

**Use of Experts Project – Glossary**

(Mark Up from: [October](#) IESBA Circulation, [September](#), and Extant)

**Glossary – Mark Up from [October](#) IESBA Circulation**

<p>Expert</p>	<p>An individual <del>or organization</del> possessing expertise that is outside the professional accountant’s or sustainability assurance practitioner’s competence. <del>This excludes individuals employed by an employing organization or firm. Where appropriate, the term also refers to the individual’s organization.</del></p> <p><del>Sections 290, 390 and 5390 set out the relevant ethical requirements addressing the use of the work of an external expert other than a management’s expert.</del></p> <p><b>[Note to IESBA:</b> The TF considered an IESBA participant’s Oct comment regarding whether it is necessary to define the term “expert”. The TF’s view is that it is necessary to define it, as this term is used throughout the extant Code, and also would include internal experts.]</p>
<p>Expertise</p>	<p>Knowledge and skills in a particular field.</p>
<p>External Expert</p>	<p>An expert engaged by a professional accountant’s employing organization or firm, <del>or by a sustainability assurance practitioner.</del></p> <p>In the context of audit engagements, an expert (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) possessing expertise in a field other than accounting or auditing, whose work in that field is used to assist the professional accountant in obtaining sufficient appropriate <u>audit</u> evidence.</p> <p>In the context of assurance engagements, including sustainability assurance engagements, an expert (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) possessing expertise in a field other than assurance, whose work in that field is used to assist the professional accountant or sustainability assurance practitioner in obtaining sufficient appropriate evidence.</p> <p><i>External experts are not members of the engagement team, audit team, review team, assurance team, or sustainability assurance team.</i></p> <p><del>Sections 290, 390 and 5390 set out the relevant ethical requirements addressing the use of the work of an external expert other than a management’s expert.</del></p>

## Glossary – Mark Up from September

The proposed new definition of “expert” in the glossary has been revised since the scope of the proposed section 390 has been refined to focus on “external experts” only, following the September IESBA feedback.

The proposed new definition of “management’s expert” in the glossary has been removed following September IESBA feedback that it is not necessary.

For details, please refer to Part 3 (Mark-Up from September IESBA Papers).

Expert	<p>An individual <del>or organization</del> possessing expertise that is outside the professional accountant’s or sustainability assurance practitioner’s competence. <del>This excludes internal auditors employed or engaged by an employing organization or client. Where appropriate, the term also refers to the individual’s organization.</del></p> <p><del>Sections 290 and 390 set out the relevant ethical requirements addressing the use of the work of an expert other than a management’s expert.</del></p>
Expertise	<p>Knowledge and skills in a particular field.</p>
External Expert	<p><del>In the context of Parts 2 and 3, a</del>An expert engaged by a professional accountant’s employing organization or firm, <u>or by a sustainability assurance practitioner.</u></p> <p>In the context of audit engagements, an expert (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) possessing expertise in a field other than accounting <u>or</u>, auditing, <del>or assurance</del>, whose work in that field is used to assist the professional accountant in obtaining sufficient appropriate <u>audit</u> evidence.</p> <p>In the context of assurance engagements, including sustainability assurance engagements, an expert (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) possessing expertise in a field other than assurance, whose work in that field is used to assist the <u>professional accountant or</u> sustainability assurance practitioner in obtaining sufficient appropriate evidence.</p> <p><i>External experts are not members of the engagement team, audit team, review team, assurance team, or sustainability assurance team.</i></p> <p><u>Sections 290, 390 and 5390 set out the relevant ethical requirements addressing the use of the work of an external expert.</u></p>
Management’s Expert	<p><del>An individual or organization possessing expertise in a field other than accounting, auditing, or assurance whose work in that field is used by the entity to assist the entity in preparing the financial or non-financial information.</del></p> <p><del>A management’s expert is not an external expert.</del></p>

## Glossary – Mark Up from Extant

<u>Expert</u>	<u>An individual possessing expertise that is outside the professional accountant's or sustainability assurance practitioner's competence. Where appropriate, the term also refers to the individual's organization.</u>
<u>Expertise</u>	<u>Knowledge and skills in a particular field.</u>
External Expert	<p><u>An expert engaged by a professional accountant's employing organization or firm, or by a sustainability assurance practitioner.</u></p> <p><u>In the context of audit engagements, A <del>an expert individual</del> (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) <del>or organization</del> possessing <del>expertise skills, knowledge and experience</del> in a field other than accounting or auditing, whose work in that field is used to assist the professional accountant in obtaining sufficient appropriate <u>audit</u> evidence.</u></p> <p><u>In the context of assurance engagements, including sustainability assurance engagements, A <del>an expert individual</del> (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) <del>or organization</del> possessing <del>expertise skills, knowledge and experience</del> in a field other than <del>assurance accounting or auditing</del>, whose work in that field is used to assist the professional accountant <u>or sustainability assurance practitioner</u> in obtaining sufficient appropriate evidence.</u></p> <p><u><i>External experts are not members of the engagement team, audit team, review team, assurance team, or sustainability assurance team.</i></u></p> <p><u><i>Sections 290, 390 and 5390 set out the relevant ethical requirements addressing the use of the work of an external expert.</i></u></p>

For Reference – Other Relevant Extant Code Definitions

- Engagement team – All partners and staff performing the engagement, and any other individuals who perform procedures on the engagement, excluding external experts and internal auditors who provide direct assistance on the engagement.
- Audit/ Assurance team – (a) All members of the engagement team for the audit/ assurance engagement; (b) All others within, or engaged by, the firm who can directly influence the outcome of the audit engagement, including: ... (ii) Those who provide consultation regarding technical or industry-specific issues, transactions or events for the engagement; ... and ... (c) Any other individuals within a network firm who can directly influence the outcome of the audit engagement.

For Reference – Relevant Definitions in ISAs/ISSA

- ISA 620: Auditor's expert – An individual or organization possessing expertise in a field other than accounting or auditing, whose work in that field is used by the auditor to assist the auditor in obtaining sufficient appropriate audit evidence. An auditor's expert may be either an auditor's internal expert (who is a partner or staff, including temporary staff, of the auditor's firm or a network firm), or an auditor's external expert.
- ISA 620: Expertise – Skills, knowledge and experience in a particular field.
- ISA 610: Internal audit function – A function of an entity that performs assurance and consulting activities designed to evaluate and improve the effectiveness of the entity's governance, risk management and internal control processes.
- ISA 500 (Revised) ED: Management's expert – An individual or organization possessing expertise in a field other than accounting or auditing, whose work in that field is used by the entity to assist the entity in preparing the financial statements.
- ISSA 5000 ED: Management's expert – An individual or organization possessing expertise in a field other than assurance, whose work in that field is used by the entity to assist the entity in preparing the sustainability information.
- ISSA 5000 ED: Practitioner's expert – An individual or organization possessing expertise in a field other than assurance, whose work in that field is used by the practitioner in obtaining sufficient appropriate evidence. A practitioner's expert may be either a practitioner's internal expert (who is a partner or staff, including temporary staff, of the practitioner's firm or a network firm), or a practitioner's external expert.
- ISAE 3000: Practitioner's expert – An individual or organization possessing expertise in a field other than assurance, whose work in that field is used by the practitioner to assist the practitioner in obtaining sufficient appropriate evidence. A practitioner's expert may be either a practitioner's internal expert (who is a partner or staff, including temporary staff, of the practitioner's firm or a network firm), or a practitioner's external expert.