

Experts – Respondents’ Detailed Comments to EM Question 3.1

Do you agree that the proposed narrow-scope amendments to ISRE 2400 (Revised) are consistent with the proposed amendments to ISA 620, and are appropriate to maintain interoperability with the new provisions in the Code related to using the work of an external expert?

If you do not agree, what alternatives do you suggest (please identify the specific paragraphs and be specific as to why you believe the proposals are not appropriate, and why you believe your alternatives would be more appropriate)?

3.1.2 Agree with comments

3. Regulator and Audit Oversight Authority

Financial Reporting Council (UK)

Prohibition on using the work of an external expert

The same comments apply for paragraph A97C as we make above for A19A of ISA 620.

4. Jurisdictional Standard Setter

Hong Kong Institute of Certified Public Accountants

We recommend that, in addition to footnote 7 which directs the practitioner to section 390 of the revised Code, the IAASB consider incorporating similar explicit application material into ISRE 2400 (Revised), as in paragraphs A18A(b) and A24 of the proposed ISA 620, regarding the requirement to obtain written information from the auditor’s external expert to assist in the evaluation of the expert’s CCO (i.e. paragraphs R390.5, R390.12-17 and R390.28 of the revised Code). Incorporating this material would help reinforce the importance of this documentation requirement under the revised Code and promote interoperability between the IAASB standards and the revised Code.

In addition, to promote consistent application of the standard across jurisdictions, and build on the explanation provided in Q2 above, we recommend that the IAASB stipulate in ISRE 2400 (Revised) the specific circumstances under which a practitioner is prohibited from using the expert’s work and the consequences if the practitioner’s expert does not meet the CCO evaluation criteria. These provisions should be established independently of the “relevant ethical requirements” as currently drafted in paragraph A97C in ED-Expert.

Institut der Wirtschaftsprüfer

Our comments above apply equally here as the IAASB’s proposed approach mirrors that proposed in amending ISA 620 – except that no new requirements are proposed, something we would also support for ISA 620.

New Zealand Auditing and Assurance Standards Board of the External Reporting Board

Yes, we agree that the proposed narrow-scope amendments to ISRE 2400 (Revised) are consistent with the proposed amendments to ISA 620 and are appropriate to maintain interoperability with the new provisions in the Code related to using the work of an external expert.

We agree that it is necessary to add application material to the standard to provide a bridge to the Code provisions indicating circumstances in which relevant ethical requirements may prohibit the assurance practitioner from using the work of an external expert. This standard is well used in NZ. The additions to the application material providing context regarding the use of an expert are welcome.

Public Accountants and Auditors Board Zimbabwe

We agree that the proposed narrow-scope amendments to ISRE 2400 (Revised) are consistent with those to ISA 620 and are appropriate for maintaining interoperability with the IESBA Code's new provisions. The addition of application material, particularly paragraph A97C, provides necessary context and a clear link to ethical requirements, addressing the gap where practitioners previously had limited guidance on evaluating the use of external experts. While ISRE 2400 has a broader and less prescriptive approach, these amendments strike the right balance by enhancing clarity and ethical alignment without imposing undue requirements, thus supporting consistent and informed application in review engagements.

Saudi Organization for Chartered and Professional Accountants

The proposed amendments to ISRE 2400 (Revised) appropriately reflect the principles introduced in ISA 620 and the IESBA Code, while respecting the nature of review engagements.

To further support implementation, we suggest the IAASB consider:

- Clarifying how practitioners may scale their procedures based on materiality or risk, consistent with the review-level nature of the engagement. While ISRE 2400 is intentionally flexible, providing illustrative examples would help firms tailor their approach proportionately.
- Cross-referencing ISA 620 in the application material where relevant, to support consistency for practitioners who perform both audits and reviews.

These suggestions would reinforce the interoperability objective without broadening the scope of the ED.

5. Firm (Audit or Assurance Practitioners)

Grant Thornton International Ltd

We agree with the IAASB's proposed narrow-scope amendments to ISRE 2400 (Revised) and the rationale for such amendments. We believe the resulting proposed amendments, which focus on adding application material and examples from the Code instead of adding additional performance requirements, are consistent with the proposed amendments to ISA 620 and are appropriate to maintain interoperability with the new provisions in the Code related to using the work of an external expert. Specifically:

- Paragraphs 32 and 33: We support the proposed application material related to using the work performed by an expert, which is consistent with proposed amendments to ISA 620.

KPMG International Limited

Further to the additional context and clearer bridge to the IESBA Code provided by the proposed amendments at A97A, A97B and A97C of ISA 2400 (Revised), we recommend the inclusion of related application material similar to that at ISA 620.A18 and .A18A, to provide guidance to the practitioner as to the relevant considerations relating to their evaluation of the objectivity of a practitioner's external expert. We also suggest that such material include specific reference to the fact that relevant ethical requirements may require the practitioner to obtain information in writing from the external expert regarding interests, relationships or circumstances that may create a threat to that expert's objectivity.

6. Professional Accountancy or Other Professional Organization (PAO or Similar)

Accountancy Europe

Accountancy Europe appreciates the objective to maintain interoperability across ISRE 2400 (Revised), ISAE 3000 (Revised), and ISRS 4400 (Revised) with the IESBA Code and the proposed amendments to ISA 620.

Consistent with our comments under Question 2, we do not agree with the underlying context and direction of these amendments as derived from the IESBA proposals. We refer to our previous response to IESBA for a detailed explanation of these concerns.

In relation to the proposed amendments under these standards:

We acknowledge that the proposed amendments across ISRE 2400 (Revised), ISAE 3000 (Revised), and ISRS 4400 (Revised) are consistent with the changes proposed to ISA 620, ensuring alignment with the IESBA Code.

However, we remain concerned that aligning with an approach that lacks sufficient flexibility and adaptability may not be practical in various assurance and related services engagements.

Though ISRE 2400 (Revised) provides only limited assurance and involves procedures that are less extensive than an audit, enhancing consistency with ISA 620 could still be beneficial. Specifically, we suggest clarifying the sequential logic of the evaluation when using an external expert—first assessing their CCO, then the adequacy of their work. Unlike ISA 620, which sets this out clearly, ISRE 2400 refers to these matters more generally as “significant.” Introducing clearer guidance on this structure would support better alignment and improve application in practice. It should be noted, however, that these steps can, in practice, be addressed in parallel if time is limited. In any case, it is important to avoid the impression that the final evaluation of the CCO is necessarily required upfront, as this could reduce planning flexibility and further limit availability to qualified experts for high-quality engagements.

While we do not agree with the overall context of the proposed changes driven by the IESBA Code, we recognise the importance of maintaining consistency and alignment across the IAASB standards to avoid confusion and fragmentation in practice.

We therefore acknowledge that the proposed amendments to ISRE 2400 (Revised), ISAE 3000 (Revised), and ISRS 4400 (Revised) are aligned and consistent with the amendments to ISA 620 and the IESBA Code. However, we reiterate our call for alignment on positions that are practicable, adaptable to different contexts, and support high-quality engagements while maintaining proportionality.

Accounting and Auditing Advisory Committee of the Virginia Society of CPAs

The proposed changes to ISRE 2400 align well with the ISA 620 amendments and support consistent application of ethical requirements in review engagements. The new application paragraphs (e.g., A97A–A97C) provide guidance for evaluating whether an expert’s work can be used.

The new guidance offers practical tips for deciding if an expert’s work is usable. Training teams may be a challenge, especially where external experts aren’t often used. Firms should update their methods and training to reflect this.

ASEAN Federation of Accountants

We support the proposed narrow-scope amendments to ISRE 2400 (Revised), which mirror the logic of the amendments to ISA 620. However, we recommend similar clarification regarding the use of safeguards in the assessment of objectivity. Additionally, we urge the IAASB to consider whether ISRE 2410 also warrants amendment to reflect the implications of ethical requirements on reliance upon external experts in review engagements.

Association of Chartered Certified Accountants and Chartered Accountants Australia and New Zealand

Yes, the proposed narrow-scope amendments to ISRE 2400 (Revised) are consistent with the proposed amendments to ISA 620 and are appropriate to maintain interoperability with the new provision in the Code related to using the work of an external expert. However, as explained in our response to Q1, we believe that the context of the amendments is not appropriate.

Furthermore, as suggested for ISA 620, the IAASB should clarify that when evaluating objectivity under the CCO assessment, an external expert can be used, provided that safeguards can be implemented, in ISRE 2400 (Revised) too. This would help address the ambiguity that the proposed amendments introduce and the concerns regarding the limited availability of suitable external experts.

Consejo General de Economistas de España

Yes, normative consistency is critical, especially for SMPs that provide a diverse range of services. Harmonizing requirements facilitates training and practical application within resource-limited firms. We reiterate the importance of adapting application guidance and examples to the realities faced by SMEs and SMPs

CPA Australia

We agree that the proposed amendments to these standards are consistent with the changes to ISA 620 and necessary to maintain alignment with the IESBA Code.

Please also refer to our earlier comments on the practical implications of certain provisions introduced by the IESBA, particularly those relating to the evaluation of an external expert's objectivity.

European Federation of Accountants and Auditors for SMEs

Yes, normative consistency is critical, especially for SMPs that provide a diverse range of services. Harmonizing requirements facilitates training and practical application within resource-limited firms. We reiterate the importance of adapting application guidance and examples to the realities faced by SMEs and SMPs

Group of Latin American Accounting Standards Setters

GLASS agrees with the proposed amendments to ISRE 2400 (Revised), ISAE 3000 (Revised), and ISRS 4400 (Revised). These changes follow the same rationale as those in ISA 620, reinforcing the need to consider the relevant requirements of the IESBA Code when using the work of an expert.

Institute of Chartered Accountants in England and Wales

Although we are comfortable that, in general, the proposed narrow-scope amendments to ISRE 2400 (Revised) are consistent with the proposed amendments to ISA 620, we suggest that the former requires a more explicit delineation of the two-step process of evaluating an external expert. In ISA 620 it is clearer that the auditor first assesses the expert's competence, capability and objectivity and then moves on to evaluating the adequacy of the expert's work if these criteria have been met.

We also note that, as with the proposed amendments to ISA 620, it is unclear whether under ISRE 2400 (Revised) a threats and safeguards approach to assessing the competence, capability and objectivity is permissible.

Institute of Chartered Accountants of Nigeria

Yes, we agree that the proposed narrow-scope amendments to ISRE 2400 (Revised), ISAE 3000 (Revised), and ISRS 4400 (Revised) are consistent with the proposed changes to ISA 620 and are appropriate to maintain interoperability with the new provisions in the IESBA Code concerning the use of external experts.

Below is a specific assessment for each standard:

3.1 ISRE 2400 (Revised) – Engagements to Review Historical Financial Statements

Agreement: Yes

Commentary:

The amendments to ISRE 2400 appropriately reflect the updated definitions and requirements regarding the use of external experts. By aligning key concepts such as competence, capabilities, and objectivity with those introduced in the ISA 620 amendments and the IESBA Code, the revision improves consistency across assurance engagements.

Importantly, the standard maintains a proportional and risk-based approach, which is suitable for review engagements that require less assurance than audits. The use of an external expert in review engagements is less frequent but may arise in complex estimates or financial instruments hence the updated guidance ensures clarity without introducing unnecessary burden.

Conclusion

The proposed narrow-scope amendments across these standards are:

- Internally consistent with ISA 620;
- Substantively aligned with the IESBA's ethical provisions; and
- Practically suited to the unique characteristics and reporting expectations of each type of engagement.

They collectively enhance interoperability, reduce the risk of inconsistent application, and reinforce a unified ethical and professional framework for engagements involving external experts.

Since in the previous responses, we agreed that the proposed narrow-scope amendments to ISA 620, ISRE 2400 (Revised), ISAE 3000 (Revised), and ISRS 4400 (Revised) are largely appropriate and consistent with the public interest and the IESBA Code, there are no fundamental disagreements. However, as professional accountants reviewing from a practical implementation standpoint in jurisdictions like Nigeria and other developing economies, we would respectfully suggest a few clarificatory enhancements or alternatives to aid better application of these standards in practice:

2. ISRE 2400 (Revised)

Suggested Clarification:

- Paragraph 59 (as proposed): While the paragraph emphasizes evaluating the competence and objectivity of an external expert, a cross-reference to relevant sections of the IESBA Code (especially the independence provisions and professional behaviour expectations) would be helpful.

Reason:

- Review engagements often involve smaller firms or practitioners with limited in-house resources. Direct cross-referencing would help ensure the ethical expectations are not overlooked.

These suggestions are not rejections of the proposed amendments but enhancements for practical clarity, particularly in developing economies where interpretative guidance is critical to consistent application. By expanding examples, cross-referencing ethical codes, and ensuring transparency, the IAASB will better serve public interest and support capacity-building across jurisdictions.

International Federation of Accountants

The proposed narrow scope amendments to ISRE 2400 are generally consistent with those proposed for ISA 620. As a standalone standard for review engagements, ISRE 2400 would be expected to have condensed requirements as compared to full ISAs, and as such, limiting requirements in this area to a single paragraph with three supporting application paragraphs is understandable.

Malaysian Institute of Certified Public Accountants

The proposed amendments to ISRE 2400 (Revised) are consistent with the proposed amendments to ISA 620, as both incorporate cross-references to ethical requirements and prohibit practitioners from using the work of an external expert when ethical conditions are not met.

The amendments are also appropriate to maintain interoperability with the new provisions in the IESBA Code, which set ethical expectations for all professional accountants in public practice.

Pan African Federation of Accountants

The proposed amendments to ISRE 2400 (Revised) are appropriate and well-aligned with ISA 620 and the revised IESBA Code, particularly in the African context where external experts are commonly used in review engagements.

They enhance consistency by:

- Standardising definitions of “external expert” and “auditor’s expert”;
- Requiring practitioners to assess expert objectivity and integrity in line with ethical standards; and
- Referring to ISA 620 procedures for evaluating expert competence and work quality.

These changes improve clarity, reinforce ethical safeguards, and promote consistent application of professional judgment across all types of engagements in Africa.

South African Institute of Chartered Accountants

The proposed narrow-scope amendments to ISRE 2400 (Revised) are generally considered to be consistent with the amendments to ISA 620 and are appropriate for maintaining interoperability with the revised IESBA Code with regards to the use of an external expert.

Use of work performed by others

Para. 55. "In performing the review, it may be necessary for the practitioner to use work performed by other practitioners, or the work of an individual or organization possessing expertise in a field other than accounting or assurance. If the practitioner uses work performed by another practitioner or an expert in the course of performing the review, the practitioner shall take appropriate steps to be satisfied that the work performed is adequate for the practitioner's purposes. (Ref: Para. A78, A97A-A97C)"

In Para.32 of the explanatory memorandum to the proposed narrow-scope amendments to ISRE 2400 (Revised), the IAASB acknowledged that the requirements in paragraph 55 are broad in nature which is different from the requirements related to experts in other IAASB standards. The IAASB is proposing to add an application material paragraph (see paragraph A97C in the ED), which is similar to proposed paragraph A19A in ISA 620, to provide a bridge to the revised Code provisions indicating circumstances in which relevant ethical requirements may prohibit the auditor from using the work of an auditor's expert.

We would like to recommend the following as enhancements in relation to comprehensiveness and enforceability:

Section 390 of the revised Code applies to all professional services. To enhance the consistency of requirements across the body of standards to ensure that requirements related to using the work of an external expert are not in conflict or inoperable with the IESBA code, consider:

including a clear and explicit requirement in paragraph 55, similar to para. 8(f) in ISA 620 for the practitioner to consider "provisions of relevant ethical requirements related to using the work of an expert". This direct reference strengthens consistency between the body of standards and interoperability with the ethical framework introduced by the IESBA Code and ensures that the ethical requirement when using an external expert is not overlooked in the application material.

While the additional guidance (Para. A97A–A97C) is helpful, the absence of a corresponding requirement in the body of the standard may lead to ambiguity or inconsistent application in practice. This amendment will ensure that ethical considerations are not perceived as optional or secondary in review engagements.

The IAASB has aimed to ensure that the terminology, concepts, and auditor responsibilities related to external experts are harmonised across ISA 620 and ISRE 2400(Revised) and other standards. This inclusion will further enhance consistency to help practitioners apply the standards more effectively in review engagements.

Para. A97C. Relevant ethical requirements may prohibit the practitioner from using the work of a practitioner's expert in certain circumstances. For example, the IESBA Code prohibits the practitioner from using the work of an external expert if the practitioner:

- (a) Is unable to determine whether the expert has the necessary competence or capabilities or is objective.*
- (b) Has determined that the expert does not have the necessary competence or capabilities; or*
- (c) Has determined that it is not possible to eliminate circumstances that create threats to the expert's objectivity or apply safeguards to reduce such threats to an acceptable level.*

We also recommend elevating the principles included in the application material Para. A97 C to the requirement section of ISRE 2400 (Revised), similar to our proposed changes in response to Question 2, because as indicated by the IAASB in the memorandum of the proposed narrow-scope amendments to ISRE 2400 (Revised) Para. 31, there is no requirement for the practitioner to evaluate the CCO of the work of an external expert. If the practitioner uses work performed by an expert, the practitioner is required to take

appropriate steps to be satisfied that the work performed is adequate for the practitioner's purposes, without indicating the steps required to be taken.

8. Public Sector Organization

Government Accountability Office – United States

We believe that the amendments to the other standards are consistent with the changes to ISA 620. However, we are recommending changes to ISA 620, so we believe that making corresponding changes to the other standards are appropriate.

ISRE 2400 (Revised). For International Standards on Review Engagements (ISRE) 2400 (Revised), we believe proposed paragraph A97C should be deleted as it is substantially included in paragraph A97A. Further, its first sentence references practitioner's experts in general, while the example in the second sentence is specific to external experts. If the paragraph is retained, we recommend that the paragraph be split for clarity.

3.1.3 Neither agree or disagree

4. Jurisdictional Standard Setter

American Institute of Certified Public Accountants

We observe that the proposed narrow scope amendments to the application material of ISRE 2400 (Revised) are generally consistent with those proposed for ISA 620. However, we observe there are no new requirements, which creates an impression that extant requirements were already sufficient to ensure interoperability.

5. Firm (Audit or Assurance Practitioners)

RSM International Limited

We support linking the proposed changes to the IESBA Code as examples where the relevant ethical requirements may address an issue. Except for the matters discussed in the following section where it appears that certain proposed amendments to ISA 620 were omitted from ISRE 2400 (Revised), we believe the spirit of the proposed narrow-scope amendments to ISRE 2400 (Revised) is consistent with the proposed amendments to ISA 620, and the amendments are appropriate to maintain interoperability with the new provisions in the IESBA Code.

We believe that when the proposed revisions to ISRE 2400 (Revised) includes a provision from the IESBA Code as an example, the wording should mirror the IESBA Code to the extent practicable.

Like our response to question 2 regarding proposed paragraph A19A of ISA 620,

- Proposed paragraph A97C(b) of ISRE 2400 (Revised) deviates from paragraph R390.21(b) of the IESBA Code in that it does not specify that the IESBA Code prohibits using the work of an external expert if the expert does not have the necessary competence or capabilities for the practitioner's purpose. We believe the determination of competence or capabilities of an external expert is dependent on the purpose for which the external expert is being engaged.
- The wording of proposed paragraph A97C(c) of ISRE 2400 (Revised) deviates from paragraph R390.21(c) of the IESBA Code. We are unsure why it is necessary to deviate from the wording in the IESBA Code when it appears that paragraph A97C(c) is restating what is in the IESBA Code as an example of when relevant ethical requirements may prohibit the practitioner from using the work of an external expert.

Accordingly, we recommend revising proposed paragraph A97C of ISRE 2400 (Revised) as follows (marked from the ED):

A97C. Relevant ethical requirements may prohibit the practitioner from using the work of a practitioner's expert in certain circumstances. For example, the IESBA Code prohibits the practitioner from using the work of an external expert if the practitioner:⁸

- (a) Is unable to determine whether the external expert has the necessary competence or capabilities, or is objective;
- (b) Has determined that the external expert does not have the necessary competence or capabilities for the practitioner's purpose; or
- (c) Has determined that ~~there are it is not possible to eliminate circumstances that create threats to the external expert's objectivity, or apply safeguards to that cannot be eliminated or reduced such threats~~ to an acceptable level.

⁸ IESBA Code, paragraph R390.21

We noted that the proposed narrow-scope amendments to ISRE 2400 (Revised) do not include the provisions included in ISA 620 that directly reference the possibility that relevant ethical requirements may require information in writing. Proposed paragraph A97B of ISRE 2400 (Revised) generically refers to the relevant ethical requirements that may include provisions addressing the fulfilment of the practitioner's ethical responsibilities, and it also uses the IESBA Code as an example. We agree that this technically covers the intent of the amendments, but we are of the view that it increases the risk of not complying with the new provisions in the IESBA Code while performing review engagements.

As demonstrated by the IAASB in pointing out that relevant ethical requirements may include obtaining certain information in writing in the proposed amendments to both ISA 620 and ISAE 3000 (Revised), we believe it is important to alert the practitioner of certain potential material performance and documentation requirements that may be in the relevant ethical requirements (for example, the IESBA Code) as this will help to increase the quality and consistency of engagements.

Accordingly, we propose the following revisions (marked from the ED):

A97B. Relevant ethical requirements related to using the work of a practitioner's expert may include provisions addressing the fulfilment of the practitioner's ethical responsibilities related to the evaluating whether a practitioner's expert has the necessary competence, capabilities and objectivity for the practitioner's purposes. For example, the IESBA Code includes provisions related to the practitioner's use of the work of an external expert.⁷

A97BA. Relevant ethical requirements may also require the practitioner to obtain information, in writing, from the practitioner's external expert regarding interests, relationships or circumstances that may create a threat to that expert's objectivity.^{7A}

⁷ See Section 390 of the IESBA Code.

^{7A} See, for example, paragraphs R390.5 and R390.12–17 of the IESBA Code.

The proposed revisions were derived from proposed paragraphs A16A and A18A of ISA 620, respectively.

We also believe adding either a definition or description of a practitioner's expert aligned with the IESBA Code and consistent with the definition of 'auditor's expert' in ISA 620 would be helpful to practitioners, since (1) the term would be used more often if the proposed amendments are adopted, and (2) the definitions in ISA 620, ISAE 3000 (Revised) and ISRS 4400 (Revised) do not apply to ISRE 2400 (Revised).

3.1.4 Disagree with comments

3. Regulator and Audit Oversight Authority

Independent Regulatory Board for Auditors - South Africa

We note that paragraph 55 of ISRE 2400 (Revised) broadly applies to the use of work performed by others, including other practitioners or experts. However, unlike the explicit requirements in the auditing standards, ISRE 2400 does not explicitly require the practitioner to evaluate the CCO of an expert.

Given that the IESBA provisions on using the work of an external expert apply to review engagements, we believe it is important to include a requirement, similar to paragraph 8(f) of ISA 620, that explicitly refers to compliance with the relevant ethical requirements when using such experts, including the provision of written information for the evaluation of the external expert's objectivity.

4. Jurisdictional Standard Setter

Nordic Federation of Public Accountants

We recognize that ISRE 2400, as a stand-alone standard for review engagements, adopts a necessarily more compact structure compared to ISA 620. This is evident in the consolidation of requirements relating to the use of a practitioner's expert into a single paragraph (paragraph 55), whereas ISA 620 provides more comprehensive and detailed guidance.

The ED introduces three new application paragraphs which appear to replicate aspects of the proposed revisions to ISA 620. While this alignment is welcomed, we have the following observations:

ISA 620, and by extension the IESBA Code, present a two-step evaluation process: (i) assessing the expert's competence, capabilities, and objectivity (CCO); and (ii) if the expert is deemed to meet those criteria, evaluating the adequacy of their work. This structure provides clarity on the sequential nature of the evaluations required. In contrast, paragraph 55 of ISRE 2400 does not make this distinction explicit, which could give rise to interpretive inconsistencies in application.

Paragraph A97A repeats the core wording of ISA 620 A14, stating that the CCO of the expert "significantly affects" whether their work is adequate for the practitioner's purposes. If the Board's intention is to convey a prohibition against using the work of an expert who fails to meet the CCO criteria, we recommend that this be stated more clearly. As currently drafted, A97A—when read in conjunction with A97B and A97C—does not sufficiently clarify whether failing to meet CCO criteria precludes reliance on the expert's work. This ambiguity leaves unresolved the alignment of ISRE 2400 with both ISA 620 and the IESBA Code.

We recommend that the Board consider: (a) making the two-step evaluation approach explicit within paragraph 55; and (b) clarifying whether a failure to meet the CCO criteria constitutes a de facto prohibition on using the expert's work.

5. Firm (Audit or Assurance Practitioners)

BDO International

ISA 620 follows a three-step approach to using the work of an external expert, as follows:

- Step 1 relates to evaluating the competence, capabilities and objectivity of the external expert (ISA 620.9)
- Step 2 requires that agreement is reached between the auditor and external expert in terms of the work to be performed (ISA 620.11)
- Step 3 relates to evaluating whether the work of the external expert is adequate for the auditor's purpose (ISA 620.12)

While we note the presence of ISRE 2400.A97C, there is no requirement in ISRE 2400 for the practitioner to evaluate the competence, capabilities and objectivity of the external expert. ISRE 2400 also does not require the practitioner to agree with the external expert on the work to be performed. ISRE 2400 only requires the practitioner to take appropriate steps to be satisfied that the work of the external expert is adequate for the practitioner's purpose (ISRE 2400.55).

The lack of explicit requirements outlining the three steps in ISRE 2400 may result in an inconsistency between ISA 620 and ISRE 2400 as auditors may interpret and apply the requirements differently. Since the IESBA Code includes one framework when using the work of an external expert under either an audit or assurance engagement, the approach included in ISA 620 should be consistent with ISRE 2400.

For the proposed narrow-scope amendments in ISRE 2400 to be consistent with ISA 620, we recommend that the IAASB add a similar paragraph as ISA 620.9 to ISRE 2400, thereby explicitly requiring the auditor to

evaluate the competence, capabilities and objectivity of the external expert, with ISRE 2400.A97C being linked to this paragraph so inserted.

We further recommend that a requirement be added for the auditor to agree on the scope of work to be performed with the external expert.

Forvis Mazars

The IESBA Code and ISA 620 have, in effect, a two-stage evaluation process for experts, with an initial assessment of CCO followed by an evaluation of the adequacy of the expert's work. However, ISRE 2400.55 does not clearly set out this two-step process. We believe that, as the consideration of CCO is similar for a review engagement and an audit, that the requirements in ISRE 2400 should more closely reflect those in ISA 620.

ISRE 2400.55 should be revised to more closely reflect the requirements in ISA 620 around the two-step approach to evaluation of CCO and evaluation of the adequacy of the expert's work.