

Final Pronouncement

January 2022

IAASB's International Standards

Conforming and Consequential
Amendments to the IAASB's Other
Standards as a Result of the New
and Revised Quality Management
Standards

About the IAASB

This document was developed and approved by the International Auditing and Assurance Standards Board.

The objective of the IAASB is to serve the public interest by setting high-quality auditing, assurance, and other related standards and by facilitating the convergence of international and national auditing and assurance standards, thereby enhancing the quality and consistency of practice throughout the world and strengthening public confidence in the global auditing and assurance profession.

The IAASB develops auditing and assurance standards and guidance for use by all professional accountants under a shared standard-setting process involving the Public Interest Oversight Board, which oversees the activities of the IAASB, and the IAASB Consultative Advisory Group, which provides public interest input into the development of the standards and guidance. The structures and processes that support the operations of the IAASB are facilitated by the International Federation of Accountants (IFAC).

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**CONFORMING AND CONSEQUENTIAL AMENDMENTS TO THE IAASB's OTHER STANDARDS AS A RESULT OF THE NEW AND REVISED
QUALITY MANAGEMENT STANDARDS**

Ref.	Original Proposed Change ¹ to the IAASB's Other Standards Per Exposure Draft (February 2021)	Final Change to the IAASB's Other Standards as Approved by the IAASB in October 2021 (Final Pronouncement)
ISRE 2400	<i>Engagements to Review Historical Financial Statements</i>	
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>Introduction</p> <p><i>Relationship with ISQCM 1²</i></p> <p>Systems of quality control management 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 engagements to review financial statements.³ 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 ISQCM 1 or requirements that are at least as demanding. (Ref: Para. A3–A5)</p> <p>² 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></p>	<p>Introduction</p> <p><i>Relationship with ISQCM 1²</i></p> <p>The sSystems of qQuality control management 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 engagements to review financial statements.³ 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 ISQCM 1 or requirements that are at least as demanding. (Ref: Para. A3–A5)</p> <p>² 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></p> <p>³ ISQCM 1, paragraph 5</p>

¹ 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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	³ ISQM 1, paragraph 5	
ISRE 2400, paragraph 16	<p>Definitions</p> <p>The Handbook's Glossary of Terms⁵ (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>⁵ The Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality Control/Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (the Handbook), published by IFAC</p>	<p>Definitions</p> <p>The Handbook's Glossary of Terms⁵ (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>⁵ The Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality Control/Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (the Handbook), published by IFAC</p>
ISRE 2400, paragraph 17(i) ²	<p><u>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.</u> Relevant ethical requirements ordinarily comprise 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 a reviews of financial statements, together with national requirements that are more restrictive.</p>	<p><u>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.</u> Relevant ethical requirements ordinarily comprise 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 a reviews of financial statements, together with national requirements that are more restrictive.</p>

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

CONFORMING AND CONSEQUENTIAL AMENDMENTS TO THE IAASB's OTHER STANDARDS AS A RESULT OF THE NEW AND REVISED QUALITY MANAGEMENT STANDARDS

Ref.	Original Proposed Change ¹ to the IAASB's Other Standards Per Exposure Draft (February 2021)	Final Change to the IAASB's Other Standards as Approved by the IAASB in October 2021 (Final Pronouncement)
ISRE 2400, paragraph 24	<p>Requirements</p> <p>Ethical Requirements Engagement Level Quality ControlManagement</p> <p>The engagement partner shall <u>have competence</u> in assurance skills and techniques, and competence in financial reporting, <u>and capabilities, including being given sufficient time, appropriate to the engagement circumstances.</u> (Ref: Para. A26)</p>	<p>Requirements</p> <p>Ethical Requirements Engagement Level Quality ControlManagement</p> <p>The engagement partner shall <u>have competence</u> in assurance skills and techniques, and competence in financial reporting, <u>and capabilities, including having being given sufficient time, appropriate to the engagement circumstances.</u> (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) The overall <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) The overall <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
ISRE 2400, paragraph 25	(d) The engagement being performed in accordance with the firm's quality control <u>policies or procedures, including the following:</u>	(d) The engagement being performed in accordance with the firm's quality control <u>quality management policies or procedures, including the following:</u>
ISRE 2400, paragraph 25	(i) Being satisfied that appropriate procedures <u>regarding the firm's policies or procedures for the acceptance and continuance of client relationships and engagements have been</u>	(i) Being satisfied that appropriate procedures regarding the firm's <u>policies or procedures for the acceptance and continuance of client relationships and review engagements have been followed, and that conclusions reached are appropriate, including</u>

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	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)	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:
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>and</u>

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		<p>(iv) <u>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.</u>^{5A}</p> <p>^{5A}ISQM 2, <i>Engagement Quality Reviews</i></p>
ISRE 2400, paragraph 27 ³	<p><i>Compliance with Relevant Ethical Requirements</i></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 <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.</p>	<p><i>Compliance with Relevant Ethical Requirements</i></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 <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.</p>
ISRE 2400, paragraph 28	<p><i>Monitoring and Remediation</i></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</u> 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.</p> <p><u>(a) Provide the firm with relevant, reliable and timely information about the design, implementation and operation of the system of quality management.</u></p>	<p><i>Monitoring and Remediation</i></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</u> 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.</p> <p><u>(a) Provide the firm with relevant, reliable and timely information about the design, implementation and operation of the system of quality management.</u></p>

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	<p><u>(b) 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 of the firm's monitoring and remediation process, as communicated as evidenced in the latest information circulated by the firm and, if applicable, other network firms, and whether deficiencies noted in that information may affect the review engagement.</u></p>	<p><u>(b) 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 of the firm's monitoring and remediation process, as communicated as evidenced in the latest information circulated by the firm and, if applicable, other network firms, and whether deficiencies noted in that information may affect the review engagement.</u></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 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.^{5A}</u></p> <p>^{5A} ISQM 2, <i>Engagement Quality Reviews</i></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> <p>(b) Those with the recognized authority have asserted that they have taken responsibility for those financial statements.</p> <p>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.^{5A}</p> <p>^{5A} ISQM 2, <i>Engagement Quality Reviews</i></p>

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ISRE 2400, paragraph 94	<p>Documentation</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>Documentation</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>
ISRE 2400, paragraph A3	<p>Application and Other Explanatory Material</p> <p>Scope of this ISRE (Ref: Para. 1–2)</p> <p>...</p> <p><i>Relationship with ISQCMs</i> (Ref: Para. 4)</p> <p>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.^{5A} 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.</p> <p>These responsibilities are directed at establishing the firm's:</p> <ul style="list-style-type: none"> • Quality control system; and 	<p>Application and Other Explanatory Material</p> <p>Scope of this ISRE (Ref: Para. 1–2)</p> <p>...</p> <p><i>Relationship with ISQCMs</i> (Ref: Para. 4)</p> <p>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.^{5A} 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.^{5B} ISQM 2 deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.^{5C}</p> <p>These responsibilities are directed at establishing the firm's:</p> <ul style="list-style-type: none"> • Quality control system; and

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	<p>• 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:</p> <ul style="list-style-type: none"> ○ Leadership responsibilities for quality within the firm. ○ Relevant ethical requirements. ○ Acceptance and continuance of client relationships and specific engagements. ○ Human resources ○ Engagement performance. ○ Monitoring. <p><u>A system of quality management addresses the following eight components:</u>^{5C}</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>• 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:</p> <ul style="list-style-type: none"> ○ Leadership responsibilities for quality within the firm. ○ Relevant ethical requirements. ○ Acceptance and continuance of client relationships and specific engagements. ○ Human resources ○ Engagement performance. ○ Monitoring. <p><u>A system of quality management addresses the following eight components:</u> ^{5D}</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 reviews 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>

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	<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>^{5A} ISQM 1, paragraph 1</p> <p>^{5C} ISQM 1, paragraph 6</p>	<p>^{5A} ISQM 1, paragraph 1</p> <p>^{5B} ISQM 1, paragraph 2(a)</p> <p>^{5C} ISQM 1, paragraph 2(b)</p> <p>^{5D} ISQM 1, paragraph 6</p>
ISRE 2400, paragraph A4	<p>Under ISQCM 1, the objective of the firm has an obligation to establish and maintain <u>to design, implement and operate a system of quality control management for assurance engagements, including reviews of financial statements, that to provides #the firm with reasonable assurance that:</u></p> <p>(a) The firm and its personnel comply <u>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) Reports <u>Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.⁷</u></p> <p>⁷ ISQCM 1, paragraph 414</p>	<p>Under ISQCM 1, the objective of the firm has an obligation to establish and maintain <u>to design, implement and operate a system of quality control management for assurance engagements, including reviews of financial statements, that to provides #the firm with reasonable assurance that:</u></p> <p>(a) The firm and its personnel comply <u>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) Reports <u>Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.⁷</u></p> <p>⁷ ISQCM 1, paragraph 414</p>
ISRE 2400, paragraph A5	<p>National requirements that deal with the firm's responsibilities to establish and maintain <u>design, implement and operate a system of quality control management</u> 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 to <u>that</u></p>	<p>National requirements that deal with the firm's responsibilities to establish and maintain <u>design, implement and operate a system of quality control management</u> 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 to <u>that achieve the aims of the requirements set out in objective of ISQCISQM 1.</u></p>

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	achieve the aims of the requirements set out in <u>objective of ISQC/ISQM 1.</u>	
ISRE 2400, paragraph A27	Within the context of the firm's system of quality <u>management</u> , engagement teams have a responsibility to implement quality control <u>the firm's policies or procedures</u> applicable to the engagement, and provide <u>communicate 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.</u>	Within the context of the firm's system of quality <u>management</u> , engagement teams have a responsibility to implement quality control <u>the firm's policies or procedures</u> applicable to the engagement, and provide <u>communicate 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.</u>
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 <u>overall responsibility for the overall managing and achieving quality</u> 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: (a) Performing work that complies with <u>professional standards and regulatory and legal requirements.</u> (b) Complying with the firm's quality control <u>management policies and/or procedures</u> 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 responsibility for the overall managing and achieving quality</u> 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: (a) Performing work that complies with <u>professional standards and regulatory and legal requirements.</u> (b) Complying with the firm's quality control <u>management policies and/or procedures</u> 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.

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<p>ISRE 2400, paragraph A29</p>	<p>Unless information provided by the firm or other parties suggests otherwise Ordinarily, the engagement team is entitled to rely <u>may depend</u> on the firm's system of quality control <u>management</u> unless:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties about the effectiveness of such policies or procedures suggests otherwise.</u> <p>For example, the engagement team may rely <u>depend</u> on the firm's system of quality control <u>management</u> in relation to:</p> <ul style="list-style-type: none"> • Competence <u>and capabilities</u> of personnel through their recruitment and formal training. • Independence through the accumulation and communication of relevant independence information. • Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance of client relationships and specific engagements</u> systems. • Adherence to regulatory and legal requirements through the <u>firm's monitoring and remediation</u> process. <p>In considering deficiencies^{7B} identified in the firm's system of quality control <u>management</u> that may affect the review</p>	<p>Unless information provided by the firm or other parties suggests otherwise Ordinarily, the engagement team is entitled to rely <u>may depend</u> on the firm's system of quality control <u>management</u> unless:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties about the effectiveness of such policies or procedures suggests otherwise.</u> <p>For example, the engagement team may rely <u>depend</u> on the firm's system of quality control <u>management</u> in relation to:</p> <ul style="list-style-type: none"> • Competence <u>and capabilities</u> of personnel through their recruitment and formal training. • Independence through the accumulation and communication of relevant independence information. • 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. • Adherence to regulatory and legal requirements through the <u>firm's monitoring and remediation</u> process. <p>In considering deficiencies^{7B} identified in the firm's system of quality control <u>management</u> that may affect the review engagement, the engagement partner may consider measures <u>the remedial actions taken</u> undertaken by the firm to rectify <u>address</u> those deficiencies.</p> <p>^{7B} ISQM 1, paragraph 16(a)</p>

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	<p>engagement, the engagement partner may consider measures the remedial actions taken undertaken by the firm to rectify address those deficiencies.</p> <p>^{7B} ISQM 1, paragraph 16(a)</p>	
ISRE 2400, paragraph A30	<p>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.</p>	<p>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.</p>
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"> • Understanding of the firm's <u>quality management</u> quality control policies and <u>procedures</u>. 	<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"> • Understanding of the firm's <u>quality management</u> quality control policies and <u>procedures</u>.
ISRE 2400, paragraph A32	<p><i>Acceptance and Continuance of Client Relationships and Review Engagements</i> (Ref: Para. 25(d)(i))</p> <p>ISQCISQM 1^{ZA} requires the firm to <u>establish quality objectives that address the acceptance and continuance of client relationships and specific engagements.</u></p> <p>obtain information as it considers necessary in the circumstances before accepting an engagement with a new</p>	<p><i>Acceptance and Continuance of Client Relationships and Review Engagements</i> (Ref: Para. 25(d)(i))</p> <p>ISQCISQM 1^{ZA} requires the firm to <u>establish quality objectives that address the acceptance and continuance of client relationships and specific review engagements.</u></p> <p>obtain information as it considers necessary in the circumstances before accepting an engagement with a new client, when deciding whether to</p>

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	<p>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 <u>the firm's policies or procedures</u> for the acceptance and continuance of client relationships and review engagements <u>have been followed, and that conclusions reached</u> are appropriate, may include information concerning:</p> <ul style="list-style-type: none"> • The integrity of the principal owners, key management and those charged with governance; and • Significant matters that have arisen during the current or a previous review engagement, and their implications for continuing the relationship. <p>^{7A} ISQM 1, paragraphs 30</p>	<p>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 <u>the firm's policies or procedures</u> for the acceptance and continuance of client relationships and review engagements <u>have been followed, and that conclusions reached</u> are appropriate, may include information concerning:</p> <ul style="list-style-type: none"> • The integrity of the principal owners, key management and those charged with governance; and • Significant matters that have arisen during the current or a previous review engagement, and their implications for continuing the relationship. <p>^{7A} ISQM 1, paragraphs 30</p>
<p>ISRE 2400, paragraph A34</p>	<p>Acceptance and Continuance of Client Relationships and Review Engagements (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</p>	<p>Acceptance and Continuance of Client Relationships and Review Engagements (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>

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	actions prior to the performance of other significant activities for the engagement.	
ISRE 2400, paragraph A151	<p>Documentation</p> <p>ISQGM 1 requires the firm to establish <u>a quality objective that engagement documentation is assembled</u>time limits that reflect the need to complete the assembly of final engagement files on a timely basis <u>after the date of the engagement report</u>.</p>	<p>Documentation</p> <p>ISQGM 1 requires the firm to establish <u>a quality objective that engagement documentation is assembled</u>time limits that reflect the need to complete the assembly of final engagement files on a timely basis <u>after the date of the engagement report</u>.</p>
ISAE 3000 (Revised)	Assurance Engagements Other Than Audits or Reviews of Historical Financial Information	
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 ControlManagement, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	International Standard on Assurance Engagements (ISAE) 3000 (<i>Revised</i>), <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 ControlManagement, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISAE 3000 (Revised), para. 3 ⁴	<p>Introduction</p> <p>...</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 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</p>	<p>Introduction</p> <p>...</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 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,</p>

⁴ 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>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 ISQCM 1,¹ or other professional requirements, or requirements in law or regulation, regarding the firm's responsibility for its system of quality controlmanagement, that are at least as demanding as ISQCM 1. (Ref: Para. A61–A66)</p> <p>¹ International Standard on Quality ControlManagement (ISQCM) 1, <i>Quality ControlManagement for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p>	<p>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 ISQCM 1,¹ or other professional requirements, or requirements in law or regulation, regarding the firm's responsibility for its system of quality controlmanagement, that are at least as demanding as ISQCM 1. (Ref: Para. A61–A66)</p> <p>¹ International Standard on Quality ControlManagement (ISQCM) 1, <i>Quality ControlManagement for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p>
ISAE 3000 (Revised), para. 4	<p>Quality controlmanagement 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 controlmanagement 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>
ISAE 3000 (Revised), para. 12	<p>Definitions</p> <p>(e) Engagement partner—The partner or other individual, appointed by person in the firm, who is</p>	<p>Definitions</p> <p>(e) Engagement partner—The partner or other <u>individual, appointed by person</u> in the firm, who is responsible for the engagement and its</p>

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	<p>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> <p>(h) Engagement team—All partners and staff performing the engagement, and any <u>other</u> individuals <u>engaged by the firm or a network firm</u> who perform procedures on the engagement. This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</p>	<p>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> <p>(h) Engagement team—All partners and staff performing the engagement, and any <u>other</u> individuals <u>engaged by the firm or a network firm</u> who perform procedures on the engagement. This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</p>
<p>ISAE 3000 (Revised), para. 21</p>	<p>The engagement partner shall be satisfied that <u>the firm's policies or appropriate</u> procedures <u>for regarding</u> 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.</p>	<p>The engagement partner shall be satisfied that <u>the firm's policies or appropriate</u> procedures <u>for regarding</u> 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.</p>
<p>ISAE 3000 (Revised), para. 22 (b)</p>	<ul style="list-style-type: none"> • Acceptance and Continuance • ... • The practitioner shall accept or continue an assurance engagement only when: • ... <p>(b) The practitioner is satisfied that those persons who are to perform the engagement collectively have the</p>	<ul style="list-style-type: none"> • Acceptance and Continuance • ... • The practitioner shall accept or continue an assurance engagement only when: • ... <p>(b) The practitioner is satisfied that those persons who are to perform the engagement collectively have the appropriate competence and</p>

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	<p>appropriate competence and capabilities, <u>including being given sufficient time to perform the engagement</u> (see also paragraph 32); and ...</p>	<p>capabilities, <u>including having been given sufficient time to perform the engagement</u> (see also paragraph 32); and ...</p>
<p>ISAE 3000 (Revised), para. 23</p>	<ul style="list-style-type: none"> If the engagement partner obtains information that may<u>would</u> 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 engagement available earlier</u>, the engagement partner shall communicate that information promptly to the firm, so that the firm and the engagement partner can take the necessary action. 	<ul style="list-style-type: none"> If the engagement partner obtains information that may<u>would</u> 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 engagement available earlier</u>, 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>	<p>Quality Control Management <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>Quality Control Management <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>

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ISAE 3000 (Revised), para. 32(a)	<p><i>Assignment of the Team</i></p> <p>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><i>Assignment of the Team</i></p> <p>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>
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 the overall <u>managing and achieving</u> quality on the engagement <u>and 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> Appropriate procedures being performed regarding 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>) to comply <u>in accordance</u> with professional standards and applicable legal and regulatory requirements;</p> <p>(c) Reviews being performed in accordance with the firm's review policies and/or <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 the overall <u>managing and achieving</u> quality on the engagement <u>and 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> Appropriate procedures being performed regarding 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>) to comply <u>in accordance</u> with professional standards and applicable legal and regulatory requirements;</p> <p>(c) Reviews being performed in accordance with the firm's review policies and/or <u>procedures</u> and reviewing the engagement documentation on or before the date of the assurance report; ...</p>

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ISAE 3000 (Revised), para. 34	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 control <u>management</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.	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 control <u>management</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.
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</u> evidenced in the latest information circulated by the firm and, if applicable, other network firms and whether deficiencies noted in that <u>the</u> 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</u> evidenced in the latest information circulated by the firm and, if applicable, other network firms and whether deficiencies noted in that <u>the</u> information may affect the assurance engagement.
ISAE 3000 (Revised), para. 36	<p><i>Engagement Quality Control-Review</i></p> <p>For those engagements, if any, for which an engagement quality control review is required by law or regulation or for which the firm has determined that an engagement quality control review is required in accordance with ISQM 1 :</p> <p>(a) Tthe engagement partner shall 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.^{2A}; and</p>	<p><i>Engagement Quality Control-Review</i></p> <p>For those engagements, if any, for which an engagement quality control review is required by law or regulation or for which the firm has determined that an engagement quality control review is required in accordance with ISQM 1 or the firm's policies or procedures:</p> <p>(a) Tthe engagement partner shall 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.^{2A}; and</p> <p>(b) The engagement quality control reviewer shall perform an objective evaluation of the significant judgments made by the engagement</p>

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	<p>(b) 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)</p> <p>(i) Discussion of significant matters with the engagement partner;</p> <p>(ii) Review of the subject matter information and the proposed assurance report;</p> <p>(iii) Review of selected engagement documentation relating to the significant judgments the engagement team made and the conclusions it reached; and</p> <p>(v) Evaluation of the conclusions reached in formulating the assurance report and consideration of whether the proposed assurance report is appropriate.</p> <p>^{2A} ISQM 2, <i>Engagement Quality Reviews</i></p>	<p>team, and the conclusions reached in formulating the assurance report. This evaluation shall involve: (Ref: Para. A75)</p> <p>(i) Discussion of significant matters with the engagement partner;</p> <p>(ii) Review of the subject matter information and the proposed assurance report;</p> <p>(iii) Review of selected engagement documentation relating to the significant judgments the engagement team made and the conclusions it reached; and</p> <p>(v) Evaluation of the conclusions reached in formulating the assurance report and consideration of whether the proposed assurance report is appropriate.</p> <p>^{2A} ISQM 2, <i>Engagement Quality Reviews</i></p>
<p>ISAE 3000 (Revised), paragraph 69</p>	<p>Preparing the Assurance Report</p> <p><i>Assurance Report Content</i></p> <ul style="list-style-type: none"> • The assurance report shall include, at a minimum, the following basic elements: • ... (i) A statement that the firm of which the practitioner is a member applies ISQCM<u>CM</u> 1, or other professional requirements, or requirements in law or regulation, 	<p>Preparing the Assurance Report</p> <p><i>Assurance Report Content</i></p> <ul style="list-style-type: none"> • The assurance report shall include, at a minimum, the following basic elements: • ... (i) A statement that the firm of which the practitioner is a member applies ISQCM<u>CM</u> 1, or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM<u>CM</u> 1. If the

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	<p>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)</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) Tthe 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>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)</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) <u>T</u>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 subject matter information; <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> (Ref: Para. A184A–A185A)</p> <p>...</p>
<p>ISAE 3000 (Revised), paragraph A60</p>	<p>Quality ControlManagement</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</p>	<p>Quality ControlManagement</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</p>

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	<p>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"> • Competency requirements, such as education and experience benchmarks for entry to membership, and ongoing continuing professional development as well as life-long learning requirements. • A system of quality management <u>Quality control policies and procedures</u> implemented across the firm. ISQGM 1 applies to all firms of professional accountants in respect of assurance and related services engagements. • 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. 	<p>in accordance with IFAC's Member Body Compliance Program and Statements of Membership Obligations. Such measures include:</p> <ul style="list-style-type: none"> • Competency requirements, such as education and experience benchmarks for entry to membership, and ongoing continuing professional development as well as life-long learning requirements. • <u>A system of quality management</u> Quality control policies and procedures implemented across the firm. ISQGM 1 applies to all firms of professional accountants in respect of assurance and related services engagements. • 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.
<p>ISAE 3000 (Revised), paragraph A61</p>	<p>Firm Level Quality Control<u>Management</u> (Ref: Para. 3(b), 31(a))</p> <p>ISQGM 1 deals with the firm's responsibilities to establish and maintain <u>design, implement and operate a its-system of quality controlmanagement</u> for assurance engagements.^{3A} It 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 comply quality objectives that address the fulfillment of <u>responsibilities in accordance</u> with relevant ethical requirements, including those pertaining related <u>to independence</u>. ISQM 1 also deals with the firm's</p>	<p>Firm Level Quality Control<u>Management</u> (Ref: Para. 3(b), 31(a))</p> <p>ISQGM 1 deals with the firm's responsibilities to establish and maintain <u>design, implement and operate a its-system of quality controlmanagement</u> for assurance engagements.^{3A} It 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 comply quality objectives that <u>address the fulfillment of responsibilities in accordance</u> with relevant ethical requirements, including those pertaining related <u>to independence</u>. ISQM 1 also deals with the firm's responsibility to establish policies or procedures <u>addressing engagements that are required to be subject to engagement quality reviews</u>.^{3B} ISQM 2^{3B} deals with the appointment and eligibility of the</p>

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	<p><u>responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews. ISQM 2^{3B} deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.</u></p> <p>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 documents its policies and procedures and communicates them to the firm's personnel. A system of quality management addresses the following eight components:^{3C}</p> <p>(a) <u>The firm's risk assessment process</u>Leadership responsibilities for quality within the firm;</p> <p>(b) <u>Governance and leadership;</u></p> <p>(bc) <u>Relevant ethical requirements;</u></p> <p>(ed) <u>Acceptance and continuance of client relationships and specific engagements;</u></p> <p>(e) <u>Engagement performance; and</u></p> <p>(df) <u>Human Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(fh) <u>Monitoring</u>The monitoring and remediation process.</p> <p><u>Firms or national requirements may use different terminology or frameworks to describe the system of quality management.</u></p>	<p><u>engagement quality reviewer, and the performance and documentation of the engagement quality review.^{3C}</u></p> <p>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 documents its policies and procedures and communicates them to the firm's personnel. A system of quality management addresses the following eight components:^{3D}</p> <p>(a) <u>The firm's risk assessment process</u>Leadership responsibilities for quality within the firm;</p> <p>(b) <u>Governance and leadership;</u></p> <p>(bc) <u>Relevant ethical requirements;</u></p> <p>(ed) <u>Acceptance and continuance of client relationships and specific assurancespecific engagements;</u></p> <p>(e) <u>Engagement performance; and</u></p> <p>(df) <u>Human Resources;</u></p> <p>(g) <u>Information and communication; and</u></p> <p>(fh) <u>Monitoring</u>The monitoring and remediation process.</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>^{3A} ISQM 1, paragraph 1</p> <p>^{3B} ISQM 2, <i>Engagement Quality Reviews</i></p> <p>^{3B} ISQM 1, paragraph 2(a)</p> <p>^{3C} ISQM 1, paragraph 2(b)</p> <p>^{3D} ISQM 1, paragraph 6</p>

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	^{3A} ISQM 1, paragraph 1 ^{3B} ISQM 2, <i>Engagement Quality Reviews</i> ^{3C} ISQM 1, paragraph 6	
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 control <u>management</u> , are at least as demanding as ISQCM 1 when they address all the requirements of ISQM 1 <u>requirements of ISQM 1</u> referred to in the preceding paragraph and impose obligations on the firm that achieve the aims of the requirements set out in <u>objective of ISQC</u> ISQM 1 .	Other professional requirements, or requirements in law or regulation that deal with the firm's responsibilities to <u>design, implement, and operate</u> establish and maintain a system of quality control <u>management</u> , are at least as demanding as ISQCM 1 when they address all the requirements of ISQM 1 <u>all the requirements of ISQM 1</u> referred to in the preceding paragraph and impose obligations on the firm to <u>that</u> achieve the aims of the requirements set out in <u>objective of ISQC</u> ISQM 1 .
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 the overall <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: <ul style="list-style-type: none"> (a) Performing work that complies with professional standards and regulatory and legal requirements. (b) Complying with the firm's quality control 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 the overall <u>managing and achieving</u> quality on each engagement <u>and being</u> ing <u>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: <ul style="list-style-type: none"> (a) Performing work that complies with professional standards and regulatory and legal requirements. (b) Complying with the firm's quality control 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.

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ISAE 3000 (Revised), paragraph A64	<p>An effective <u>firm's system of quality controlmanagement</u> includes <u>establishing a monitoring and remediation process 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.</u>:</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>An effective <u>firm's system of quality controlmanagement</u> includes <u>establishing a monitoring and remediation process 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.</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>
ISAE 3000 (Revised), paragraph A65	<p>Unless information provided by the firm or other parties suggests otherwise<u>Ordinarily</u>, the engagement team is entitled to rely<u>may depend</u> on the firm's system of quality control.<u>management unless</u>:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u> <p>For example, the engagement team may rely<u>depend</u> on the firm's system of quality control.<u>management</u> in relation to:</p> <p>(a) <u>Competence and capabilities of personnel through their recruitment and formal training.</u></p>	<p>Unless information provided by the firm or other parties suggests otherwise<u>Ordinarily</u>, the engagement team is entitled to rely<u>may depend</u> on the firm's system of quality control.<u>management unless</u>:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u> <p>For example, the engagement team may rely<u>depend</u> on the firm's system of quality control.<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>

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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 control<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 rectify<u>address</u> those deficiencies.</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^{4A} identified in the firm's system of quality control<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 rectify<u>address</u> those deficiencies.</p> <p>^{4A} ISQM 1, paragraph 16(a)</p>
ISAE 3000 (Revised), paragraph A66	A deficiency in the firm's system of quality control <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 control <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>Assignment of the Team<u>Engagement Resources</u></p> <p>Collective Competence and Capabilities (Ref: Para. 32)</p> <p>ISQCM 1 requires the firm to establish policies and procedures<u>quality objectives that address</u>for the acceptance and continuance of client relationships and specific engagements.,The quality objectives deal with</p>	<p>Assignment of the Team<u>Engagement Resources</u></p> <p>Collective Competence and Capabilities (Ref: Para. 32)</p> <p>ISQCM 1 requires the firm to establish policies and procedures<u>quality objectives that address</u>for the acceptance and continuance of client relationships and assurance<u>specific engagements.,</u> designed to provide the firm with reasonable assurance that it will only undertakeThe quality</p>

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	<p>the appropriateness of judgments by the firm about <u>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</u>where the firm is competent to perform the engagement and has the capabilities, including time and resources, to do so.⁵</p> <p>⁵ ISQCM 1, paragraphs 2630(a)(ii) and A72</p>	<p><u>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</u>where the firm is competent to perform the engagement and has the capabilities, including time and resources, to do so.⁵</p> <p>⁵ ISQCM 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 ISQCM 1, the firm's is <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 ISQM 1 also requires that such direction, supervision and review is planned and performed</u> on the basis that the work performed by <u>performed by</u> less experienced team members is <u>directed, supervised and reviewed</u> by more experienced team members.⁶</p> <p>⁶ ISQCM 1, paragraph 3331(b)</p>	<p><i>Review Responsibilities</i> (Ref: Para. 33(c))</p> <p>Under ISQCM 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 ISQM 1 also requires that such direction, supervision and review is planned and performed</u> on the basis that the work performed by <u>performed by</u> less experienced <u>engagement team members is directed, supervised and reviewed</u> by more experienced <u>engagement team members</u>.⁶</p> <p>⁶ ISQCM 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 control review include:</p> <p>(a) The engagement team's evaluation of the firm's independence in relation to the engagement;</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 control review include:</p> <p>(a) The engagement team's evaluation of the firm's independence in relation to the engagement;</p> <p>(b) Whether appropriate consultation has taken place on matters involving differences of opinion or other difficult or contentious</p>

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	<p>(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</p> <p>(c) Whether engagement documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached.</p>	<p>matters, and the conclusions arising from those consultations; and</p> <p>(c) Whether engagement documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached.</p>
<p>ISAE 3000 (Revised), paragraph A86</p>	<p>Planning and Performing the Engagement</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>	<p>Planning and Performing the Engagement</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>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 control management policies and or 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 control management policies and or procedures (see also paragraphs A124–A125).</p>
<p>ISAE 3000 (Revised), paragraph A124</p>	<p>The practitioner's firm's quality control <u>management</u> policies and or 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 policies and or procedures, of that firm</u> 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 control management policies and or procedures with the practitioner's firm. A practitioner's external expert is not a member of the</p>	<p>The practitioner's firm's quality control <u>management</u> policies and or 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 policies and or procedures, of that firm</u> 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 control management policies and or procedures with the practitioner's firm. A practitioner's external expert is not a member of the engagement team and is not subject to quality control policies and procedures in accordance with ISQC 1.</p>

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	<p>engagement team and is not subject to quality control policies and procedures in accordance with ISQC 1.</p>	
<p>ISAE 3000 (Revised), paragraph A125</p>	<p>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:</p> <p>...</p> <ul style="list-style-type: none"> • 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. Reliance Depending 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. • Adherence to regulatory and legal requirements, through the monitoring and remediation processes. <p>...</p>	<p>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:</p> <p>...</p> <ul style="list-style-type: none"> • 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. <u>Reliance Depending</u> 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. • Adherence to regulatory and legal requirements, through <u>the firm's monitoring and remediation</u> processes. <p>...</p> <p>Such <u>dependence</u> reliance does not reduce the practitioner's responsibility to meet the requirements of this ISAE.</p>

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ISAE 3000 (Revised), paragraph A126 5	<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"> The firm's quality control<u>management</u> policies and procedures (see also paragraphs A124–A125). 	<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"> The firm's quality control<u>management</u> policies and procedures (see also paragraphs A124–A125).
ISAE 3000 (Revised), paragraph A147	<p>Forming the Assurance Conclusion</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 quality control<u>management</u> policies or procedures for client<u>the client</u> acceptance and continuance <u>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</p>	<p>Forming the Assurance Conclusion</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 quality control<u>management</u> policies or procedures for <u>the client</u> acceptance and continuance <u>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 by the practitioner, and therefore, also constitutes evidence. Most of the</p>

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	<p>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>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>
<p>ISAE 3000 (Revised), paragraph A172</p>	<p>Preparing the Assurance Report Applicable Quality Control<u>Management</u> Requirements (Ref: Para. 69(i)) The following is an illustration of a statement in the assurance report regarding applicable quality control<u>management</u> requirements:</p>	<p>Preparing the Assurance Report Applicable Quality Control<u>Management</u> Requirements (Ref: Para. 69(i)) The following is an illustration of a statement in the assurance report regarding applicable quality control<u>management</u> requirements:</p>

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	<p>The firm applies International Standard on Quality ControlManagement 1 and, accordingly, maintains a comprehensive system of quality control<u>management</u> including documented policies and<u>or</u> procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>	<p>The firm applies International Standard on Quality Control<u>Management</u> 1 and, accordingly, maintains a comprehensive system of quality controlmanagement including documented policies and<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, 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 a quality objective that addressespolicies and procedures <u>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.¹¹ 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.¹²</p> <p>¹¹ ISQGM 1, paragraph 4531(f) ¹² ISQGM 1, paragraph A54A83</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 a quality objective that addressespolicies and procedures <u>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.¹¹ 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.¹²</p> <p>¹¹ ISQGM 1, paragraph 4531(f) ¹² ISQGM 1, paragraph A54A83</p>

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ISAE 3000 (Revised), paragraph A207	<p>ISQCM 1 (or national requirements that are at least as demanding as ISQCM 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>¹³ The retention period for assurance engagements ordinarily is no shorter than five years from the date of the assurance report.¹⁴</p> <p>¹³ ISQCM 1, paragraph 4731(f) ¹⁴ ISQCM 1, paragraph A64A85</p>	<p>ISQCM 1 (or national requirements that are at least as demanding as ISQCM 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>¹³ The retention period for assurance engagements ordinarily is no shorter than five years from the date of the assurance report.¹⁴</p> <p>¹³ ISQCM 1, paragraph 4731(f) ¹⁴ ISQCM 1, paragraph A64A85</p>
ISAE 3400	The Examination of Prospective Financial Information	
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, <i>Assurance Engagements Other Than Audits or Reviews of Historical Financial Statements</i> <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> .
ISAE 3402	Assurance Reports on Controls at a Service Organization	
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 other things, compliance with the provisions of the	Compliance with ISAE 3000 (Revised) requires, among other things, compliance with the provisions of the International Ethics Standards Board

Ref.	Original Proposed Change ¹ to the IAASB's Other Standards Per Exposure Draft (February 2021)	Final Change to the IAASB's Other Standards as Approved by the IAASB in October 2021 (Final Pronouncement)
paragraph 6 ⁵	<p>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.⁵ It also requires the engagement partner to be a member of a firm that applies ISQCM 1,⁶ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1.</p> <p>⁵ ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>⁶ ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of 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 Service Engagements</i></p>	<p>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.⁵ It also requires the engagement partner to be a member of a firm that applies ISQCM 1,⁶ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQCM 1.</p> <p>⁵ ISAE 3000 (Revised), paragraphs 3(a), 20 and 24</p> <p>⁶ ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard of 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 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.¹⁰</p> <p>¹⁰ Paragraphs A54–A55A83–A85 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.¹⁰</p> <p>¹⁰ Paragraphs A54–A55A83–A85 of ISQCM 1 provide further guidance.</p>
ISAE 3402, paragraph 53	<p>Preparing the Service Auditor's Assurance Report</p> <p><i>Content of the Service Auditor's Assurance Report</i></p> <p>The service auditor's assurance report shall include, at a minimum, the following basic elements: (Ref: Para. A47)</p>	<p>Preparing the Service Auditor's Assurance Report</p> <p><i>Content of the Service Auditor's Assurance Report</i></p> <p>The service auditor's assurance report shall include, at a minimum, the following basic elements: (Ref: Para. A47)</p>

⁵ 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>...</p> <p>(h) 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 at least as demanding as ISQGM 1.</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; <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>(h) 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 at least as demanding as ISQGM 1.</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; <u>and</u></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>Documentation</p> <p>ISQGM 1 (or professional requirements, or requirements in law or regulation that are at least as demanding as ISQGM 1) requires firms to establish <u>to establish a quality objective that addresses the assembly of engagement documentation on a timely basis after the date of the engagement report</u>policies and procedures for the timely completion of the assembly of engagement files.¹⁵ An appropriate time limit within which to complete the</p>	<p>Documentation</p> <p>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 <u>a quality objective that addresses the assembly of engagement documentation on a timely basis after the date of the engagement report</u>policies and procedures for the timely completion of the assembly of engagement files.¹⁵ 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.¹⁶</p>

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	<p>assembly of the final engagement file is ordinarily not more than 60 days after the date of the service auditor's report.¹⁶</p> <p>⁵ ISQCM 1, paragraph 4531(f)</p> <p>¹⁶ ISQCM 1, paragraph A54A83</p>	<p>¹⁵ ISQCM 1, paragraph 4531(f)</p> <p>¹⁶ ISQCM 1, paragraph A54A83</p>
<p>ISAE 3402, Appendix 2⁶</p>	<p>Illustration 1: Type 2 Service Auditor's Assurance Report</p> <p>...</p> <p><i>Our Independence and Quality ManagementControl</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 ControlManagement 1² and accordingly maintains a comprehensive system of quality controlmanagement including documented policies andor procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p>² ISQCM 1, <i>Quality ControlManagement for Firms that Perform Audits andor Reviews of Financial Statements, andor Other Assurance andor Related Services Engagements</i></p>	<p>Illustration 1: Type 2 Service Auditor's Assurance Report</p> <p>...</p> <p><i>Our Independence and Quality ManagementControl</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 ControlManagement 1² and accordingly maintains a comprehensive system of quality controlmanagement including documented policies andor 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 1², 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>² ISQCM 1, <i>Quality ControlManagement for Firms that Perform Audits andor Reviews of Financial Statements, andor Other Assurance andor Related Services Engagements</i></p>

⁶ 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>ISAE 3402, Appendix 2⁷</p>	<p>Illustration 2: Type 2 Service Auditor's Assurance Report</p> <p>...</p> <p><i>Our Independence and Quality ManagementControl</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 ControlManagement¹⁴ and accordingly maintains a comprehensive system of quality controlmanagement including documented policies andor procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p>⁴ ISQCM 1, <i>Quality ControlManagement for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p>	<p>Illustration 2: Type 2 Service Auditor's Assurance Report</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</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 ControlManagement¹⁴ and accordingly maintains a comprehensive system of quality controlmanagement including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p><u>The firm applies International Standard on Quality Management¹⁴, 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>⁴ ISQCM 1, <i>Quality <u>Control</u>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 3410</p>	<p>Assurance Engagements on Greenhouse Gas Statements</p>	

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

Ref.	Original Proposed Change ¹ to the IAASB's Other Standards Per Exposure Draft (February 2021)	Final Change to the IAASB's Other Standards as Approved by the IAASB in October 2021 (Final Pronouncement)
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 Control/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 Control/Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISAE 3410, paragraph 10 ⁸	<p>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 ISQGM 1,⁷ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQGM 1. (Ref: Para. A5–A6)</p> <p>⁷ ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard on Quality Control/Management (ISQGM) 1, <i>Quality Control/Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Service Engagements</i></p>	<p>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 ISQGM 1,⁷ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQGM 1. (Ref: Para. A5–A6)</p> <p>⁷ ISAE 3000 (Revised), paragraphs 3(b) and 31 (a). International Standard on Quality Control/Management (ISQGM) 1, <i>Quality Control/Management for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Service Engagements</i></p>
ISAE 3410, paragraph 71	<p>Engagement Quality Control Review</p> <p>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</p>	<p>Engagement Quality Control Review</p> <p>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</p>

⁸ 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>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)</p> <p>(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;</p> <p>(b) Review of the GHG statement and the proposed assurance report;</p> <p>(c) Review of selected engagement documentation relating to the significant judgments the engagement team made and the conclusions it reached; and</p> <p>(d) Evaluation of the conclusions reached in formulating the assurance report and consideration of whether the proposed assurance report is appropriate.</p>	<p>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)</p> <p>(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;</p> <p>(b) Review of the GHG statement and the proposed assurance report;</p> <p>(c) Review of selected engagement documentation relating to the significant judgments the engagement team made and the conclusions it reached; and</p> <p>(d) Evaluation of the conclusions reached in formulating the assurance report and consideration of whether the proposed assurance report is appropriate.</p>
<p>ISAE 3410, paragraph 76</p>	<p>Assurance Report Content</p> <p>The assurance report shall include, at a minimum, the following basic elements: (Ref: Para. A134)</p> <p>...</p> <p>(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</p>	<p>Assurance Report Content</p> <p>The assurance report shall include, at a minimum, the following basic elements: (Ref: Para. A134)</p> <p>...</p> <p>(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</p>

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	<p>statement shall identify the professional requirements, or requirements in law or regulation, applied that are as least as demanding as ISQCM 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) ¶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; 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>...</p>	<p>identify the professional requirements, or requirements in law or regulation, applied that are as least as demanding as ISQCM 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) <u>¶</u>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; and</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>
<p>ISAE 3410, paragraph A128</p>	<p>Documentation</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 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</p>	<p>Documentation</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 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 and/or procedures with respect to <u>the nature, timing and extent of -the review of engagement team</u></p>

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	<p>changes to the engagement documentation are reviewed in accordance with the firm's policies and/or procedures with respect to <u>the nature, timing and extent of the review of engagement team member's work</u> as required by ISQCM 1,²⁴ with the engagement partner taking final responsibility for the changes.²⁴</p> <p>²⁴ 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>, paragraphs 32–3331(b)</p>	<p><u>members' work</u> as required by ISQCM 1,²⁴ with the engagement partner taking final responsibility for the changes.²⁴</p> <p>²⁴ 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>, paragraphs 32–3331(b)</p>
<p>ISAE 3410, paragraph A129</p>	<p><i>Assembly of the Final Engagement File</i> (Ref: Para. 69)</p> <p>ISQCM 1 (or other professional requirements, or requirements in law or regulation that are at least as demanding as ISQCM 1) requires firms to establish a <u>quality objective that addresses policies and procedures the assembly of engagement documentation on a timely basis after the date of the engagement report for the timely completion of the assembly of engagement files.</u>¹¹ 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.¹²</p> <p>¹¹ ISQCM 1, paragraph 4531(f)</p> <p>¹² ISQCM 1, paragraph A54A83</p>	<p><i>Assembly of the Final Engagement File</i> (Ref: Para. 69)</p> <p>ISQCM 1 (or other professional requirements, or requirements in law or regulation that are at least as demanding as ISQCM 1) requires firms to establish a <u>quality objective that addresses policies and procedures the assembly of engagement documentation on a timely basis after the date of the engagement report for the timely completion of the assembly of engagement files.</u>¹¹ 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.¹²</p> <p>¹¹ ISQCM 1, paragraph 4531(f)</p> <p>¹² ISQCM 1, paragraph A54A83</p>
<p>ISAE 3410, paragraph A130</p>	<p>Engagement Quality Control Review (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"> • The engagement team's evaluation of the firm's independence in relation to the engagement. 	<p>Engagement Quality Control Review (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"> • The engagement team's evaluation of the firm's independence in relation to the engagement.

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	<ul style="list-style-type: none"> • 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. • Whether engagement documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached. 	<ul style="list-style-type: none"> • 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. • Whether engagement documentation selected for review reflects the work performed in relation to the significant judgments and supports the conclusions reached.
<p>ISAE 3410, Appendix 2 Illustration 1⁹</p>	<p>Illustrations of Assurance Reports on GHG Statements</p> <p><u>Illustration 1:</u></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> <p>The firm applies International Standard on Quality ControlManagement 14 and accordingly maintains a comprehensive system of quality controlmanagement including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>	<p>Illustrations of Assurance Reports on GHG Statements</p> <p><u>Illustration 1:</u></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> <p>The firm applies International Standard on Quality ControlManagement 14 and accordingly maintains designs, implements and operates a comprehensive system of quality controlmanagement including documented policies and/or 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 14, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with</u></p>

⁹ 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>⁴ ISQGM 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></p>	<p><u>ethical requirements, professional standards and applicable legal and regulatory requirements.</u></p> <p>⁴ ISQGM 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></p>
<p>ISAE 3410, Appendix 2 Illustration 2¹⁰</p>	<p>Illustrations of Assurance Reports on GHG Statements</p> <p><u>Illustration 2:</u></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> <p>The firm applies International Standard on Quality Control/Management¹⁸ 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>⁸ ISQGM 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></p>	<p>Illustrations of Assurance Reports on GHG Statements</p> <p><u>Illustration 2:</u></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> <p>The firm applies International Standard on Quality Control/Management¹⁸ 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><u>The firm applies International Standard on Quality Management¹⁸, 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>

¹⁰ 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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		⁸ ISQGM 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>
ISAE 3420	Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus	
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 Control/Management, 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 Control/Management, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISAE 3420, paragraph 8 ¹¹	<p>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.³ It also requires the engagement partner to be a member of a firm that applies ISQGM 1,⁴ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQGM 1.</p> <p>³ ISAE 3000 (Revised), paragraphs 3(a), 20 and 34</p> <p>⁴ ISAE 3000 (Revised), paragraphs 3(b) and 31(a). International Standard on Quality Control/Management (ISQGM) 1, <i>Quality Control/Management for Firms that Perform Audits and/or Reviews of</i></p>	<p>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.³ It also requires the engagement partner to be a member of a firm that applies ISQGM 1,⁴ or other professional requirements, or requirements in law or regulation, that are at least as demanding as ISQGM 1.</p> <p>³ ISAE 3000 (Revised), paragraphs 3(a), 20 and 34</p> <p>⁴ ISAE 3000 (Revised), paragraphs 3(b) and 31(a). International Standard on Quality Control/Management (ISQGM) 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></p>

¹¹ 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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	<i>Financial Statements, and/or Other Assurance and/or Related Services Engagements</i>	
ISAE 3420, paragraph 35	<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>
ISAE 3420, Appendix ¹²	<p>Illustrative Practitioner's Report with an Unmodified Opinion</p> <p>...</p> <p><i>Our Independence and Quality Management 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>Illustrative Practitioner's Report with an Unmodified Opinion</p> <p>...</p> <p><i>Our Independence and Quality Management 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 Control Management¹² and accordingly maintains designs, implements and operates a comprehensive</p>

¹² 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>The firm applies International Standard on Quality Control<u>Management</u> 1² and accordingly maintains a comprehensive system of quality control<u>management</u> including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p> <p>² ISQGM 1, <i>Quality Control<u>Management</u> for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p>	<p>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><u>The firm applies International Standard on Quality Management 1², 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>² ISQGM 1, <i>Quality Control<u>Management</u> for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p>
ISRS 4400 (Revised)	Agreed-Upon Procedures Engagements	
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 Control<u>Management</u>, 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 Control<u>Management</u>, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISRS 4400 (Revised), paragraph 3	<p>Introduction</p> <p>Scope of this ISRS</p> <p><i>Relationship with ISQGM 1¹</i></p> <p><u>Systems of qQuality control<u>management</u> 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 agreed-upon procedures engagements.^{1A} The provisions of this ISRS regarding quality control<u>management</u> at the level of individual agreed-</u></p>	<p>Introduction</p> <p>Scope of this ISRS</p> <p><i>Relationship with ISQGM 1¹</i></p> <p><u>The sSystems of qQuality control<u>management</u> 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 agreed-upon procedures engagements.^{1A} The provisions of this ISRS regarding quality control<u>management</u> at the level of individual agreed-upon procedures</u></p>

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	<p>upon procedures 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–A8)</p> <p>¹ International Standard on Quality ControlManagement (ISQGM) 1, <i>Quality ControlManagement for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p> <p>^{1A} ISQM 1, paragraph 5</p>	<p>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)</p> <p>¹ International Standard on Quality ControlManagement (ISQCM) 1, <i>Quality ControlManagement for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p> <p>^{1A} ISQM 1, paragraph 5</p>
<p>ISRS 4400 (Revised), paragraph 13</p>	<p>Definitions</p> <p>For purposes of this ISRS, the following terms have the meanings attributed below:</p> <p>...</p> <p>(c) Engagement partner – The partner or other person in individual appointed by 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 other individuals engaged by the firm or a network firm who perform procedures on the engagement. This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</p> <p>...</p>	<p>Definitions</p> <p>For purposes of this ISRS, the following terms have the meanings attributed below:</p> <p>...</p> <p>(c) Engagement partner – The partner or other person in individual, <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 individuals engaged by</u> the firm or a network firm who perform procedures on the engagement. This excludes excluding 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 e</u>Ethical requirements that are applicable to the engagement team is subject to when undertaking agreed-upon procedures engagements. These <u>Relevant Ethical</u> requirements ordinarily comprise the</p>

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	<p>(k) Relevant ethical requirements – <u>Principles of professional ethics and ethical requirements that are applicable to the engagement team is subject to</u> when undertaking agreed-upon procedures engagements. These <u>Relevant Ethical</u> requirements ordinarily comprise the International Ethics Standards Board for Accountants' (IESBA) <i>International Code of Ethics for Professional Accountants (including International Independence Standards</i> (IESBA Code), together with national requirements that are more restrictive.</p>	<p><u>provisions of International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards (IESBA Code),</u> together with national requirements that are more restrictive.</p>
<p>ISRS 4400 (Revised), paragraph 19</p>	<p>Engagement Level Quality ControlManagement The engagement partner shall take responsibility for:</p> <p>(a) The overall<u>Managing and achieving quality of on</u> 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 quality control policies and/or procedures by:</p> <p>(i) Following appropriate<u>the firm's policies or</u> 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</u></p>	<p>Engagement Level Quality ControlManagement The engagement partner shall take <u>overall</u> responsibility for:</p> <p>(a) The overall<u>Managing and achieving quality of on</u> 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 quality control<u>quality management</u> policies and/or procedures by:</p> <p>(i) Following appropriate<u>the firm's policies or</u> procedures regarding the acceptance and continuance of client relationships and <u>agreed-upon procedures</u> 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</u></p>

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	<p><u>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</u>, to perform the agreed-upon procedures engagement;</p> <p>(iii) Being alert for indications of non-compliance<u>breaches of relevant ethical requirements</u> by members of the engagement team with relevant ethical requirements, and determining the appropriate actions if matters come to the engagement partner's attention indicating that members of the engagement team have not complied with<u>breached</u> relevant ethical requirements; (Ref: Para. A26)</p> <p>(iv) Directing, and supervising engagement team members, reviewing their work, 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>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</u> having sufficient time, to perform the agreed-upon procedures engagement;</p> <p>(iii) Being alert for indications of non-compliance<u>breaches of relevant ethical requirements</u> by members of the engagement team with relevant ethical requirements, and determining the appropriate actions if matters come to the engagement partner's attention indicating that members of the engagement team have not complied with<u>breached</u> relevant ethical requirements; (Ref: Para. A26)</p> <p>(iv) Directing, and supervising engagement team members, reviewing their work, 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>(vi) <u>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.</u>^{5A}</p> <p>^{5A} <u>ISQM 2, <i>Engagement Quality Reviews</i></u></p>

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ISRS 4400 (Revised), paragraph 21	<p>Engagement Acceptance and Continuance</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>Engagement Acceptance and Continuance</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—available earlier</u>, 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—available earlier</u>, 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>Agreeing the Terms of the Engagement</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—acceptance considerations</u>, 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>Agreeing the Terms of the Engagement</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—acceptance considerations</u>, 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>

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<p>ISRS 4400 (Revised), paragraph 30</p>	<p>The Agreed-Upon Procedures Report</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 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 at least as demanding as ISQGM 1;</p> <p>...</p> <p>(q) The date of the agreed-upon procedures report; and (Ref: Para A58A)</p> <p>...</p>	<p>The Agreed-Upon Procedures Report</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 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 at least as demanding as ISQGM 1;</p> <p>...</p> <p>(q) The date of the agreed-upon procedures report. 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.^{5A}; and (Ref: Para A58A)</p> <p>...</p> <p>^{5A} ISQM 2, <i>Engagement Quality Reviews</i></p>
<p>ISRS 4400 (Revised), paragraph A3</p>	<p><i>Relationship with ISQGMs-1</i> (Ref: Para. 3)</p> <p>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 agreed-upon procedures engagements.^{5A} 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^{5B}. ISQM 2^{5C} deals with the</p>	<p><i>Relationship with ISQGMs-1</i> (Ref: Para. 3)</p> <p>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 agreed-upon procedures engagements.^{5B} 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^{5C}. ISQM 2^{5C} deals with the</p>

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	<p><u>appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.</u>^{5D}</p> <p>These responsibilities are directed at establishing:</p> <ul style="list-style-type: none"> • The firm's quality control system; and • 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. <p>^{5A} ISQM 1, paragraph 1</p> <p>^{5B} ISQM 1, paragraph 2(a)</p> <p>^{5C} ISQM 2, <i>Engagement Quality Reviews</i></p> <p>^{5D} ISQM 1, paragraph 2(b)</p>	<p><u>appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.</u>^{5D}</p> <p>These responsibilities are directed at establishing:</p> <ul style="list-style-type: none"> • The firm's quality control system; and • 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. <p>^{5A} ISQM 1, paragraph 1</p> <p>^{5B} ISQM 1, paragraph 2(a)</p> <p>^{5C} ISQM 2, <i>Engagement Quality Reviews</i></p> <p>^{5D} ISQM 1, paragraph 2(b)</p>
<p>ISRS 4400 (Revised), paragraph A4</p>	<p>Under ISQGM 1, the objective of the firm has an obligation to establish and maintain <u>is to design, implement and operate a system of quality control management for related services engagements, including agreed-upon procedures engagements, that provides the firm with reasonable assurance that:</u></p> <p>(a) The firm and its personnel comply <u>fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements;</u> and</p>	<p>Under ISQGM 1, the objective of the firm has an obligation to establish and maintain <u>is to design, implement and operate a system of quality control management for related services engagements, including agreed-upon procedures engagements, that provides the firm with reasonable assurance that:</u></p> <p>(a) The firm and its personnel comply <u>fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements;</u> and</p> <p>(b) Reports <u>Engagement reports</u> issued by the firm or engagement partners are appropriate in the circumstances.²</p> <p>² ISQGM 1, paragraph 414</p>

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	<p>(b) Reports<u>Engagement reports</u> issued by the firm or engagement partners are appropriate in the circumstances.²</p> <p>² ISQCM 1, paragraph 44.14</p>	
<p>ISRS 4400 (Revised), paragraph A5</p>	<p>A jurisdiction that has not adopted ISQCM 1 in relation to agreed-upon procedures engagements may set out requirements for quality control<u>management</u> in firms performing such engagements. The provisions of this ISRS regarding quality control<u>management</u> at the engagement level are premised on the basis that quality control<u>management</u> requirements adopted are at least as demanding as those of ISQGM 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>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— <u>Compliance with ISQM 1 requires, among other things, that the firm's system of quality management addresses the following eight components:^{6A}</u></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>A jurisdiction that has not adopted ISQCM 1 in relation to agreed-upon procedures engagements may set out requirements for quality control<u>management</u> in firms performing such engagements. The provisions of this ISRS regarding quality control<u>management</u> at the engagement level are premised on the basis that quality control<u>management</u> requirements adopted are at least as demanding as those of ISQGM 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>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— <u>Compliance with ISQM 1 requires, among other things, that the firm's system of quality management addresses the following eight components:^{6A}</u></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>

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	<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"> • Leadership responsibilities for quality within the firm; • Relevant ethical requirements; • Acceptance and continuance of client relationships and specific engagements; • Human resources; • Engagement performance; and • Monitoring. <p>^{6A} <u>ISQM 1, paragraph 6</u></p>	<ul style="list-style-type: none"> • Leadership responsibilities for quality within the firm; • Relevant ethical requirements; • Acceptance and continuance of client relationships and specific engagements; • Human resources; • Engagement performance; and • Monitoring. <p>^{6A} <u>ISQM 1, paragraph 6</u></p>
ISRS 4400 (Revised), paragraph A6	<p>Within the context of the firm's system of quality control<u>management</u>, engagement teams have a responsibility to implement quality control policies or procedures applicable to the engagement.</p>	<p>Within the context of the firm's system of quality control<u>management</u>, engagement teams have a responsibility to implement quality control policies or procedures applicable to the engagement.</p>
ISRS 4400 (Revised), paragraph A7	<p>Unless information provided by the firm or other parties suggests otherwise<u>Ordinarily</u>, the engagement team is entitled to rely<u>may depend</u> on the firm's system of quality control<u>management</u> unless:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u> 	<p>Unless information provided by the firm or other parties suggests otherwise<u>Ordinarily</u>, the engagement team is entitled to rely<u>may depend</u> on the firm's system of quality control<u>management</u> unless:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u> <p>For example, the engagement team may rely<u>depend</u> on the firm's system of quality control<u>management</u> in relation to:</p>

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	<p>For example, the engagement team may rely<u>depend</u> on the firm's system of quality control<u>management</u> in relation to:</p> <ul style="list-style-type: none"> • Competence <u>and capabilities</u> of personnel through their recruitment and formal training. • Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance of engagements</u> systems. • Adherence to legal and regulatory requirements through the monitoring <u>and remediation</u> process. <p>In considering deficiencies identified in the firm's system of quality control<u>management</u> that may affect the agreed-upon procedures engagement, the engagement partner may consider measures<u>the remedial actions</u> undertaken by the firm to address the situation<u>those deficiencies</u> that the engagement partner considers are sufficient in the context of that agreed-upon procedures engagement.</p>	<ul style="list-style-type: none"> • Competence <u>and capabilities</u> of personnel through their recruitment and formal training. • Maintenance of client relationships through <u>the firm's policies or procedures for acceptance and continuance of client relationships and agreed-upon procedures</u> engagements systems. • Adherence to legal and regulatory requirements through the <u>firm's monitoring and remediation</u> process. <p>In considering deficiencies^{7A} identified in the firm's system of quality control<u>management</u> that may affect the agreed-upon procedures engagement, the engagement partner may consider measures<u>the remedial actions</u> undertaken by the firm to address the situation<u>those deficiencies</u> that the engagement partner considers are sufficient in the context of that agreed-upon procedures engagement.</p> <p>^{7A} <u>ISQM 1, paragraph 16(a)</u></p>
ISRS 4400 (Revised), paragraph A8	<p>A deficiency in the firm's system of quality control<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.</p>	<p>A deficiency in the firm's system of quality control<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.</p>
ISRS 4400 (Revised), paragraph A24	<p>Engagement Level Quality ControlManagement (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 the overall managing and</p>	<p>Engagement Level Quality ControlManagement (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 <u>the overall managing and achieving quality</u> on each engagement, emphasize the importance to achieving the quality of the engagement of:</p>

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	<p><u>achieving quality</u> on each engagement, emphasize the importance to achieving the quality of the 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 control policies and/or procedures as applicable; and</p> <p>(c) Issuing the practitioner's report for the engagement in accordance with this ISRS.</p>	<p>(a) Performing work that complies with professional standards and regulatory and legal requirements;</p> <p>(b) Complying with the firm's quality control policies <u>and/or</u> procedures as applicable; and</p> <p>(c) Issuing the practitioner's report for the engagement in accordance with this ISRS.</p>
<p>ISRS 4400 (Revised), paragraph A25</p>	<p>ISQGM 1 requires the firm 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 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 obtained about the nature and circumstances of the agreed-upon procedures engagement and information that 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 values of the principal owners, key client (including management, and, when appropriate, those charged with governance) that is sufficient to support such judgments. 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</p>	<p>ISQGM 1 requires the firm 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 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 obtained about the nature and circumstances of the agreed-upon procedures engagement and information that 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 values of the principal owners, key client (including management, and, when appropriate, those charged with governance) that is sufficient to support such judgments. 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>

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	to accept the engagement.	
ISRS 4400 (Revised), paragraph A26	<p>ISQCM 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 <u>comply with quality objectives that address the fulfillment of responsibilities in relation to the</u> with relevant ethical requirements. This ISRS sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.^{6A}</p> <p>^{6A} ISQM 1, paragraph 29</p>	<p>ISQCM 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 <u>comply with quality objectives that address the fulfillment of responsibilities in relation to the</u> with relevant ethical requirements. This ISRS sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.^{6A}</p> <p>^{6A} ISQM 1, paragraph 29</p>
ISRS 4400 (Revised), paragraph A37	<p>Engagement Acceptance and Continuance (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 engagement <u>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 engaging party as to whether</p>	<p>Engagement Acceptance and Continuance (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 engagement <u>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 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>

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	<p>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 controlmanagement. Ordinarily, tthe practitioner <u>may depend is entitled to rely</u> on the firm's system of quality controlmanagement, unless:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u> <p>information provided by the firm or other parties suggests otherwise. 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 matters such as:</p> <ul style="list-style-type: none"> • Competence and capabilities, through recruitment and training programs. • The practitioner's evaluation of the objectivity of the practitioner's expert. 	<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 controlmanagement. Ordinarily, tthe practitioner <u>may depend is entitled to rely</u> on the firm's system of quality controlmanagement, unless:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u> <p>information provided by the firm or other parties suggests otherwise. 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 matters such as:</p> <ul style="list-style-type: none"> • Competence and capabilities, through recruitment and training programs. • The practitioner's evaluation of the objectivity of the practitioner's expert. • Agreement with the practitioner's expert. <p>Such reliance-dependence does not reduce the practitioner's responsibility to meet the requirements of this ISRS.</p>

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	<ul style="list-style-type: none"> Agreement with the practitioner's expert. <p>Such reliance <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	<p><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></p>	<p>Date of the Agreed Upon Procedures Report 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.</p>
ISRS 4400 (Revised), Appendix	<p>Illustration 1 <i>Professional Ethics and Quality Control</i>Management</p> <p>...</p> <p>Our firm applies International Standard on Quality ControlManagement (ISQCM) 1, <i>Quality ControlManagement 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 controlmanagement including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>	<p>Illustration 1 <i>Professional Ethics and Quality Control</i>Management</p> <p>...</p> <p>Our firm applies International Standard on Quality ControlManagement (ISQCM) 1, <i>Quality ControlManagement 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 controlmanagement including documented policies and/or 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>

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ISRS 4400 (Revised), Appendix	<p>Illustration 2</p> <p><i>Professional Ethics and Quality ControlManagement</i></p> <p>...</p> <p>Our firm applies International Standard on Quality ControlManagement (ISQCM) 1, <i>Quality ControlManagement 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 controlmanagement including documented policies and/or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.</p>	<p>Illustration 2</p> <p><i>Professional Ethics and Quality ControlManagement</i></p> <p>...</p> <p>Our firm applies International Standard on Quality ControlManagement (ISQCM) 1, Quality ControlManagement for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements, and accordingly, maintains design, implement and operate a comprehensive system of quality controlmanagement including documented policies and/or 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>
ISRS 4410 (Revised)	Compilation Engagements	
ISRS 4410 (Revised), boxed text following TOC	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 ControlManagement, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .	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 ControlManagement, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> .
ISRS 4410 (Revised), paragraph 4	<p>Introduction</p> <p>Scope of this ISRS</p> <p><i>Relationship with ISQCM 1¹</i></p>	<p>Introduction</p> <p>Scope of this ISRS</p> <p><i>Relationship with ISQCM 1¹</i></p>

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	<p>Systems of quality control management 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 compilation engagements.² The provisions of this ISRS regarding quality control management at the level of individual compilation engagements are premised on the basis that the firm is subject to ISQCM 1 or requirements that are at least as demanding. (Ref: Para. A6–A11)</p> <p>¹ International Standard on Quality ControlManagement (ISQCM) 1, <i>Quality ControlManagement for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p> <p>² ISQCM 1, paragraph 5</p>	<p>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 compilation engagements.² The provisions of this ISRS regarding quality control management at the level of individual compilation engagements are premised on the basis that the firm is subject to ISQCM 1 or requirements that are at least as demanding. (Ref: Para. A6–A11)</p> <p>¹ International Standard on Quality ControlManagement (ISQCM) 1, <i>Quality ControlManagement for Firms that Perform Audits and/or Reviews of Financial Statements, and/or Other Assurance and/or Related Services Engagements</i></p> <p>² ISQCM 1, paragraph 5</p>
<p>ISRS 4410 (Revised), paragraph 17¹³</p>	<p>Definitions</p> <p>The Handbook's Glossary of Terms³ (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>...</p> <p>(c) <i>Engagement partner</i> – The partner or other person inindividual appointed by the firm, 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</p>	<p>Definitions</p> <p>The Handbook's Glossary of Terms³ (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>...</p> <p>(c) <i>Engagement partner</i> – The partner or other person inindividual, <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</p>

¹³ 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>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 individuals engaged by the firm or a network firm</u> who perform procedures on the engagement.1. This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</p> <p>...</p> <p>(g) <i>Relevant ethical requirements</i> – Principles of professional ethics and e<u>Ethical requirements that are applicable to which</u> the engagement team is is <u>subject</u> when undertaking a <u>compilation engagements engagements, which.</u> Relevant ethical requirements 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>³ The Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality ManagementControl, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (the Handbook), published by IFAC</p>	<p>engagement, and any <u>other</u> individuals engaged by the firm or a network firm who perform procedures on the engagement.1. This excludes excluding a practitioner's external expert engaged by the firm or a network firm.</p> <p>...</p> <p>(g) <i>Relevant ethical requirements</i> – <u>Principles of professional ethics and e</u><u>Ethical requirements that are applicable to which</u> the engagement team is subject when undertaking a <u>compilation engagements engagements, which.</u> Relevant ethical requirements 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>³ The Glossary of Terms relating to International Standards issued by the IAASB in the <i>Handbook of International Quality ManagementControl, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> (the Handbook), published by IFAC</p>

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ISRS 4410 (Revised), paragraph 23 ¹⁴	<p><u>Managing and Achieving Quality on Compilation Engagements Level Quality Control</u></p> <p>The engagement partner shall take <u>overall</u> responsibility for:</p> <p>(a) The overall Managing and achieving quality of each compilation engagement to which that partner is assigned;^{3A} and</p> <p>(b) The engagement being performed in accordance with the firm's quality control policies and or procedures, by: (Ref: Para. A30)</p> <p>(i) Following appropriate 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>(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><u>Managing and Achieving Quality on Compilation Engagements Level Quality Control</u></p> <p>The engagement partner shall take <u>overall</u> responsibility for:</p> <p>(a) The overall Managing and achieving quality of each compilation engagement to which that partner is assigned^{3A} <u>and being sufficiently and appropriately involved throughout the engagement</u>; and</p> <p>(b) The engagement being performed in accordance with the firm's quality control <u>quality management</u> policies and or procedures, by: (Ref: Para. A30)</p> <p>(i) Following appropriate 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>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 collectively has the appropriate competence and capabilities, <u>including being given</u> having sufficient time, 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</p>

¹⁴ 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>(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</u> supervising <u>engagement team members and reviewing their work</u> and performing the engagement in compliance with professional standards and applicable legal and regulatory requirements;^{3E} and</p> <p>(v) Taking responsibility for appropriate engagement documentation being <u>assembled, appropriately maintained and retained</u>.</p>	<p>engagement team have breached relevant ethical requirements; (Ref: Para. A32)</p> <p>(iv) Directing, <u>and</u> supervising <u>engagement team members, and 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>; <u>and</u></p> <p>(vi) <u>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.</u>^{3F}</p> <p>^{3F} <u>ISQM 2, Engagement Quality Reviews</u></p>
ISRS 4410 (Revised), paragraph 26	<p>Recurring Engagements</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>	<p>Recurring Engagements</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>
ISRS 4410 (Revised), paragraph 40	<p>The Practitioner's Report</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, A69<u>A70</u>)</p>	<p>The Practitioner's Report</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, A69<u>A70</u>)</p>

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	<p>...</p> <p>(k) The date of the practitioner's report; (Ref: Para. A69)</p> <p>...</p>	<p>...</p> <p>(k) The date of the practitioner's report. 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.^{3A}; (Ref: Para. A69)</p> <p>...</p> <p>^{3A} <u>ISQM 2, Engagement Quality Reviews</u></p>
<p>ISRS 4410 (Revised), paragraph A6</p>	<p><i>Relationship with ISQGMs-1 (Ref: Para. 4)</i></p> <p>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.^{3A} 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^{3B}. ISQM 2^{3C} deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.^{3D} These responsibilities are directed at establishing:</p> <ul style="list-style-type: none"> • The firm's quality control system; and • 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. <p>^{3A} <u>ISQM 1, paragraph 1</u></p> <p>^{3B} <u>ISQM 1, paragraph 2(a)</u></p> <p>^{3C} <u>ISQM 2, Engagement Quality Reviews</u></p>	<p><i>Relationship with ISQGMs-1 (Ref: Para. 4)</i></p> <p>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.^{3A} 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^{3B}. ISQM 2^{3C} deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.^{3C} These responsibilities are directed at establishing:</p> <ul style="list-style-type: none"> • The firm's quality control system; and • 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. <p>^{3A} <u>ISQM 1, paragraph 1</u></p> <p>^{3B} <u>ISQM 1, paragraph 2(a)</u></p> <p>^{3C} <u>ISQM 2, Engagement Quality Reviews</u></p> <p>^{3C} <u>ISQM 1, paragraph 2(b)</u></p>

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	^{3D} ISQM 1, paragraph 2(b)	
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 to provides the firm with reasonable assurance that:</p> <p>(a) The firm and its personnel comply <u>fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements;</u> and</p> <p>(b) Reports <u>Engagement reports</u> issued by the firm or engagement partners are appropriate in the circumstances.⁴</p> <p>⁴ ISQCM 1, paragraph 4414</p>	<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 to provides the firm with reasonable assurance that:</p> <p>(a) The firm and its personnel comply <u>fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements;</u> and</p> <p>(b) Reports <u>Engagement reports</u> issued by the firm or engagement partners are appropriate in the circumstances.⁴</p> <p>⁴ ISQCM 1, paragraph 4414</p>
ISRS 4410 (Revised), paragraph A8	<p>A jurisdiction that has not adopted ISQCM 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 quality control management at the engagement level are premised on the basis that <u>requirements for quality control 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.</u>impose obligations on the firm to achieve the aims of the requirements of ISQCM 1, including an</p>	<p>A jurisdiction that has not adopted ISQCM 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 quality control management at the engagement level are premised on the basis that <u>requirements for quality control 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.</u>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 <u>Compliance</u></p>

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	<p>obligation to establish a system of quality control that includes policies and procedures that address each of the following elements. Compliance with ISQM 1 requires, among other things, that the firm's system of quality management addresses the following eight components:^{4A}</p> <p>(a) The firm's risk assessment process;</p> <p>(b) Governance and leadership;</p> <p>(c) Relevant ethical requirements;</p> <p>(d) Acceptance and continuance of client relationships and specific engagements;</p> <p>(e) Engagement performance;</p> <p>(f) Resources;</p> <p>(g) Information and communication; and</p> <p>(h) The monitoring and remediation process elements:</p> <ul style="list-style-type: none"> • Leadership responsibilities for quality within the firm; • Relevant ethical requirements; • Acceptance and continuance of client relationships and specific engagements; • Human resources; • Engagement performance; and • Monitoring. <p>^{4A} ISQM 1, paragraph 6</p>	<p>with ISQM 1 requires, among other things, that the firm's system of quality management addresses the following eight components:^{4A}</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"> • <u>Leadership responsibilities for quality within the firm;</u> • <u>Relevant ethical requirements;</u> • <u>Acceptance and continuance of client relationships and specific engagements;</u> • <u>Human resources;</u> • <u>Engagement performance; and</u> • <u>Monitoring.</u> <p>^{4A} ISQM 1, paragraph 6</p>
ISRS 4410 (Revised),	<p>Unless information provided by the firm or other parties suggests otherwiseOrdinarily, the engagement team is</p>	<p>Unless information provided by the firm or other parties suggests otherwiseOrdinarily, the engagement team is <u>entitled to rely</u> entitled to rely <u>may depend on</u> entitled to rely <u>may depend on</u> the firm's system of quality control <u>management unless:</u></p>

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<p>paragraph A10</p>	<p>entitled to rely may depend on the firm's system of quality control management unless:</p> <ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u> <p>For example, the engagement team may rely depend on the firm's system of quality control management in relation to:</p> <ul style="list-style-type: none"> • Competence <u>and capabilities</u> of personnel through their recruitment and formal training. • 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> • Adherence to legal and regulatory requirements through the monitoring <u>and remediation</u> process. <p>In considering deficiencies identified in the firm's system of quality control management that may affect the compilation engagement, the engagement partner may consider measures <u>the remedial actions undertaken by the firm to rectify the situation</u> to address those deficiencies that the engagement partner considers are sufficient in the context of that compilation engagement.</p>	<ul style="list-style-type: none"> • <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> • <u>Information provided by the firm or other parties, about the effectiveness of such policies or procedures suggests otherwise.</u> <p>For example, the engagement team may rely depend on the firm's system of quality control management in relation to:</p> <ul style="list-style-type: none"> • Competence <u>and capabilities</u> of personnel through their recruitment and formal training. • 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> • Adherence to legal and regulatory requirements through the <u>firm's monitoring and remediation</u> process. <p>In considering deficiencies^{4B} identified in the firm's system of quality control management that may affect the compilation engagement, the engagement partner may consider measures <u>the remedial actions undertaken by the firm to rectify the situation</u> to address those deficiencies that the engagement partner considers are sufficient in the context of that compilation engagement.</p> <p>^{4B} ISQM 1, paragraph 16(a)</p>

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ISRS 4410 (Revised), paragraph A11	A deficiency in the firm's system of quality control <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 control <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>Engagement Level Quality ControlManagement (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 the overall<u>managing and achieving</u> quality on each engagement, emphasize the importance to achieving the quality of the 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 control policies <u>and/or</u> procedures as applicable; and</p> <p>(c) Issuing the practitioner's report for the engagement in accordance with this ISRS.</p>	<p>Engagement Level Quality ControlManagement (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 the overall<u>managing and achieving</u> quality on each engagement, emphasize the importance to achieving the quality of the 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 control policies <u>and/or</u> procedures as applicable; and</p> <p>(c) Issuing the practitioner's report for the engagement in accordance with this ISRS.</p>
ISRS 4410 (Revised), paragraph A31	<p><i>Acceptance and Continuance of Client Relationships and Compilation Engagements (Ref: Para. 23(b)(i))</i></p> <p>ISQCM 1 requires the firm <u>to establish a quality objective dealing with the appropriateness of to obtain such</u>its <u>judgments about whether to accept or continue a client relationship or engagement based to obtain such</u>on information as it considers necessary in the circumstances before accepting an engagement with a new client, when</p>	<p><i>Acceptance and Continuance of Client Relationships and Compilation Engagements (Ref: Para. 23(b)(i))</i></p> <p>ISQCM 1 requires the firm <u>to establish a quality objectives dealing with the appropriateness of to obtain such</u>its <u>judgments about whether to accept or continue a client relationship or engagement based to obtain such</u>on 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</p>

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	<p>deciding whether to continue an existing engagement, and when considering acceptance of a new engagement with an existing client 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.</p>	<p><u>engagement with an existing client 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>
<p>ISRS 4410 (Revised), paragraph A32</p>	<p><i>Compliance with Relevant Ethical Requirements in Conducting the Engagement (Ref: Para. 23(b)(iii))</i></p> <p>ISQCM 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 comply <u>comply</u> quality objectives that address the fulfillment of <u>responsibilities in relation to the relevant ethical requirements</u>. This ISRS sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.^{8A}</p> <p>^{8A} ISQM 1, paragraph 29</p>	<p><i>Compliance with Relevant Ethical Requirements in Conducting the Engagement (Ref: Para. 23(b)(iii))</i></p> <p>ISQCM 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 comply <u>quality objectives that address the fulfillment of responsibilities in relation to the relevant ethical requirements</u>. This ISRS sets out the engagement partner's responsibilities with respect to the engagement team's compliance with relevant ethical requirements.^{8A}</p> <p>^{8A} ISQM 1, paragraph 29</p>
International Framework for Assurance Engagements		
<p>International Framework for Assurance Engagements, footnote 1</p>	<p>¹ See the Preface to the International Quality Control <u>Management, Auditing, Review, Other Assurance and Related Services Pronouncements</u>.</p>	<p>¹ See the Preface to the International Quality Control <u>Management, Auditing, Review, Other Assurance and Related Services Pronouncements</u>.</p>

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International Framework for Assurance Engagements, paragraph 5	<p>Ethical Principles and Quality ControlManagement Standards</p> <p>Quality control<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 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 ISQMC 1,¹⁵ or other professional requirements, or requirements in law or regulation, regarding the firm's responsibility for its system of quality control<u>management</u>, that are at least as demanding as ISQMC 1.</p>	<p>Ethical Principles and Quality ControlManagement Standards</p> <p>Quality control<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 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 ISQMC 1,¹⁶ or other professional requirements, or requirements in law or regulation, regarding the firm's responsibility for its system of quality control<u>management</u>, that are at least as demanding as ISQMC 1.</p>
International Framework for	ISQM 1	ISQM 1

¹⁵ 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*

¹⁶ 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*

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Assurance Engagements, paragraph 9	<p>ISQMG 1 deals with the firm's responsibilities to establish and maintain design, implement and operate a its system of quality controlmanagement for assurance engagements.^{3A} 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:^{5E}</p> <ul style="list-style-type: none"> (a) <u>The firm's risk assessment process;</u> (b) <u>Governance and leadership;</u> (c) <u>Relevant ethical requirements;</u> (d) <u>Acceptance and continuance of client relationships and specific engagements;</u> (e) <u>Engagement performance;</u> (f) <u>Resources;</u> (g) <u>Information and communication; and</u> (h) <u>The monitoring and remediation process</u> <ul style="list-style-type: none"> (a) Leadership responsibilities for quality within the firm; (b) Relevant ethical requirements; (c) Acceptance and continuance of client relationships and specific engagements; (d) Human resources; 	<p>ISQMG 1 deals with the firm's responsibilities to establish and maintain design, implement and operate a its system of quality controlmanagement for assurance engagements.^{3A} 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:^{5E3C}</p> <ul style="list-style-type: none"> (a) <u>The firm's risk assessment process;</u> (b) <u>Governance and leadership;</u> (c) <u>Relevant ethical requirements;</u> (d) <u>Acceptance and continuance of client relationships and compilationspecific engagements;</u> (e) <u>Engagement performance;</u> (f) <u>Resources;</u> (g) <u>Information and communication; and</u> (h) <u>The monitoring and remediation process</u> <ul style="list-style-type: none"> (a) Leadership responsibilities for quality within the firm; (b) Relevant ethical requirements; (c) Acceptance and continuance of client relationships and specific engagements; (d) Human resources; (e) Engagement performance; and (f) Monitoring.

CONFORMING AND CONSEQUENTIAL AMENDMENTS TO THE IAASB'S OTHER STANDARDS AS A RESULT OF THE NEW AND REVISED QUALITY MANAGEMENT STANDARDS

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	<p>(e) Engagement performance; and</p> <p>(f) Monitoring.</p> <p>^{3A} ISQM 1, paragraph 1</p> <p>^{3B} ISQM 2, <i>Engagement Quality Reviews</i></p> <p>^{3C} ISQM 1, paragraph 6</p>	<p>^{3A} ISQM 1, paragraph 1</p> <p>^{3B} ISQM 2, <i>Engagement Quality Reviews</i></p> <p>^{3C} ISQM 1, paragraph 6</p>

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