

CPA Canada handbook – assurance

highlight summary no. 41

November 2023

[CAS 260](#), Communication with Those Charged with Governance

CAS 260 includes a new requirement in paragraph [17](#). It requires auditors to communicate with those charged with governance the relevant ethical requirements, including those related to independence, that the auditor applies for the audit engagement including, if applicable in the circumstances, any independence requirements specific to audits of financial statements of certain entities.

The new requirement is effective for audits of financial statements for periods beginning on or after December 15, 2024.

[CAS 700](#), Forming an Opinion and Reporting on Financial Statements

CAS 700 includes new requirements in paragraphs [28\(c\)\(ii\)](#) and [50\(e\)\(ii\)](#). They require the auditor to state in the auditor's report that the auditor is independent of the entity in accordance with the independence requirements applicable to the audits of financial statements of certain entities. These requirements only apply when the relevant ethical requirements require the auditor to publicly disclose when the auditor applied independence requirements specific to audits of financial statements of certain entities.

The new and revised requirements are effective for audits of financial statements for periods beginning on or after December 15, 2024.

[CSRS 4400](#), Agreed-Upon Procedures Engagements

CSRS 4400 has been revised to correct the following errors made when the standard was previously approved.

- Add back the word “ordinarily” to paragraphs [C13C\(k\)](#) and [CA14](#) so as not to restrict the application of CSRS 4400 to practitioners who are required to comply with the rules of professional conduct / code of ethics applicable to the practice of public accounting issued by various professional accounting bodies.
- Replace the reference to the IESBA Code in paragraph [30\(k\)](#) with relevant ethical requirements set out in rules of professional conduct / code of ethics applicable to the practice of public accounting.

The revised requirements are effective as of November 1, 2023.

Archived Pronouncements

To give Handbook readers continued access to superseded paragraphs, the [Archived Pronouncements](#) set out the wording of those paragraphs. The archived material will be withdrawn from the Handbook when it is no longer effective.