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This standard was published in the *Gazette* on 9 April 2026 and takes effect on 7 May 2026. There is an [explanatory note](#) at the end of this standard that includes an explanation of how and from when this standard operates.

Amendments to Auditing Standards 2026

This standard is issued under section 12(b) of the [Financial Reporting Act 2013](#) by the New Zealand Auditing and Assurance Standards Board

- (a) acting under delegated authority of the External Reporting Board (given in accordance with section 73 of the Crown Entities Act 2004); and
- (b) after complying with section 22 of the Financial Reporting Act 2013.

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Title

0.1 This is the Amendments to Auditing Standards 2026.

Commencement

0.2 This standard takes effect on the 28th day after the date of its publication under the Legislation Act 2019 (see section 27 of the Financial Reporting Act 2013).

Principal standards

0.3 This standard amends the following principal standards:

- International Standard on Auditing (New Zealand) 620, *Using the Work of an Auditor's Expert (ISA (NZ) 620)*
- International Standard on Auditing (New Zealand) 720, *The Auditor's Responsibility Relating to Other Information (ISA (NZ) 720)*.
- International Standard on Auditing (New Zealand) 805, *Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement (ISA (NZ) 805)*.

How amendments are made

0.4 In this standard, text in the principal standard is deleted or inserted as follows:

- (a) text that is shown as ~~struck-out~~ is deleted from the stated provision of the principal standard
- (b) text that is shown as underlined is inserted into the provision, or is inserted as a new provision of the principal standard

Any other text included in this standard is only for the purposes of identifying these amendments within the principal standards.

Application

0.5 This standard commences to apply in relation to accounting periods that begin on or after 15 December 2026.

Amendments to International Standard on Auditing (New Zealand) 620, *Using the Work of an Auditor's Expert*

Paragraph 6(a) amended

6(a) Auditor's expert – An individual or organisation 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 partner¹ or staff, including temporary staff, of the auditor's firm or a network firm), or an auditor's external expert. (Ref: Para. A1–A3, A11–A13)

Paragraph 8 amended

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- (d) The auditor's knowledge of and experience with previous work performed by that expert; ~~and~~
- (e) Whether that expert is subject to the auditor's firm's system of quality management; ~~and~~ (Ref: Para. A11–A13)
- (f) Whether relevant ethical requirements include provisions related to using the work of an expert. (Ref: Para A13A)

New paragraph 9A inserted after paragraph 9

9A. If, based on the evaluation in accordance with paragraph 9, the auditor concludes that the auditor's expert does not have the necessary competence or capabilities, or that threats to the expert's objectivity cannot be eliminated or reduced to an acceptable level, the auditor shall not use the work of that expert. (Ref: Para. A19A–A19B)

New subheading and new paragraph A13A inserted after paragraph A13

Relevant Ethical Requirements (Ref: Para 8(f))

A13A. Relevant ethical requirements may include provisions that address an auditor's ethical responsibilities related to using the work of an expert in the performance of an audit of financial statements. For example, Professional and Ethical Standard (PES) 1, *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* includes provisions related to an assurance practitioner's use of the work of an external expert.²

New paragraph A16A inserted after paragraph A16

A16A. Relevant ethical requirements related to using the work of an auditor's expert may include provisions addressing the fulfilment of the auditor's ethical responsibilities related to evaluating whether an auditor's expert has the necessary competence, capabilities and objectivity for the auditor's purposes.³

¹ "Partner" and "firm" should be read as referring to their public sector equivalents where relevant.

² See Section 390 of PES 1

³ See, for example, paragraphs R390.6–R390.21 of the PES 1 related to using the work of an external expert.

New paragraph A18A inserted after paragraph A18 (relocated from paragraph A20 and amended)

A18A. When evaluating the objectivity of an auditor’s external expert, it may be relevant to:

- (a) Enquire of the entity about any known interests or relationships that the entity has with the auditor’s external expert that may affect that expert’s objectivity.
- (b) Discuss with that expert any applicable safeguards and evaluate whether the safeguards are adequate to reduce threats to an acceptable level. Interests and relationships that may be relevant to discuss with the auditor’s expert include:
 - Financial interests.
 - Business and personal relationships.
 - Provision of other services by the expert, including by the organisation in the case of an external expert that is an organisation.

In some cases, it may also be appropriate for the auditor to obtain a written representation from the auditor’s external expert about any interests or relationships with the entity of which that expert is aware. Relevant ethical requirements may also require the auditor to obtain information, in writing, from the auditor’s external expert regarding interests, relationships or circumstances that may create a threat to that expert’s objectivity.⁴

New subheading and new paragraphs A19A and A19B inserted after paragraph A19

Prohibition on Using the Work of an Auditor’s Expert (Ref: Para. 9A)

A19A. Using the work of an auditor’s expert that does not have the necessary competence, capabilities, or objectivity for the auditor’s purposes would affect the auditor’s fulfilment of fundamental ethical principles such as integrity, objectivity, and professional competence and due care.

A19B. Relevant ethical requirements may also prohibit the auditor from using the work of an auditor’s expert if the auditor is unable to determine whether the expert has, or determines that the expert does not have, the necessary competence, capabilities, or objectivity for the auditor’s purposes.⁵

Paragraph A20 deleted (relocated to A18A)

~~A20. When evaluating the objectivity of an auditor’s external expert, it may be relevant to:~~

- ~~(a) Enquire of the entity about any known interests or relationships that the entity has with the auditor’s external expert that may affect that expert’s objectivity.~~
- ~~(b) Discuss with that expert any applicable safeguards, including any professional requirements that apply to that expert; and evaluate whether the safeguards are adequate to reduce threats to an acceptable level. Interests and relationships that may be relevant to discuss with the auditor’s expert include:~~
 - ~~• Financial interests.~~
 - ~~• Business and personal relationships.~~
 - ~~• Provision of other services by the expert, including by the organisation in the~~

⁴ See, for example, paragraphs R390.5 and R390.12–R390.17 of PES 1.

⁵ See, for example, paragraph R390.21 of PES 1 related to using the work of an external expert.

~~case of an external expert that is an organisation.~~

~~In some cases, it may also be appropriate for the auditor to obtain a written representation from the auditor's external expert about any interests or relationships with the entity of which that expert is aware.~~

Paragraph A24 amended

A24. The matters noted in paragraph 8 may affect the level of detail and formality of the agreement between the auditor and the auditor's expert, including whether it is appropriate that the agreement be in writing. For example, the following factors may suggest the need for a more detailed agreement than would otherwise be the case, or for the agreement to be set out in writing:

- The auditor's expert will have access to sensitive or confidential entity information.
- The respective roles or responsibilities of the auditor and the auditor's expert are different from those normally expected.
- Multi-jurisdictional legal or regulatory requirements apply.
- Relevant ethical requirements require the provision of information in writing from an auditor's expert.⁶

Amend the Appendix under subheading Communications and Reporting

- The auditor's external expert's responsibility to communicate to the auditor all information that expert believes may be relevant to the audit, including any changes in circumstances previously communicated.
- If required by the provisions of relevant ethical requirements, the auditor's external expert's agreement to provide requested information in writing for purposes of assisting the auditor's evaluation of that expert's objectivity, and a commitment to communicate any changes to the information provided as set out in the relevant ethical requirements.⁷
- The auditor's external expert's responsibility to communicate circumstances that may create threats to that expert's objectivity, including any changes in those circumstances, and any relevant safeguards actions that may eliminate such threats, or safeguards that may reduce ~~such~~ those threats to an acceptable level.

Amendments to International Standard on Auditing (New Zealand) 720, *The Auditor's Responsibility Relating to Other Information*

Paragraph A3 amended

A3. In some cases, an entity's annual report may be a single document and referred to by the title "annual report" or by some other title. In other cases, law, regulation or custom may require the entity to report to owners (or similar stakeholders) information on the entity's operations and the entity's financial results and financial position as set out in the financial statements (i.e., an annual report) by way of a single document, or by way of two or more separate documents that in combination serve the same purpose. For example, depending on law, regulation or custom in a particular jurisdiction, one or more of the following documents may form part of the annual report:

⁶ See, for example, paragraphs R390.5 and R390.12–R390.17 of PES 1 related to using the work of an external expert.

⁷ See, for example, paragraphs R390.5 and R390.12–17 of PES 1.

- Management report, management commentary, or operating and financial review or similar reports by those charged with governance (for example, a directors' report).
- Chairman's statement.
- Corporate governance statement.
- Internal control and risk assessment reports.
- Sustainability reports or other sustainability-related information.

Paragraph A5 amended

A5. An annual report is different in nature, purpose and content from other reports, such as a report prepared to meet the information needs of a specific stakeholder group or a report prepared to comply with a specific regulatory reporting objective (even when such a report is required to be publicly available). Examples of reports that, when issued as standalone documents, are not typically part of the combination of documents that comprise an annual report (subject to law, regulation or custom), and that, therefore, are not other information within the scope of this ISA (NZ), include: ~~S~~ separate industry or regulatory reports (for example, capital adequacy reports), such as may be prepared in the banking, insurance, and pension industries or special purpose reports addressing certain kinds of sustainability information.

- ~~Corporate social responsibility reports.~~
- ~~Sustainability reports.~~
- ~~Diversity and equal opportunity reports.~~
- ~~Product responsibility reports.~~
- ~~Labour practices and working conditions reports.~~

Amendment to International Standard on Auditing (New Zealand) 805, Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement

Paragraph A4 amended

A4. A reasonable assurance engagement other than an audit of historical financial information is performed in accordance with International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (~~Revised~~),⁸ or International Standard on Sustainability Assurance (New Zealand) (ISSA (NZ)) 5000,⁹ as applicable.

Issued at Wellington on 1 April 2026

Graeme Pinfold

Chair

New Zealand Auditing and Assurance Standards Board acting under delegated authority of the External Reporting Board

⁸ ISAE (NZ) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*

⁹ ISSA (NZ) 5000, *General Requirements for Sustainability Assurance Engagements*

EXPLANATORY NOTE AND OTHER INFORMATION

This note and other information are not part of the standard

Explanatory note

This standard is the Amendments to Auditing Standards 2026.

This standard has been issued to ensure interoperability between the auditing (the principal standards) and Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* when using the work of an external expert. It also includes conforming amendments resulting from issue of International Standards on Sustainability Assurance (New Zealand) 5000, *General Requirements for Sustainability Assurance Engagements*.

This standard applies to accounting periods that begin on or after 15 December 2026.

The paragraph numbering within this Amendment Standard refers to the paragraph numbering of the Principal Standards as issued. The footnote numbering within this Amendment Standard may be adjusted consecutively rather than referring to the footnote numbering of the Principal Standards as issued. Accordingly, some paragraph and footnote numbering may not align with the compiled standard as published from time to time by the XRB on its [website](#).

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Minimum Legislative Information

This standard is secondary legislation published under the Legislation Act 2019.

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Principal or amendment	Amendment
Consolidated version	No
Empowering Act and provisions	Section 12(b) of the <u>Financial Reporting Act 2013</u> .
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