

Proposal to Revise ISA (Ireland) 600 Special Considerations - Audits of Group Financial Statements (Including the Work of Component Auditors)

A consultation issued for public consultation by the Irish Auditing and Accounting Supervisory Authority (IAASA)

Comments from ACCA
9 December 2022
Ref: TECH-CDR-2030

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Further information about ACCA's comments on the matters discussed here can be requested from:

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GENERAL COMMENTS

ACCA welcomes the opportunity to respond to the Proposal to Revise ISA (Ireland) 600 Special Considerations - Audits of Group Financial Statements (Including the Work of Component Auditors). Our comments are as follows:

AREAS FOR SPECIFIC COMMENT

Question 1: Do you agree that it is in the public interest that IAASA revises ISA (Ireland) 600? If not, please give your reasons and describe any alternatives that you wish IAASA to consider.

Yes. We support maximum harmonisation with IAASB and FRC standards and we understand from our members in practice that, due to the reduction in UK resident auditors holding Irish audit registration and vice versa, many more Irish auditors need to reference ISA 600 both as lead and component auditor.

Question 2: In the context of IAASA's policy to make minimal amendments to the UK standards, are there any provisions in the proposed ISA (Ireland) 600 that conflict with Irish or EU law? If so, please:

- Identify the relevant legal provisions
- Give reasons for your view
- Describe how you believe these matters should be addressed in ISA (Ireland) 600.

We note that the text in 51D-1(b) is subtly different to the wording used in the legislation (Section 1527(7)(a)). The omission of the words 'where applicable' at the end of paragraph 51D-1(b) is potentially problematic. It is not clear if the words 'where applicable' mean that the report needs to be made to either the relevant Supervisory Authority or the recognised accountancy body; or if the words 'where applicable' mean that the report is made to the auditor's competent authority when it is applicable (ie necessary) to do so. We can see no reason why an automatic report would need to be made in each and every instance where Paragraph 29D-1 cannot be complied with. However, we can see situations where a report may be necessary and applicable where, for example, an inspection is being performed by IAASA or a professional body on the particular group audit. We recommend reverting to the exact words in the legislation.



Question 3: In the context of IAASA’s policy to make minimal amendments to the UK standards, are there any areas where there are distinct differences between the Irish and UK markets which would impact on the applicability of the revised standard in Ireland? If so, please:

- **Give your reasons**
- **Identify the market sectors, entities etc. in Ireland impacted by the proposed standard**
- **Describe how you believe these matters should be addressed in ISA (Ireland) 600.**

While the desire to maintain conformity with the FRC standard is well understood, there are some statutory disclosures and disclosures by exception required in an Irish audit report. Paragraph 45 could usefully be added to through the inclusion of a reference to such disclosures especially as those may not be a requirement for component auditors in other countries.

Question 4: Is the proposed effective date, i.e. for audits of group financial statements for periods beginning on or after 15 December 2023, appropriate? If not, please give reasons and indicate the effective date that you would consider appropriate.

Yes.