

STATEMENT OF PRINCIPLE

STANDARDS OF AUDITING

INTRODUCTION

Regulation 5 of the Accountants (Quality Assurance) Regulations 2016 states -

(1) A public practice firm, a practitioner member and any designated professional providing assurance services shall comply with -

(a) the professional standards referred to in the public practice firm's assurance report;

(b) any related quality control standards; and

(c) any procedures established by the public practice firm.

(2) An assurance engagement provided by a person or firm referred to in paragraph (1) shall be conducted in accordance with standards issued by -

(a) the International Auditing and Assurance Standards Board; or

(b) the Generally Accepted Auditing Standards promulgated by the Auditing Standards Board, a division of the American Institute of Certified Public Accountant,

*or with **any standards assessed as equivalent to those standards by the Institute** or the International Auditing and Assurance Standards Board.*

PROVISIONAL ASSESSMENT OF EQUIVALENCY BY CIIPA

1. In the absence of a transitional provision being included with respect to Regulation 5(2) in the Law or Regulations, CIIPA has determined that for audit reports issued for year ends up to and including to **December 15, 2017**, any auditing standards used by public practice firms for engagements other than those issued by the International Auditing and Assurance Standards Board (International Standards on Auditing (“ISAs”)) or the Generally Accepted Auditing Standards promulgated by the Auditing Standards Board of the American Institute of Certified Public Accountant (“US GAAS”) will be assessed as equivalent.
2. Regardless of the standards used however, the firm must comply with all provisions of the Law and Regulations, in particular Regulation 5(1) and Regulation 6 and should endeavour to meet the baseline requirements of ISAs when performing its audits.
3. CIIPA will conduct an in-depth review of alternative auditing standards with a view to assessing the equivalency with ISAs.
4. Publication of this list of equivalent standards is planned to occur before or on **July 1 2017**, and **this list of standards will be applicable for audits of accounting periods ending after December 15, 2017.**