

**Overview of New Zealand contextual changes made to the International *Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants**

1. Changes made as a result of the mandate of the NZAuASB:

<b>International Code</b>	<b>Proposed PES 1</b>	<b>Comment</b>
professional accountant, professional accountant in public practice, or accountant	assurance practitioner	NZAuASB scope is limited to assurance providers.
public practice	delete	Applies to assurance practitioners only
Employer or employing organization	delete	Relates to Part 2
Part 2 – Professional accountants in Business	delete	Not related to assurance services
professional services (note: professional service is not changed)	assurance services (exceptions 310.9 A2 and R310.10) or when applicable, non-assurance services	Mandate covers assurance work only.
work assignments	assurance engagements	Mandate only covers assurance engagements not all work assignments
work environment	systems and procedures	Mandate restricted to assurance environment
technical and professional standards	standards issued by the External Reporting Board, the New Zealand Auditing and Assurance Standards Board and the New Zealand Accounting Standards Board	Only the XRB standards are binding.
professional	Either professional/assurance practitioner/ individual	As appropriate in the context
Opinion	Opinion or conclusion	Assurance practitioner expresses an opinion in an audit, conclusion in a review engagement.

2. Other changes:

<b>International Code</b>	<b>Draft PES 1</b>	<b>Comment</b>
listed entity	FMC reporting entity considered to have a higher level of accountability	Defined term
Assurance Framework	Delete or refer to EG Au1	XRB or NZAuASB has not issued the Framework
profession	accountancy profession	More specific
ISQC1	Professional and Ethical Standard 3 (Amended), <i>Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements</i>	Amend international references to refer to NZ standards.

3. NZ spelling changes:

<b>International Code</b>	<b>Draft PES 1</b>
behavior	behaviour
inquiry	enquiry
judgment	judgement
skepticism	scepticism
z	s