with ISQCMs-1</i> (Ref: Para. 3)</p> <p>ISQCM 1 deals with the firm's responsibilities to <del>establish and maintain its design, implement and operate a system of quality control management</del> for related services engagements, including agreed-upon procedures engagements.<sup>5A</sup> ISQM 1 also deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to</p>	<p><i>Relationship with ISQCMs-1</i> (Ref: Para. 3)</p> <p>ISQCM 1 deals with the firm's responsibilities to <del>establish and maintain its design, implement and operate a system of quality control management</del> for related services engagements, including agreed-upon procedures engagements.<sup>5B</sup> ISQM 1 also deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews<sup>5C</sup>. ISQM 2<sup>5C</sup> deals with the</p>

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	<p><u>engagement quality reviews</u><sup>5B</sup>. <u>ISQM 2</u><sup>5C</sup> <u>deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.</u><sup>5D</sup></p> <p><del>These responsibilities are directed at establishing:</del></p> <ul style="list-style-type: none"> <li><del>• The firm's quality control system; and</del></li> <li><del>• The firm's related policies designed to achieve the objective of the quality control system and its procedures to implement and monitor compliance with those policies.</del></li> </ul> <p><sup>5A</sup> <u>ISQM 1, paragraph 1</u></p> <p><sup>5B</sup> <u>ISQM 1, paragraph 2(a)</u></p> <p><sup>5C</sup> <u>ISQM 2, Engagement Quality Reviews</u></p> <p><sup>5D</sup> <u>ISQM 1, paragraph 2(b)</u></p>	<p><u>appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.</u><sup>5D</sup></p> <p><del>These responsibilities are directed at establishing:</del></p> <ul style="list-style-type: none"> <li><del>• The firm's quality control system; and</del></li> <li><del>• The firm's related policies designed to achieve the objective of the quality control system and its procedures to implement and monitor compliance with those policies.</del></li> </ul> <p><sup>5A</sup> <u>ISQM 1, paragraph 1</u></p> <p><sup>5B</sup> <u>ISQM 1, paragraph 2(a)</u></p> <p><sup>5C</sup> <u>ISQM 2, Engagement Quality Reviews</u></p> <p><sup>5D</sup> <u>ISQM 1, paragraph 2(b)</u></p>
ISRS 4400 (Revised), paragraph A4	<p><del>Under ISQGM 1, the objective of the firm has an obligation to establish and maintain is to design, implement and operate a system of quality control management for related services engagements, including agreed-upon procedures engagements, that to provides the firm with reasonable assurance that:</del></p> <p>(a) <del>The firm and its personnel empty fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and</del></p>	<p><u>Under ISQGM 1, the objective of the firm has an obligation to establish and maintain is to design, implement and operate a system of quality control management for related services engagements, including agreed-upon procedures engagements, that to provides the firm with reasonable assurance that:</u></p> <p>(a) <u>The firm and its personnel empty fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and</u></p> <p>(b) <u>ReportsEngagement reports issued by the firm or engagement partners are appropriate in the circumstances.</u><sup>2</sup></p> <p><sup>2</sup> <u>ISQGM 1, paragraph 4414</u></p>

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	<p>(b) <del>Reports</del><u>Engagement reports</u> issued by the firm or engagement partners are appropriate in the circumstances.<sup>2</sup></p> <p><sup>2</sup> ISQCM 1, paragraph 4414</p>	
ISRS 4400 (Revised), paragraph A5	<p>A jurisdiction that has not adopted ISQCM 1 in relation to agreed-upon procedures engagements may set out requirements for quality <del>control</del><u>management</u> in firms performing such engagements. The provisions of this ISRS regarding quality <del>control</del><u>management</u> at the engagement level are premised on the basis that quality <del>control</del><u>management</u> requirements adopted are at least as demanding as those of ISQCM 1. This is achieved when those requirements <u>address the requirements of ISQM 1 and impose obligations on the firm to achieve the objective of ISQM 1.</u><del>impose obligations on the firm to achieve the aims of the requirements of ISQCM 1, including an obligation to establish a system of quality control that includes policies and procedures that address each of the following elements</del> Compliance with ISQM 1 requires, among other things, that the firm's system of quality management addresses the following eight components:<sup>6A</sup></p> <p>(a) <u>The firm's risk assessment process;</u></p> <p>(b) <u>Governance and leadership;</u></p> <p>(c) <u>Relevant ethical requirements;</u></p> <p>(d) <u>Acceptance and continuance of client relationships and specific engagements;</u></p>	<p>A jurisdiction that has not adopted ISQCM 1 in relation to agreed-upon procedures engagements may set out requirements for quality <del>control</del><u>management</u> in firms performing such engagements. The provisions of this ISRS regarding quality <del>control</del><u>management</u> at the engagement level are premised on the basis that quality <del>control</del><u>management</u> requirements adopted are at least as demanding as those of ISQCM 1. This is achieved when those requirements <u>address the requirements of ISQM 1 and impose obligations on the firm to achieve the objective of ISQM 1.</u><del>impose obligations on the firm to achieve the aims of the requirements of ISQCM 1, including an obligation to establish a system of quality control that includes policies and procedures that address each of the following elements</del> Compliance with ISQM 1 requires, among other things, that the firm's system of quality management addresses the following eight components:<sup>6A</sup></p> <p>(a) <u>The firm's risk assessment process;</u></p> <p>(b) <u>Governance and leadership;</u></p> <p>(c) <u>Relevant ethical requirements;</u></p> <p>(d) <u>Acceptance and continuance of client relationships and agreed-upon procedures</u><del>specific engagements</del>;</p> <p>(e) <u>Engagement performance;</u></p> <p>(f) <u>Resources;</u></p> <p>(g) <u>Information and communication; and</u></p>

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	<p>(e) <u>Engagement performance;</u></p> <p>(f) <u>Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(h) <u>The monitoring and remediation process elements:</u></p> <ul style="list-style-type: none"> <li>• <del>Leadership responsibilities for quality within the firm;</del></li> <li>• <del>Relevant ethical requirements;</del></li> <li>• <del>Acceptance and continuance of client relationships and specific engagements;</del></li> <li>• <del>Human resources;</del></li> <li>• <del>Engagement performance; and</del></li> <li>• <u>Monitoring.</u></li> </ul> <p><sup>6A</sup> <u>ISQM 1, paragraph 6</u></p>	<p>(h) <u>The monitoring and remediation process elements:</u></p> <ul style="list-style-type: none"> <li>• <del>Leadership responsibilities for quality within the firm;</del></li> <li>• <del>Relevant ethical requirements;</del></li> <li>• <del>Acceptance and continuance of client relationships and specific engagements;</del></li> <li>• <del>Human resources;</del></li> <li>• <del>Engagement performance; and</del></li> <li>• <u>Monitoring.</u></li> </ul> <p><sup>6A</sup> <u>ISQM 1, paragraph 6</u></p>
ISRS 4400 (Revised), paragraph A6	<p>Within the context of the firm's system of quality <del>control</del><u>management</u>, engagement teams have a responsibility to implement <del>quality control policies or</del> procedures applicable to the engagement.</p>	<p>Within the context of the firm's system of quality <del>control</del><u>management</u>, engagement teams have a responsibility to implement <del>quality control policies or</del> procedures applicable to the engagement.</p>
ISRS 4400 (Revised), paragraph A7	<p><del>Unless information provided by the firm or other parties suggests otherwise</del><u>Ordinarily</u>, the engagement team is <del>entitled to rely</del><u>may depend</u> on the firm's system of quality <del>control</del><u>management</u> unless:</p> <ul style="list-style-type: none"> <li>• <u>The engagement team's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> </ul>	<p><del>Unless information provided by the firm or other parties suggests otherwise</del><u>Ordinarily</u>, the engagement team is <del>entitled to rely</del><u>may depend</u> on the firm's system of quality <del>control</del><u>management</u> unless:</p> <ul style="list-style-type: none"> <li>• <u>The engagement team's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li>• <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul>

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	<p>• <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u></p> <p>For example, the engagement team may <del>rely</del><u>depend</u> on the firm's system of quality <del>control</del><u>management</u> in relation to:</p> <ul style="list-style-type: none"> <li>• Competence <u>and capabilities</u> of personnel through their recruitment and formal training.</li> <li>• Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance of engagements</u> <del>systems</del>.</li> <li>• Adherence to legal and regulatory requirements through the monitoring <u>and remediation</u> process.</li> </ul> <p>In considering deficiencies identified in the firm's system of quality <del>control</del><u>management</u> that may affect the agreed-upon procedures engagement, the engagement partner may consider <del>measures</del><u>the remedial actions</u> undertaken by the firm to address <del>the situation</del><u>those deficiencies</u> that the engagement partner considers are sufficient in the context of that agreed-upon procedures engagement.</p>	<p>For example, the engagement team may <del>rely</del><u>depend</u> on the firm's system of quality <del>control</del><u>management</u> in relation to:</p> <ul style="list-style-type: none"> <li>• Competence <u>and capabilities</u> of personnel through their recruitment and formal training.</li> <li>• Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance of client relationships and agreed-upon procedures engagements</u> <del>systems</del>.</li> <li>• Adherence to legal and regulatory requirements through the <u>firm's monitoring and remediation</u> process.</li> </ul> <p>In considering deficiencies<sup>7A</sup> identified in the firm's system of quality <del>control</del><u>management</u> that may affect the agreed-upon procedures engagement, the engagement partner may consider <del>measures</del><u>the remedial actions</u> undertaken by the firm to address <del>the situation</del><u>those deficiencies</u> that the engagement partner considers are sufficient in the context of that agreed-upon procedures engagement.</p> <p><sup>7A</sup> <u>ISQM 1, paragraph 16(a)</u></p>
ISRS 4400 (Revised), paragraph A8	A deficiency in the firm's system of quality <del>control</del> <u>management</u> does not necessarily indicate that an agreed-upon procedures engagement was not performed in accordance with professional standards and applicable legal and regulatory requirements, or that the agreed-upon procedures report was not appropriate.	A deficiency in the firm's system of quality <del>control</del> <u>management</u> does not necessarily indicate that an agreed-upon procedures engagement was not performed in accordance with professional standards and applicable legal and regulatory requirements, or that the agreed-upon procedures report was not appropriate.

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
ISRS 4400 (Revised), paragraph A24	<p><b>Engagement Level Quality Control Management</b> (Ref: Para. 19–20)</p> <p>The actions of the engagement partner and appropriate messages to the other members of the engagement team, in taking <u>overall</u> responsibility for <del>the overall managing and achieving</del> <u>achieving</u> quality on each engagement, emphasize the importance to achieving the quality of the engagement of:</p> <ul style="list-style-type: none"> <li>(a) Performing work that complies with professional standards and regulatory and legal requirements;</li> <li>(b) Complying with the firm's <del>quality control</del> policies <u>and/or</u> procedures as applicable; and</li> <li>(c) Issuing the practitioner's report for the engagement in accordance with this ISRS.</li> </ul>	<p><b>Engagement Level Quality Control Management</b> (Ref: Para. 19–20)</p> <p>The actions of the engagement partner and appropriate messages to the other members of the engagement team, in taking <u>overall</u> responsibility for <del>the overall managing and achieving</del> quality on each engagement, emphasize the importance to achieving the quality of the engagement of:</p> <ul style="list-style-type: none"> <li>(a) Performing work that complies with professional standards and regulatory and legal requirements;</li> <li>(b) Complying with the firm's <del>quality control</del> policies <u>and/or</u> procedures as applicable; and</li> <li>(c) Issuing the practitioner's report for the engagement in accordance with this ISRS.</li> </ul>
ISRS 4400 (Revised), paragraph A25	<p>ISQCM 1 requires the firm <u>to establish a quality objective dealing with the appropriateness of to obtain such its judgments about whether to accept or continue a client relationship or engagement based on</u> information as <del>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</del> <u>obtained about the nature and circumstances of the agreed-upon procedures engagement and</u> Information that <del>assists the engagement partner in determining whether acceptance or continuance of client relationships and agreed-upon procedures engagements is appropriate may include information concerning the integrity and ethical</del></p>	<p>ISQCM 1 requires the firm <u>to establish a quality objectives dealing with the appropriateness of to obtain such its judgments about whether to accept or continue a client relationship or engagement based on</u> information as <del>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</del> <u>obtained about the nature and circumstances of the agreed-upon procedures engagement and</u> Information that <del>assists the engagement partner in determining whether acceptance or continuance of client relationships and agreed-upon procedures engagements is appropriate may include information concerning the integrity and ethical</del> <u>values of the principal owners, key client (including management, and, when appropriate, those charged with governance) that is sufficient to support such judgments.</u> If the engagement partner has cause to doubt</p>

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	<p><del>values of the principal owners, key client (including management, and, when appropriate, those charged with governance) that is sufficient to support such judgments.</del> 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.</p>	<p>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.</p>
ISRS 4400 (Revised), paragraph A26	<p>ISQCM 1 sets out the responsibilities of the firm for establishing <del>policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply</del> <u>quality objectives that address the fulfillment of responsibilities in relation to the</u> <del>with</del> relevant ethical requirements. This ISRS sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.<sup>6A</sup></p> <p><sup>6A</sup> ISQM 1, paragraph 29</p>	<p>ISQCM 1 sets out the responsibilities of the firm for establishing <del>policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply</del> <u>quality objectives that address the fulfillment of responsibilities in relation to the</u> <del>with</del> relevant ethical requirements. This ISRS sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.<sup>6A</sup></p> <p><sup>6A</sup> ISQM 1, paragraph 29</p>
ISRS 4400 (Revised), paragraph A37	<p><b>Engagement Acceptance and Continuance</b> (Ref: Para. 21–23)</p> <p><i>Compliance with Independence Requirements</i> (Ref: Para. 22(e), 24(e))</p> <p>Paragraph 22(e) applies when the practitioner is required to comply with independence requirements for reasons such as those set out in paragraph A15. Paragraph 22(e) also applies when the practitioner agrees with the engaging party, in the terms of engagement, to comply with independence requirements. For example, the practitioner may have initially determined that the practitioner is not required by relevant ethical requirements, law or regulation,</p>	<p><b>Engagement Acceptance and Continuance</b> (Ref: Para. 21–23)</p> <p><i>Compliance with Independence Requirements</i> (Ref: Para. 22(e), 24(e))</p> <p>Paragraph 22(e) applies when the practitioner is required to comply with independence requirements for reasons such as those set out in paragraph A15. Paragraph 22(e) also applies when the practitioner agrees with the engaging party, in the terms of engagement, to comply with independence requirements. For example, the practitioner may have initially determined that the practitioner is not required by relevant ethical requirements, law or regulation, or other reasons to comply with independence requirements. However, when considering <u>engagement acceptance and continuance of the engagement</u> or agreeing the terms of engagement, the practitioner's knowledge of the following matters may indicate that a discussion with the</p>

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	<p>or other reasons to comply with independence requirements. However, when considering <del>engagement</del> acceptance and continuance <u>of the engagement</u> or agreeing the terms of engagement, the practitioner's knowledge of the following matters may indicate that a discussion with the engaging party as to whether compliance with certain identified independence requirements is appropriate for the purpose of the agreed-upon procedures engagement:</p> <p>...</p>	<p>engaging party as to whether compliance with certain identified independence requirements is appropriate for the purpose of the agreed-upon procedures engagement:</p> <p>...</p>
<p>ISRS 4400 (Revised), paragraph A47</p>	<p>A47. A practitioner's expert may be an external expert engaged by the practitioner or an internal expert who is part of the firm and therefore subject to the firm's system of quality <del>control</del>management. <u>Ordinarily, t</u>The practitioner <u>may depend</u> <del>is entitled to rely</del> on the firm's system of quality <del>control</del>management, unless:</p> <ul style="list-style-type: none"> <li>• <u>The practitioner's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li>• <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul> <p><del>information provided by the firm or other parties suggests otherwise.</del> The extent of that <del>reliance</del>dependence will vary with the circumstances and may affect the nature, timing</p>	<p>A47. A practitioner's expert may be an external expert engaged by the practitioner or an internal expert who is part of the firm and therefore subject to the firm's system of quality <del>control</del>management. <u>Ordinarily, t</u>The practitioner <u>may depend</u> <del>is entitled to rely</del> on the firm's system of quality <del>control</del>management, unless:</p> <ul style="list-style-type: none"> <li>• <u>The practitioner's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li>• <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul> <p><del>information provided by the firm or other parties suggests otherwise.</del> The extent of that <del>reliance</del>dependence will vary with the circumstances and may affect the nature, timing and extent of the practitioner's procedures with respect to matters such as:</p> <ul style="list-style-type: none"> <li>• Competence and capabilities, through recruitment and training programs.</li> </ul>

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	<p>and extent of the practitioner's procedures with respect to matters such as:</p> <ul style="list-style-type: none"> <li>• Competence and capabilities, through recruitment and training programs.</li> <li>• The practitioner's evaluation of the objectivity of the practitioner's expert.</li> <li>• Agreement with the practitioner's expert.</li> </ul> <p>Such <del>reliance</del> <u>dependence</u> does not reduce the practitioner's responsibility to meet the requirements of this ISRS.</p>	<ul style="list-style-type: none"> <li>• The practitioner's evaluation of the objectivity of the practitioner's expert.</li> <li>• Agreement with the practitioner's expert.</li> </ul> <p>Such <del>reliance</del> <u>dependence</u> does not reduce the practitioner's responsibility to meet the requirements of this ISRS.</p>
ISRS 4400 (Revised), proposed new paragraph A58A	<u>A58A. When an engagement quality review is required in accordance with ISQM 1, the engagement quality reviewer is required to notify the engagement partner when the engagement quality review is complete.</u>	<del>Date of the Agreed Upon Procedures Report</del> <del>A58A. When an engagement quality review is required in accordance with ISQM 1, the engagement quality reviewer is required to notify the engagement partner when the engagement quality review is complete.</del>
ISRS 4400 (Revised), Appendix	<p><b>Illustration 1</b></p> <p><i>Professional Ethics and Quality <del>Control</del>Management</i></p> <p>...</p> <p>Our firm applies International Standard on Quality <del>Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i>, and accordingly, maintains a comprehensive system of quality <del>control</del>management including documented policies and/or</p>	<p><b>Illustration 1</b></p> <p><i>Professional Ethics and Quality <del>Control</del>Management</i></p> <p>...</p> <p>Our firm <del>applies International Standard on Quality Control</del>Management (ISQCM) 1, <i>Quality <del>Control</del>Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i>, and accordingly, maintains a comprehensive system of quality <del>control</del>management including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>

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	<p>procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>	<p><u>Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p>
<p>ISRS 4400 (Revised), Appendix</p>	<p><b>Illustration 2</b> <i>Professional Ethics and Quality Control/Management</i> ...</p> <p>Our firm applies International Standard on Quality Control/Management (ISQCM) 1, <i>Quality Control/Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i>, and accordingly, maintains a comprehensive system of quality control/management including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>	<p><b>Illustration 2</b> <i>Professional Ethics and Quality Control/Management</i> ...</p> <p><del>Our firm applies International Standard on Quality Control/Management (ISQCM) 1, <i>Quality Control/Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i>, and accordingly, maintains design, implement and operate a comprehensive system of quality control/management including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</del></p> <p><u>Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p>
<p><b>ISRS 4410 (Revised)</b></p>	<p><b>Compilation Engagements</b></p>	
<p>ISRS 4410 (Revised),</p>	<p>International Standard on Related Services (ISRS) 4410 (Revised), <i>Compilation Engagements</i>, should be read in conjunction with the <i>Preface to the International Quality</i></p>	<p>International Standard on Related Services (ISRS) 4410 (Revised), <i>Compilation Engagements</i>, should be read in conjunction with the <i>Preface</i></p>

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boxed text following TOC	<del>Control Management, Auditing, Review, Other Assurance, and Related Services Pronouncements.</del>	to the International Quality <del>Control Management, Auditing, Review, Other Assurance, and Related Services Pronouncements.</del>
ISRS 4410 (Revised), paragraph 4	<p><b>Introduction</b></p> <p><b>Scope of this ISRS</b></p> <p><i>Relationship with ISQGM 1<sup>1</sup></i></p> <p><del>Systems of qQuality controlmanagement systems, and</del> policies <del>and/or</del> procedures are the responsibility of the firm. ISQGM 1 applies to firms of professional accountants in respect of a firm's compilation engagements.<sup>2</sup> The provisions of this ISRS regarding quality <del>controlmanagement</del> at the level of individual compilation engagements are premised on the basis that the firm is subject to ISQGM 1 or requirements that are at least as demanding. (Ref: Para. A6–A11)</p> <p><sup>1</sup> International Standard on Quality <del>ControlManagement</del> (ISQGM) 1, <i>Quality <del>ControlManagement</del> for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements</i></p> <p><sup>2</sup> ISQGM 1, paragraph 5</p>	<p><b>Introduction</b></p> <p><b>Scope of this ISRS</b></p> <p><i>Relationship with ISQGM 1<sup>1</sup></i></p> <p><del>The sSystems of qQuality controlmanagement systems, and</del> policies <del>and/or</del> procedures are the responsibility of the firm. ISQGM 1 applies to firms of professional accountants in respect of a firm's compilation engagements.<sup>2</sup> The provisions of this ISRS regarding quality <del>controlmanagement</del> at the level of individual compilation engagements are premised on the basis that the firm is subject to ISQGM 1 or requirements that are at least as demanding. (Ref: Para. A6–A11)</p> <p><sup>1</sup> International Standard on Quality <del>ControlManagement</del> (ISQGM) 1, <i>Quality <del>ControlManagement</del> for Firms that Perform Audits <del>and/or</del> Reviews of Financial Statements, <del>and/or</del> Other Assurance <del>and/or</del> Related Services Engagements</i></p> <p><sup>2</sup> ISQGM 1, paragraph 5</p>
ISRS 4410 (Revised), paragraph 17 <sup>13</sup>	<p><b>Definitions</b></p> <p>The Handbook's Glossary of Terms<sup>3</sup> (the Glossary) includes the terms defined in this ISRS and also includes descriptions of other terms found in this ISRS, to assist in consistent interpretation. The following terms have the meanings attributed below for the purposes of this ISRS:</p>	<p><b>Definitions</b></p> <p>The Handbook's Glossary of Terms<sup>3</sup> (the Glossary) includes the terms defined in this ISRS and also includes descriptions of other terms found in this ISRS, to assist in consistent interpretation. The following terms have the meanings attributed below for the purposes of this ISRS:</p>

<sup>13</sup> Extant text of paragraph 17(g) reflects updates approved in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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	<p>...</p> <p>(c) <i>Engagement partner</i> – The partner or other <del>person</del> <del>in individual appointed by the firm,</del> who is responsible for the engagement and its performance, and for the compilation report that is issued on behalf of the firm, and who, where required, has the appropriate authority from a professional, legal or regulatory body.</p> <p>(d) <i>Engagement team</i> – All partners and staff performing the engagement, and any <u>other</u> individuals <del>engaged by the firm or a network firm</del> who perform procedures on the engagement.<del> This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</del></p> <p>...</p> <p>(g) <i>Relevant ethical requirements</i> – <u>Principles of professional ethics and ethical requirements that are applicable to which</u> the engagement team is <del>subject</del> when undertaking a <u>compilation engagements</u> <del>engagements, which</del>. <u>Relevant ethical requirements</u> ordinarily comprise <u>the provisions of</u> 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. (Ref: Para. A21)</p>	<p>...</p> <p>(c) <i>Engagement partner</i> – The partner or other <del>person</del> <del>in individual,</del> <u>appointed by the firm,</u> who is responsible for the engagement and its performance, and for the compilation report that is issued on behalf of the firm, and who, where required, has the appropriate authority from a professional, legal or regulatory body.</p> <p>(d) <i>Engagement team</i> – All partners and staff performing the engagement, and any <u>other</u> individuals <del>engaged by the firm or a network firm</del> who perform procedures on the engagement.<del> This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</del></p> <p>...</p> <p>(g) <i>Relevant ethical requirements</i> – <u>Principles of professional ethics and ethical requirements that are applicable to which</u> the engagement team is <del>subject</del> when undertaking a <u>compilation engagements</u> <del>engagements, which</del>. <u>Relevant ethical requirements</u> ordinarily comprise <u>the provisions of</u> 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. (Ref: Para. A21)</p> <p><sup>3</sup> The Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality Management Control, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (the Handbook), published by IFAC</p>

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<p><sup>3</sup> The Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality Management Control, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (the Handbook), published by IFAC</p>	
<p>ISRS 4410 (Revised), paragraph 23<sup>14</sup></p>	<p><b><u>Managing and Achieving Quality on Compilation Engagements Level Quality Control</u></b></p> <p>The engagement partner shall take <u>overall</u> responsibility for:</p> <p>(a) <del>The overall Managing and achieving quality of</del> each compilation engagement to which that partner is assigned;<sup>3A</sup> and</p> <p>(b) The engagement being performed in accordance with the firm's <del>quality control</del> policies <del>and</del> or procedures, by: (Ref: Para. A30)</p> <p>(i) Following <del>appropriate</del> the firm's policies or procedures regarding the acceptance and continuance of client relationships and engagements; (Ref: Para. A31)</p> <p>(iA) <u>Determine that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the engagement, the firm's policies or procedures, and any changes that may arise during the engagement</u></p>	<p><b><u>Managing and Achieving Quality on Compilation Engagements Level Quality Control</u></b></p> <p>The engagement partner shall take <u>overall</u> responsibility for:</p> <p>(a) <del>The overall Managing and achieving quality of</del> each compilation engagement to which that partner is assigned<sup>3A</sup> <u>and being sufficiently</u> and appropriately involved throughout the engagement; and</p> <p>(b) The engagement being performed in accordance with the firm's <del>quality control</del> <u>quality management</u> policies <del>and</del> or procedures, by: (Ref: Para. A30)</p> <p>(i) Following <del>appropriate</del> the firm's policies or procedures regarding the acceptance and continuance of client relationships and <u>compilation engagements</u>; (Ref: Para. A31)</p> <p>(iA) <u>Determine that sufficient and appropriate resources to perform the engagement are assigned or made available to the engagement team in a timely manner, taking into account the nature and circumstances of the engagement, the firm's policies or procedures, and any changes that may arise during the engagement</u></p> <p>(ii) Being satisfied that the engagement team collectively has the appropriate competence and capabilities, <u>including being</u></p>

<sup>14</sup> Extant text in (b)(iii) reflects updates approved in the [Conforming Changes to the IAASB International Standards as a Result of the Revised IESBA Code](#).

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	<p>(ii) Being satisfied that the engagement team collectively has the appropriate competence and capabilities, <u>including being given sufficient time</u>, to perform the compilation engagement;</p> <p>(iii) Being alert for indications of breaches of relevant ethical requirements by members of the engagement team, and determining the appropriate action if matters come to the engagement partner's attention indicating that members of the engagement team have breached relevant ethical requirements; (Ref: Para. A32)</p> <p>(iv) Directing, <u>and supervising engagement team members and reviewing their work</u> and performing the engagement in compliance with professional standards and applicable legal and regulatory requirements;<sup>3E</sup> and</p> <p>(v) Taking responsibility for appropriate engagement documentation being <u>assembled, appropriately maintained and retained</u>.</p>	<p><del>given</del> <u>having sufficient time</u>, to perform the compilation engagement;</p> <p>(iii) Being alert for indications of breaches of relevant ethical requirements by members of the engagement team, and determining the appropriate action if matters come to the engagement partner's attention indicating that members of the engagement team have breached relevant ethical requirements; (Ref: Para. A32)</p> <p>(iv) Directing, <u>and supervising engagement team members, and reviewing their work</u>, and performing the engagement in compliance with professional standards and applicable legal and regulatory requirements; <del>and</del></p> <p>(v) Taking responsibility for appropriate engagement documentation being <u>assembled, appropriately maintained and retained</u>; <del>and</del></p> <p>(vi) <u>When an engagement quality review is required in accordance with ISQM 1 or the firm's policies or procedures, the practitioner shall not date the report until the completion of the engagement quality review.</u><sup>3F</sup></p> <p><sup>3F</sup> <u>ISQM 2. Engagement Quality Reviews</u></p>
ISRS 4410 (Revised), paragraph 26	<p><i>Recurring Engagements</i></p> <p>On recurring compilation engagements, the practitioner shall evaluate whether circumstances, including changes in the <u>firm's judgments about a client relationship or the engagement-acceptance considerations</u>, require the terms of engagement to be revised and whether there is need to</p>	<p><i>Recurring Engagements</i></p> <p>On recurring compilation engagements, the practitioner shall evaluate whether circumstances, including changes in the <u>firm's judgments about a client relationship or the engagement-acceptance considerations</u>, require the terms of engagement to be revised and whether there is need to remind management of the existing terms of engagement. (Ref: Para. A45)</p>

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	remind management of the existing terms of engagement. (Ref: Para. A45)	
ISRS 4410 (Revised), paragraph 40	<p><b>The Practitioner's Report</b></p> <p>The practitioner's report issued for the compilation engagement shall be in writing, and shall include the following elements: (Ref: Para. A62–A63, A69A70)</p> <p>...</p> <p>(k) The date of the practitioner's report; (Ref: Para. A69)</p> <p>...</p>	<p><b>The Practitioner's Report</b></p> <p>The practitioner's report issued for the compilation engagement shall be in writing, and shall include the following elements: (Ref: Para. A62–A63, A69A70)</p> <p>...</p> <p>(k) The date of the practitioner's report. <u>When an engagement quality review is required in accordance with ISQM 1 or the firm's policies or procedures, the practitioner shall not date the report until the completion of the engagement quality review.</u><sup>3A</sup>; (Ref: Para. A69)</p> <p>...</p> <p><sup>3A</sup> ISQM 2 – Engagement Quality Reviews</p>
ISRS 4410 (Revised), paragraph A6	<p><i>Relationship with ISQCMs-1 (Ref: Para. 4)</i></p> <p><del>ISQGM 1 deals with the firm's responsibilities to establish and maintain its design, implement and operate a system of quality control management for related services engagements, including compilation engagements.<sup>3A</sup> ISQM 1 also deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews<sup>3B</sup>. ISQM 2<sup>3C</sup> deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.<sup>3D</sup> These responsibilities are directed at establishing:</del></p> <ul style="list-style-type: none"> <li>● The firm's quality control system; and</li> </ul>	<p><i>Relationship with ISQCMs-1 (Ref: Para. 4)</i></p> <p><del>ISQGM 1 deals with the firm's responsibilities to establish and maintain its design, implement and operate a system of quality control management for related services engagements, including compilation engagements.<sup>3A</sup> ISQM 1 also deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews<sup>3B</sup>. ISQM 2<sup>3C</sup> deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.<sup>3C</sup> These responsibilities are directed at establishing:</del></p> <ul style="list-style-type: none"> <li>● The firm's quality control system; and</li> </ul>

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	<ul style="list-style-type: none"> <li>The firm's related policies designed to achieve the objective of the quality control system and its procedures to implement and monitor compliance with those policies.</li> </ul> <p><sup>3A</sup> ISQM 1, paragraph 1</p> <p><sup>3B</sup> ISQM 1, paragraph 2(a)</p> <p><sup>3C</sup> ISQM 2, <i>Engagement Quality Reviews</i></p> <p><sup>3D</sup> ISQM 1, paragraph 2(b)</p>	<ul style="list-style-type: none"> <li>The firm's related policies designed to achieve the objective of the quality control system and its procedures to implement and monitor compliance with those policies.</li> </ul> <p><sup>3A</sup> ISQM 1, paragraph 1</p> <p><sup>3B</sup> ISQM 1, paragraph 2(a)</p> <p><del><sup>3E</sup> ISQM 2, <i>Engagement Quality Reviews</i></del></p> <p><sup>3C</sup> ISQM 1, paragraph 2(b)</p>
ISRS 4410 (Revised), paragraph A7	<p>Under ISQCM 1, the objective of the firm has an obligation to establish and maintain is to design, implement and operate a system of quality control management for related services engagements, including compilation engagements, that provides the firm with reasonable assurance that:</p> <p>(a) The firm and its personnel <del>empty</del> fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and</p> <p><del>(b) Reports</del>Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.<sup>4</sup></p> <p><sup>4</sup> ISQGM 1, paragraph 44<del>14</del></p>	<p>Under ISQGM 1, the objective of the firm has an obligation to establish and maintain is to design, implement and operate a system of quality control management for related services engagements, including compilation engagements, that provides the firm with reasonable assurance that:</p> <p>(a) The firm and its personnel <del>empty</del> fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and</p> <p><del>(b) Reports</del>Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.<sup>4</sup></p> <p><sup>4</sup> ISQGM 1, paragraph 44<del>14</del></p>
ISRS 4410 (Revised), paragraph A8	A jurisdiction that has not adopted ISQGM 1 in relation to compilation engagements may set out requirements for quality control management in firms performing such	A jurisdiction that has not adopted ISQGM 1 in relation to compilation engagements may set out requirements for quality control management in firms performing such engagements. The provisions of this ISRS regarding

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	<p>engagements. The provisions of this ISRS regarding quality controlmanagement at the engagement level are premised on the basis that <u>requirements for quality controlmanagement requirements adopted</u> are at least as demanding as those of ISQCM 1. This is achieved when those requirements <u>address the requirements of ISQM 1 and impose obligations on the firm to achieve the objective of ISQM 1.impose obligations on the firm to achieve the aims of the requirements of ISQCM 1, including an obligation to establish a system of quality controlthat includes policies and procedures that address each of the following elements</u> Compliance with ISQM 1 requires, among other things, that the firm's system of quality management addresses the following eight components:<sup>4A</sup></p> <p>(a) <u>The firm's risk assessment process;</u></p> <p>(b) <u>Governance and leadership;</u></p> <p>(c) <u>Relevant ethical requirements;</u></p> <p>(d) <u>Acceptance and continuance of client relationships and specific engagements;</u></p> <p>(e) <u>Engagement performance;</u></p> <p>(f) <u>Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(h) <u>The monitoring and remediation process.elements:</u></p> <ul style="list-style-type: none"> <li>● <u>Leadership responsibilities for quality within the firm;</u></li> <li>● <u>Relevant ethical requirements;</u></li> </ul>	<p>quality <del>control</del>management at the engagement level are premised on the basis that <u>requirements for quality <del>control</del>management requirements adopted</u> are at least as demanding as those of ISQCM 1. This is achieved when those requirements <u>address the requirements of ISQM 1 and impose obligations on the firm to achieve the objective of ISQM 1.impose obligations on the firm to achieve the aims of the requirements of ISQCM 1, including an obligation to establish a system of quality controlthat includes policies and procedures that address each of the following elements</u> Compliance with ISQM 1 requires, among other things, that the firm's system of quality management addresses the following eight components:<sup>4A</sup></p> <p>(a) <u>The firm's risk assessment process;</u></p> <p>(b) <u>Governance and leadership;</u></p> <p>(c) <u>Relevant ethical requirements;</u></p> <p>(d) <u>Acceptance and continuance of client relationships and <b>specific compilations</b>specific engagements;</u></p> <p>(e) <u>Engagement performance;</u></p> <p>(f) <u>Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(h) <u>The monitoring and remediation process.elements:</u></p> <ul style="list-style-type: none"> <li>● <u>Leadership responsibilities for quality within the firm;</u></li> <li>● <u>Relevant ethical requirements;</u></li> <li>● <u>Acceptance and continuance of client relationships and specific engagements;</u></li> <li>● <u>Human resources;</u></li> <li>● <u>Engagement performance; and</u></li> </ul>

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	<ul style="list-style-type: none"> <li>• <del>Acceptance and continuance of client relationships and specific engagements;</del></li> <li>• <del>Human resources;</del></li> <li>• <del>Engagement performance; and</del></li> <li>• <b>Monitoring.</b></li> </ul> <p><sup>4A</sup> ISQM 1, paragraph 6</p>	<ul style="list-style-type: none"> <li>• <b>Monitoring.</b></li> </ul> <p><sup>4A</sup> ISQM 1, paragraph 6</p>
ISRS 4410 (Revised), paragraph A10	<p><del>Unless information provided by the firm or other parties suggests otherwise</del>Ordinarily, the engagement team is <del>entitled to rely</del><u>may depend</u> on the firm's system of quality <del>control</del><u>management</u> unless:</p> <ul style="list-style-type: none"> <li>• <u>The engagement team's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li>• <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul> <p>For example, the engagement team may <del>rely</del><u>depend</u> on the firm's system of quality <del>control</del><u>management</u> in relation to:</p> <ul style="list-style-type: none"> <li>• Competence <u>and capabilities</u> of personnel through their recruitment and formal training.</li> <li>• Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance systems of client relationships and specific engagements systems.</u></li> </ul>	<p><del>Unless information provided by the firm or other parties suggests otherwise</del>Ordinarily, the engagement team <del>is entitled to rely</del><u>may depend</u> on the firm's system of quality <del>control</del><u>management</u> unless:</p> <ul style="list-style-type: none"> <li>• <u>The engagement team's understanding or practical experience indicates that the firm's policies or procedures will not effectively address the nature and circumstances of the engagement; or</u></li> <li>• <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u></li> </ul> <p>For example, the engagement team may <del>rely</del><u>depend</u> on the firm's system of quality <del>control</del><u>management</u> in relation to:</p> <ul style="list-style-type: none"> <li>• Competence <u>and capabilities</u> of personnel through their recruitment and formal training.</li> <li>• Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance systems of client relationships and specific compilation engagements systems.</u></li> <li>• Adherence to legal and regulatory requirements through <u>the firm's monitoring and remediation</u> process.</li> </ul> <p>In considering deficiencies<sup>4B</sup> identified in the firm's system of quality <del>control</del><u>management</u> that may affect the compilation engagement, the</p>

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	<ul style="list-style-type: none"> <li>Adherence to legal and regulatory requirements through the monitoring <u>and remediation</u> process.</li> </ul> <p>In considering deficiencies identified in the firm's system of quality <del>control</del><u>management</u> that may affect the compilation engagement, the engagement partner may consider <del>measures</del><u>the remedial actions</u> undertaken by the firm to <del>rectify the situation</del><u>to address those deficiencies</u> <del>that the engagement partner considers are sufficient in the context of that compilation engagement.</del></p>	<p>engagement partner may consider <del>measures</del><u>the remedial actions</u> undertaken by the firm to <del>rectify the situation</del><u>to address those deficiencies</u> <del>that the engagement partner considers are sufficient in the context of that compilation engagement.</del></p> <p><sup>4B</sup> <u>ISQM 1, paragraph 16(a)</u></p>
ISRS 4410 (Revised), paragraph A11	A deficiency in the firm's system of quality <del>control</del> <u>management</u> does not necessarily indicate that a compilation engagement was not performed in accordance with professional standards and applicable legal and regulatory requirements, or that the practitioner's report was not appropriate.	A deficiency in the firm's system of quality <del>control</del> <u>management</u> does not necessarily indicate that a compilation engagement was not performed in accordance with professional standards and applicable legal and regulatory requirements, or that the practitioner's report was not appropriate.
ISRS 4410 (Revised), paragraph A30	<p><b>Engagement Level Quality Control<del>Management</del></b> (Ref: Para. 23(b))</p> <p>The actions of the engagement partner and appropriate messages to the other members of the engagement team, in taking <u>overall</u> responsibility for <del>the overall managing and achieving</del> quality on each engagement, emphasize the importance to achieving the quality of the engagement of:</p> <ul style="list-style-type: none"> <li>(a) Performing work that complies with professional standards and regulatory and legal requirements;</li> <li>(b) Complying with the firm's <del>quality control</del> policies <u>and</u> procedures as applicable; and</li> </ul>	<p><b>Engagement Level Quality Control<del>Management</del></b> (Ref: Para. 23(b))</p> <p>The actions of the engagement partner and appropriate messages to the other members of the engagement team, in taking <u>overall</u> responsibility for <del>the overall managing and achieving</del> quality on each engagement, emphasize the importance to achieving the quality of the engagement of:</p> <ul style="list-style-type: none"> <li>(a) Performing work that complies with professional standards and regulatory and legal requirements;</li> <li>(b) Complying with the firm's <del>quality control</del> policies <u>and/or</u> procedures as applicable; and</li> <li>(c) Issuing the practitioner's report for the engagement in accordance with this ISRS.</li> </ul>

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	(c) Issuing the practitioner's report for the engagement in accordance with this ISRS.	
ISRS 4410 (Revised), paragraph A31	<p><i>Acceptance and Continuance of Client Relationships and Compilation Engagements (Ref: Para. 23(b)(i))</i></p> <p>ISQGM 1 requires the firm to <del>establish a quality objective dealing with the appropriateness of to obtain such</del>its judgments about whether to accept or continue a client relationship or engagement based to obtain suchon 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 clientobtained about the nature and circumstances of the compilation engagement and 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 and ethical values of the principal owners, key client (including management, and, when appropriate, those charged with governance) that is sufficient to support such judgments.</p>	<p><i>Acceptance and Continuance of Client Relationships and Compilation Engagements (Ref: Para. 23(b)(i))</i></p> <p>ISQGM 1 requires the firm to <u>establish a quality objectives dealing with the appropriateness of to obtain such</u>its judgments about whether to accept or continue a client relationship or engagement based to obtain suchon 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<u>obtained about the nature and circumstances of the compilation engagement and 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 and ethical values of the principal owners, key client (including management, and, when appropriate, those charged with governance) that is sufficient to support such judgments.</u></p>
ISRS 4410 (Revised), paragraph A32	<p><i>Compliance with Relevant Ethical Requirements in Conducting the Engagement (Ref: Para. 23(b)(iii))</i></p> <p>ISQGM 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 <del>comply</del> <u>quality objectives that address the fulfillment of responsibilities in relation to the relevant ethical</u></p>	<p><i>Compliance with Relevant Ethical Requirements in Conducting the Engagement (Ref: Para. 23(b)(iii))</i></p> <p>ISQGM 1 sets out the responsibilities of the firm for establishing <del>policies and procedures designed to provide it with reasonable assurance that the firm and its personnel comply</del> <u>quality objectives that address the fulfillment of responsibilities in relation to the relevant ethical requirements. This ISRS</u></p>

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	<p>requirements. This ISRS sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.<sup>8A</sup></p> <p><sup>8A</sup> ISQM 1, paragraph 29</p>	<p>sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.<sup>8A</sup></p> <p><sup>8A</sup> ISQM 1, paragraph 29</p>
<b>International Framework for Assurance Engagements</b>		
International Framework for Assurance Engagements, footnote 1	<p><sup>1</sup> See the Preface to the International Quality <del>Control</del><u>Management</u>, Auditing, Review, Other Assurance and Related Services Pronouncements.</p>	<p><sup>1</sup> See the Preface to the International Quality <del>Control</del><u>Management</u>, Auditing, Review, Other Assurance and Related Services Pronouncements.</p>
International Framework for Assurance Engagements, paragraph 5	<p><b>Ethical Principles and Quality <del>Control</del><u>Management</u> Standards</b></p> <p>Quality <del>control</del><u>management</u> 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. 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 of the IESBA Code related to assurance engagements, other professional</p>	<p><b>Ethical Principles and Quality <del>Control</del><u>Management</u> Standards</b></p> <p>Quality <del>control</del><u>management</u> 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. 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 <del>control</del> reviewer (for those engagements where one has been appointed) are subject to the provisions 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) The practitioner performing the engagement is a member of a firm that is subject to ISQM 1,<sup>16</sup> or other professional requirements, or</p>

<sup>16</sup> International Standard on Quality Control (ISQC) 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<p>requirements, or requirements in law or regulation, that are at least demanding; and</p> <p>(b) The practitioner performing the engagement is a member of a firm that is subject to ISQM 1,<sup>15</sup> or other professional requirements, or requirements in law or regulation, regarding the firm's responsibility for its system of quality <del>control</del>management, that are at least as demanding as ISQM 1.</p>	<p>requirements in law or regulation, regarding the firm's responsibility for its system of quality <del>control</del>management, that are at least as demanding as ISQM 1.</p>
<p>International Framework for Assurance Engagements, paragraph 9</p>	<p><del>ISQM 1</del></p> <p><del>ISQM 1 deals with the firm's responsibilities to establish and maintain design, implement and operate a its-system of quality controlmanagement for assurance engagements.<sup>3A</sup> 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:A system of quality management addresses the following eight components:<sup>5E</sup></del></p> <p><del>(a) The firm's risk assessment process;</del></p> <p><del>(b) Governance and leadership;</del></p> <p><del>(c) Relevant ethical requirements;</del></p>	<p><del>ISQM 1</del></p> <p><del>ISQM 1 deals with the firm's responsibilities to establish and maintain design, implement and operate a its-system of quality controlmanagement for assurance engagements.<sup>3A</sup> 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:A system of quality management addresses the following eight components:<sup>5E3C</sup></del></p> <p><del>(a) The firm's risk assessment process;</del></p> <p><del>(b) Governance and leadership;</del></p> <p><del>(c) Relevant ethical requirements;</del></p> <p><del>(d) Acceptance and continuance of client relationships and compilationspecific engagements;</del></p> <p><del>(e) Engagement performance;</del></p>

<sup>15</sup> International Standard on Quality Control (ISQC) 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*

Proposed Changes to the IAASB's Other Standards as a Result of the New and Revised Quality Management Standards  
IAASB Main Agenda (October 2021)

Ref.	Proposed Change <sup>1</sup> to the IAASB Other Standards Per ED	Proposed Final Change
	<p><u>(d) Acceptance and continuance of client relationships and specific engagements;</u></p> <p><u>(e) Engagement performance;</u></p> <p><u>(f) Resources;</u></p> <p><u>(g) Information and communication; and</u></p> <p><u>(h) The monitoring and remediation process</u></p> <p><del>(a) Leadership responsibilities for quality within the firm;</del></p> <p><del>(b) Relevant ethical requirements;</del></p> <p><del>(c) Acceptance and continuance of client relationships and specific engagements;</del></p> <p><del>(d) Human resources;</del></p> <p><del>(e) Engagement performance; and</del></p> <p><del>(f) Monitoring.</del></p> <p><sup>3A</sup> <u>ISQM 1, paragraph 1</u></p> <p><sup>3B</sup> <u>ISQM 2, <i>Engagement Quality Reviews</i></u></p> <p><sup>3C</sup> <u>ISQM 1, paragraph 6</u></p>	<p><u>(f) Resources;</u></p> <p><u>(g) Information and communication; and</u></p> <p><u>(h) The monitoring and remediation process</u></p> <p><del>(a) Leadership responsibilities for quality within the firm;</del></p> <p><del>(b) Relevant ethical requirements;</del></p> <p><del>(c) Acceptance and continuance of client relationships and specific engagements;</del></p> <p><del>(d) Human resources;</del></p> <p><del>(e) Engagement performance; and</del></p> <p><del>(f) Monitoring.</del></p> <p><sup>3A</sup> <u>ISQM 1, paragraph 1</u></p> <p><del><sup>3B</sup> <u>ISQM 2, <i>Engagement Quality Reviews</i></u></del></p> <p><sup>3C</sup> <u>ISQM 1, paragraph 6</u></p>