

ED-EXPERTS: RESPONSE TEMPLATE

April 2025

RESPONSE TEMPLATE FOR THE ED OF PROPOSED NARROW-SCOPE AMENDMENTS TO IAASB STANDARDS ARISING FROM THE IESBA'S USING THE WORK OF AN EXTERNAL EXPERT PROJECT

Guide for Respondents

Comments are requested by **July 24, 2025**.

This template is for providing comments on the Exposure Draft (ED) of proposed Narrow-Scope Amendments to International Auditing and Assurance Standards Board® (IAASB®) Standards Arising from the International Ethics Standards Board for Accountants' (IESBA) Using the Work of an External Expert project, in response to the questions set out in the Explanatory Memorandum (EM) to the ED. It also allows for respondent details, demographics and other comments to be provided. Use of the template will facilitate the IAASB's automated collation of the responses.

You may respond to all questions or only selected questions.

To assist our consideration of your comments, please:

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

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

Use the **"Submit Comment"** button on the ED [web page](#) to upload the completed template.

Responses to IAASB's Request for Comments in the EM for the ED, Proposed Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project

PART A: Respondent Details and Demographic information

Your organization's name (or your name if you are making a submission in your personal capacity)	WPK
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Dr. Michael Hüning
Name(s) of contact(s) for this submission (or leave blank if the same as above)	Jan Langosch / Steffen Branz
E-mail address(es) of contact(s)	jan.langosch@wpk.de steffen.branz@wpk.de
Geographical profile that best represents your situation (i.e., from which geographical perspective are you providing feedback on the ED). Select the most appropriate option.	<u>Europe</u>
	If "Other", please clarify
The stakeholder group to which you belong (i.e., from which perspective are you providing feedback on the ED). Select the most appropriate option.	<u>Professional accountancy or other professional organization (PAO or similar)</u>
	If "Other", please specify
Should you choose to do so, you may include information about your organization (or yourself, as applicable).	<p>Wirtschaftsprüferkammer (WPK) is a corporation under public law, whose members are German public accountants, German sworn auditors, German public audit firms and German firms of sworn auditors in Germany.</p> <p>As the representative of the entire profession of auditors in Germany WPK represents their professional interests towards the public and articulates these interests towards lawmakers, competent courts and other authorities.</p>

Should you choose to do so, you may provide overall views or additional background to your submission. **Please note that this is optional.** The IAASB's preference is that you incorporate all your views in your comments to the questions (also, the last question in Part B allows for raising any other matters in relation to the ED).

Information, if any, not already included in responding to the questions in Parts B and C:

The WPK fully supports the development of high-quality, principles-based standards that serve the public interest and enhance trust in financial and non-financial reporting. However, we believe that standard-setting must be both responsible and proportionate to remain effective and practical.

In this context, we would like to address the following general comments with regard to future standard-setting projects:

Avoiding Overregulation

Frequent expansions of complex and detailed standards risk undermining the accessibility and practical applicability of the ISAs, particularly for small and medium-sized practices (SMPs). Overly prescriptive or profession-agnostic requirements can create regulatory asymmetries, distort markets, and dilute the value of professional qualifications.

Need for a Period of Stability

A deliberate pause in the development of new standards would allow the profession, regulators, and stakeholders the necessary time to implement and absorb existing changes. It would also create space for post-implementation reviews to assess the real-world effectiveness of recent reforms. This is all the more true as practices are currently busy with implementing ISSA 5000.

Evidence-Based Change

New projects or revisions should only be initiated when there is clear evidence of gaps or deficiencies in existing standards. We advocate for a stronger emphasis on root cause analysis, broad stakeholder consultation, and alignment with due process before moving forward with new projects.

Consideration of SMPs and SMEs

It is essential that the needs and realities of SMPs and SMEs are properly taken into account in the development and implementation of standards. Proportionality must be a guiding principle, ensuring that all professional accountants – regardless of firm size – can understand, apply, and comply with the standards without undue burden.

As a result, we encourage the IAASB to strike the right balance between ambition and feasibility. Engagement with a broad cross-section of the profession, including smaller firms and national bodies, will be key to developing standards that are robust, implementable, and respected globally.

PART B: Responses to Questions in the EM for the ED

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

Overall Question*Public Interest Responsiveness*

1. Do you agree that the proposed narrow-scope amendments are responsive to the public interest, considering the qualitative standard-setting characteristics and standard-setting actions in the project proposal? If not, why not?

(See EM, Section 1-A)

Overall response: Neither agree/disagree, but see comments below

Detailed comments (if any):

The objective of the proposed amendments is to address the amendments of the IESBA Code as a result of the IESBA'S project "Using the work of an external expert". In our understanding, the IAASB aimed at proposing only such amendments that are absolutely necessary to transpose the IESBA amendments into the relevant IAASB standards and to update the links between the IAASB standards and the IESBA Code without imposing additional requirements. The WPK considers the proposed narrow-scope amendments to be basically responsive to the public interest and has no severe objections.

However, as the WPK already explained in the comment letter sent to the IESBA on April 29, 2024, there are concerns that the requirements for assessing competence, capability and objectivity seem to be too strict without the necessary degree of flexibility resulting in a potential negative impact on the availability of external experts for public accountants, which may not serve the public interest. Additionally, the WPK strongly recommends a better, earlier and more detailed coordination between the IAASB and the IESBA in future in order to take into consideration all relevant perspectives and potential consequences.

Specific Questions*Proposed Narrow-Scope Amendments to ISA 620¹*

2. Do you agree that the proposed narrow-scope amendments to ISA 620 are appropriate to maintain interoperability with the new provisions in the Code related to using the work of an external expert?

(See EM, Section 1-C)

Overall response: Neither agree/disagree, but see comments below

Detailed comments (if any):

¹ International Standard on Auditing (ISA) 620, *Using the Work of an Auditor's Expert*

Auditors already have to follow the relevant ethical requirements when applying the ISAs. Therefore, we do not agree with the IAASB's proposal to add a new requirement in ISA 620.8(f), as it would be redundant and would also apply to paragraphs 12 and 13 of ISA 620, which are not addressed by the IESBA Code. In our view, the proposed addition to paragraph A18A(b) would have achieved the same purpose in a more appropriate way.

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

Detailed comments (if any):

Proposed Narrow-Scope Amendments to ISRE 2400 (Revised),² ISAE 3000 (Revised)³ and ISRS 4400 (Revised)⁴

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

(See EM, Section 1-D)

Overall response: Agree (with no further comments)

Detailed comments (if any):

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

Detailed comments (if any):

² International Standard on Review Engagements (ISRE) 2400 (Revised), *Engagements to Review Historical Financial Statements*

³ International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*

⁴ International Standards on Related Services (ISRS) 4400 (Revised), *Agreed-upon Procedures Engagements*

3.2 Do you agree that the proposed narrow-scope amendments to ISAE 3000 (Revised) are consistent with the proposed amendments to ISA 620, and are appropriate to maintain interoperability with the new provisions in the Code related to using the work of an external expert?

(See EM, Section 1-E)

Overall response: Agree (with no further comments)

Detailed comments (if any):

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

Detailed comments (if any):

3.3 Do you agree that the proposed narrow-scope amendments to ISRS 4400 (Revised) are consistent with the proposed amendments to ISA 620, and are appropriate to maintain interoperability with the new provisions in the Code related to using the work of an external expert?

(See EM, Section 1-F)

Overall response: Agree (with no further comments)

Detailed comments (if any):

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

Detailed comments (if any):

Other Matters

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

Overall response: No other matters to raise

Detailed comments (if any):

Part C: Request for General Comments

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

5. 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.

Overall response: No response

Detailed comments (if any):

6. Effective Date—Given the public interest benefit of aligning the effective date of these proposed narrow-scope amendments with the effective date of the revised Code provisions related to using the work of an external expert, the IAASB believes that an appropriate implementation period would be approximately 12 months after the PIOB's process of certification of the final narrow-scope amendments. The IAASB welcomes comments on whether this would provide a sufficient period to support effective implementation of the narrow-scope amendments.

(See EM, Section 1-G)

Overall response: No response

Detailed comments (if any):