

## Using the Work of an External Expert Revisions to Extant Code (Sections 220 and 320)

### SECTION 220 (MARK UP FROM ED)

#### PREPARATION AND PRESENTATION OF INFORMATION

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#### Requirements and Application Material

##### General

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##### Using the Work of Others

**R220.7** A professional accountant who intends to use the work of others, whether internal or external to the employing organization, or other organizations, shall exercise professional judgment to determine the appropriate steps to take, if any, in order to fulfill the responsibilities set out in paragraph R220.4.

220.7 A1 For the purposes of this section, the work of others excludes the work of an external expert. When a professional accountant intends to use the work of an external expert, the requirements and application material set out in Section 290 apply.

220.7 A2 Factors to consider when a professional accountant intends to use the work of others include:

- The reputation and ~~competence~~ expertise of, and resources available to, the other individual or organization.
- Whether the other individual is subject to applicable professional and ethics standards.

Such information might be gained from prior association with, or from consulting others about, the other individual or organization.

Revert to extant Code's use of "expertise" to align with the definition of an expert "an individual possessing *expertise* that is outside the PA's or SAP's competence.

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## SECTION 320

### PROFESSIONAL APPOINTMENTS

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#### Requirements and Application Material

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Paragraphs R320.10 and 320.10 A1 were withdrawn in the ED  
(REINSTATED EXTANT, MARK UP FROM EXTANT)

#### Using the Work of an Expert

**R320.10** When a professional accountant intends to use the work of an expert in the course of undertaking a professional activity, the accountant shall determine whether the use is appropriate for the intended purpose.

320.10 A1 For the purposes of this section, the work of an external expert is excluded. When a professional accountant intends to use the work of an external expert, the requirements and application material set out in Section 390 apply.

320.10 A<sup>24</sup> Factors to consider when a professional accountant intends to use the work of an expert include:

- The reputation and expertise of, and the resources available to, the expert.
- Whether the expert is subject to applicable professional and ethics standards.

Such information might be gained from prior association with, or from consulting others about, the expert.

Reinstated extant paragraphs R320.10 to 320.10 A1 and added a new paragraph to point to Section 390 when the work of an external expert is used. Responsive to a regulators' comment that the extant paragraphs should still apply to experts that do not meet the definition of an external expert.

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#### Other Considerations (MARK UP FROM ED)

320.1<sup>24</sup> A1 When a professional accountant is considering using the work of experts or the output of technology, a consideration is whether the accountant is in a position within the firm to obtain information in relation to the factors necessary to determine whether such use is appropriate.

320.1<sup>24</sup> A2 When a professional accountant intends to use the work of an external expert, the requirements and application material set out in Section 390 apply.

Reinstated extant wording in 320.12 A2 as the paragraph still applies to experts that do not meet the definition of an external expert. Clarified in 320.12 A2 that it pertains to *external* experts.

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