

Response Template for the Invitation to Comment Before the IAASB Finalizes the Narrow Scope Amendments to the ISQMs and ISAs for the IAASB PIE Track 2 Project

Guide for Respondents

Comments are requested by **March 27, 2025**.

This template is for providing comments on the matters set out in the Invitation to Comment (ITC) for the pre-final narrow scope amendments to the International Standards on Quality Management (ISQMs) and the International Standards on Auditing (ISAs) as a Result of the Revisions to the Definitions of Listed Entity and Public Interest Entity (PIE) in the IESBA Code. It also allows for respondent details, demographics and other comments to be provided. Use of the template will facilitate the IAASB's automated collation of the responses.

You may respond to all questions or only selected questions.

To assist our consideration of your comments, please:

- For each question, start by indicating your overall response using the drop-down menu under each question. Then below that include any detailed comments, as indicated.
- When providing comments:
 - Respond directly to the questions.
 - Provide the rationale for your answers. If you disagree with the proposals as explained in the ITC, please provide specific reasons for your disagreement. If you agree with the proposals, it will be helpful for the IAASB to be made aware of this view.
 - Avoid inserting tables or text boxes in the template when providing your responses to the questions because this will complicate the automated collation of the responses.
- Submit your comments, using the response template only, without a covering letter or any summary of your key issues, instead identify any key issues, as far as possible, in your responses to the questions.

The response template provides the opportunity to provide details about your organization and, should you choose to do so, any other matters not raised in specific questions that you wish to place on the public record. All responses will be considered a matter of public record and will ultimately be posted on the IAASB website.

Use the “**Submit Comment**” button on the IAASB [web page](#) to upload the completed template.

Responses to IAASB's ITC for the Pre-Final Narrow Scope Amendments to the ISQMs and ISAs as a Result of the Revisions to the Definitions of Listed Entity and PIE in the IESBA Code

PART A: Respondent Details and Demographic information

| | |
|---|---|
| Your organization's name (or your name if you are making a submission in your personal capacity) | Forvis Mazars |
| Name(s) of person(s) responsible for this submission (or leave blank if the same as above) | Paul Winrow Partner, Public Policy & Regulation |
| Name(s) of contact(s) for this submission (or leave blank if the same as above) | |
| E-mail address(es) of contact(s) | paul.winrow@mazars.co.uk |
| Geographical profile that best represents your situation (i.e., from which geographical perspective are you providing feedback on the ITC). Select the most appropriate option. | Global |
| | If "Other", please clarify |
| The stakeholder group to which you belong (i.e., from which perspective are you providing feedback on the ITC). Select the most appropriate option. | Accounting Firm |
| | If "Other", please specify |
| Should you choose to do so, you may include information about your organization (or yourself, as applicable). | Forvis Mazars is a leading global professional services network operating under a single brand with just two members: Forvis Mazars, LLP in the United States and Forvis Mazars Group SC, an internationally integrated partnership operating in over 100 countries and territories. Both members share a commitment to providing an unmatched client experience, delivering audit & assurance, tax, advisory and consulting services across the globe. Combined we have over 40,000 professionals operating in over 100 countries and territories. |

Should you choose to do so, you may provide overall views or additional background to your submission. **Please note that this is optional.** The IAASB's preference is that you incorporate all your views in your comments to the questions.

Information, if any, not already included in responding to the questions in Part B:

PART B: Responses to Specific Questions in the ITC

For each question, please start with your overall response by selecting one of the items in the drop-down list under the question. Provide your detailed comments, if any, below as indicated.

1. You are invited to share any observations that you believe might be relevant to the IAASB prior to finalizing the narrow scope amendments to the ISQMs and ISAs.

Please note:

- *This ITC does not extend to and is not inviting comment on the IESBA PIE revisions read together with the IESBA clarification. IESBA's Listed Entity and PIE project is complete.*
- *If you submitted a comment letter to ED-PIE Track 2 in April 2024, the IAASB has fully considered those responses during its deliberations in September and December 2024; therefore, it is not necessary to repeat comments previously provided. You may believe that a specific matter remains relevant to share as an observation here, in which case the request is that you please clearly relate such matter to the IAASB's decisions and rationale in this Post-Exposure Consultation. (See **Section IV**, paragraphs 23-32.)*

Overall response: [Concur and wish to share the following observations](#)

Detailed comments (if any):

We support the approach adopted by the IAASB. We agree with the decision to apply the differential requirements in the ISAs to Publicly Traded Entities only, rather than adopt the full scope of the IESBA PIE Definition, given the concerns identified in responses to the initial proposals around the wider PIE definition.

Specific questions on forward-looking matters (See **ITC Section V**):

- 2(a). Do you agree with the proposed effective date of the narrow scope amendments, i.e., for audits of financial statements for periods beginning on or after December 15, 2026, to be aligned with the standards from the Going Concern and Fraud projects? (See **Section V**, paragraphs 35-37.)

Overall response: [Agree, with comments below](#)

Detailed comments (if any):

We support the proposed effective dates aligning with the Going Concern and Fraud projects. As the IAASB itself notes, this will streamline the adoption of the standards and avoid the need for successive changes to some auditing standards (e.g. reporting) which are impacted by ISA 240, ISA 570 and the PIE definition. This approach is to be welcomed.

Further clarity may be helpful for audit firms considering early adoption, for example whether it is necessary to adopt all three standards early or whether firms could adopt individual standards in advance of the effective date. In our view, given conforming amendments to other standards, it would not be appropriate to adopt individual standards early.

2(b). Do you agree with the IAASB's commitment to revisit the decision to adopt the definition of PIE in the IESBA Code (adapted as necessary for the ISQMs and ISAs) and extending differential requirements to apply to audits of PIEs? (See **Section IV**, paragraph 31 and **Section V**, paragraph 38.)

Please note: When the decision is revisited, the IAASB will develop an exposure draft for public consultation. Therefore, you do not now need to provide comments or to repeat comments previously provided regarding the extant differential requirements in the ISQMs and ISAs.

Overall response: [Agree, with comments below](#)

Detailed comments (if any):

We agree that the IAASB should reconsider adopting the IESBA PIE definition, and potentially extending the differential requirements to the wider PIE definition, as it becomes clear how the IESBA definition has been adopted and applied jurisdictions.

However, we would caution against the IAASB extending the differential requirements to all PIE categories without strong justification. It is important to avoid any potential unintended consequences and to ensure that there is an appropriate balance of the additional burden/cost on business, auditors and regulators with a genuine public interest, when applying the differential requirements.

2(c). Do you agree with the proposed timing for revising the matters highlighted in 2(b) above? (See **Section V**, paragraphs 39-41.)

Overall response: [Disagree, with comments below](#)

Detailed comments (if any):

We note that the IAASB intends to reconsider the timeline and next steps for adoption of the wider PIE definition in 2026. In our view, the IAASB should await the outcome of the IESBA Post-Implementation Review (due in 2027) as that will provide evidence on which the IAASB can best consider how the IESBA definition has been applied.