

Meeting: IESBA CAG
Meeting Location: Virtual
Meeting Date: September 6, 2022

Agenda Item

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Engagement Team – Group Audits Independence

Objectives of Agenda Item

1. To consider key matters raised by respondents to the Exposure Draft, [Proposed Revisions to the Code Relating to the Definition of Engagement Team and Group Audits](#) (ED), and the Task Force's responses.
2. To provide advice to the Task Force and the IESBA on the matters presented.

Task Force

3. Members:
 - Caroline Lee, Chair, IESBA Deputy Chair
 - Saadiya Adam, IESBA member
 - Denise Canavan, former IESBA Technical Advisor
 - Andrew Pinkney, IESBA Technical Advisor

Project Timeline

4. At the September 2021 meeting, the CAG considered the Task Force's proposed revisions to the definitions of the terms "engagement team," "audit team," "review team," and "assurance team;" and the proposed text of changes to Part 4A of the Code to address independence considerations in a group audit.
5. At its December 2021 meeting, the IESBA approved the proposed changes to the Code for exposure and published the ED in February 2022, with a comment period until May 31, 2022.
6. During the March 2022 CAG meeting, CAG Representatives were provided with a [report back](#) on the September 2021 CAG discussion, including how the Task Force or the IESBA had responded to Representatives' comments.
7. The IESBA will undertake a full review of the significant comments received on the ED and the Task Force's responses and proposed changes to the ED for first-read at the September 2022 IESBA meeting.

Next Steps

8. Following the September IESBA meeting, the Task Force plans further outreach with the following stakeholders in Q4:
 - IOSCO Committee 1

- IFIAR Standards Coordination Working Group
 - Forum of Firms
9. Subject to the outcome of the CAG and IESBA discussions in September and the Q4 outreach, the Task Force plans to seek IESBA approval of the final pronouncement at the December 2022 IESBA meeting.

CAG Reference Material

[Significant Comments on ED and Task Force Proposals \(Agenda Item 5-A of September 2022 IESBA Meeting\)](#)

[Proposed Revised Text \(Mark-up from ED\) \(Agenda Item 5-B of September 2022 IESBA Meeting\)](#)

Matters for CAG Consideration

10. Representatives are asked to:
- (a) Consider the key matters highlighted during the presentation at the meeting; and
 - (b) Provide advice to inform the IESBA's deliberations in finalizing the changes to the Code.