

**Answer Exposure Draft January 2024**  
**Comments due: April 8, 2024**

**Proposed Narrow Scope Amendments to:**

- **International Standards on Quality Management;**
- **International Standards on Auditing; and**
- **International Standard on Review Engagements 2400 (Revised), Engagements to Review Historical Financial Statements**

**Responses to Specific Questions in the EM for the ED**

1. Do you agree with establishing the overarching objective and purpose for differential requirements for PIEs in the ISQMs and ISAs as proposed in paragraphs A29A–A29B of ISQM 1 and paragraphs A81A–A81B of ISA 200 in the ED? If not, what do you propose and why?

**Agree (with no further comments)**

2. Do you agree with adopting the definitions of PIE and “publicly traded entity” into ISQM 1 and ISA 200 (see proposed paragraphs 16(p)A– 16(p)B of ISQM 1 and paragraphs 13(l)A– 13(l)B of ISA 200 in the ED)? If not, what do you propose and why?

**Agree (with no further comments)**

- 3A. Do you agree with the IAASB’s proposals for extending the extant differential requirements for engagement quality reviews to apply to PIEs (ISQM 1, paragraph 34(f) in the ED)?

**Agree (with no further comments)**

- 3B. Do you agree with the IAASB’s proposals for extending the extant differential requirements for communication with TCWG about the firm’s system of quality management to apply to PIEs (ISQM 1, paragraph 34(e) in the ED)?

**Agree (with no further comments)**

- 3C. Do you agree with the IAASB’s proposals for extending the extant differential requirements for communicating about auditor independence to apply to PIEs (ISA 260 (Revised), paragraphs 17 and 17A, and ISA 700 (Revised), paragraph 40(b) in the ED)?

**Agree (with no further comments)**

- 3D. Do you agree with the IAASB’s proposals for extending the extant differential requirements for communicating KAM to apply to PIEs (ISA 700 (Revised), paragraphs 30-31, 40(c) and ISA 701, paragraph 5 in the ED)?

**Agree (with no further comments)**

- 3E. Do you agree with the IAASB’s proposals for extending the extant differential requirements for the name of the engagement partner to apply to PIEs (ISA 700 (Revised), paragraphs 46 and 50(l))?

**Agree (with no further comments)**

3. Do you agree with the IAASB's proposal to amend the applicability of the differential requirements for listed entities in ISA 720 (Revised) to apply to "publicly traded entity"? If not, what do you propose and why?

**Agree (with no further comments)**

4. Do you agree with the new requirement and application material in ISRE 2400 (Revised) to provide transparency in the practitioner's review report about the relevant ethical requirements for independence applied for certain entities, such as the independence requirements for PIEs in the IESBA Code? If not, what do you propose and why?

**Agree (with no further comments)**

5. Are there any other matters you would like to raise in relation to the ED? If so, please clearly indicate the requirement(s) or application material, or the theme or topic, to which your comment(s) relate.

**No (with no further comments)**

***Request for General Comments***

The IAASB is also seeking comments on the matters set out below:

6. Translations—Recognizing that many respondents may intend to translate the final narrow scope amendments for adoption in their own environments, the IAASB welcomes comment on potential translation issues respondents note in reviewing the ED.

**See comments on translation below**

**We found no translation problems.**

7. Effective Date—Given it is preferred to coordinate effective dates with the fraud and going concern projects, the IAASB believes that an appropriate effective date for the narrow scope amendments would be for financial reporting periods beginning approximately 18-24 months after the PIOB's process of certification of the final narrow scope amendments for Track 2. The IAASB welcomes comments on whether this would provide a sufficient period to support effective implementation of the narrow scope amendments for Track 2 of the listed entity and PIE project.

**See comments on translation below**

**We believe that the period is sufficient.**