Outreach – IAASB Future Strategy

As part of the development of its Consultation Paper on its Strategy and Work Plan for 2020–2023, the IAASB recognized the importance of broader based feedback in the context of its strategy survey, with a deeper contextual awareness of viewpoints, expectations, and perceptions around stakeholder needs and the influences that are shaping the current and future environment. In order to be as informed as it can, the IAASB commenced targeted outreach with stakeholders who do not traditionally respond to the strategy survey (such as investor groups, company director groups, groups representing those charged with governance, preparers of financial statements, and smaller firms).

This Supplement sets out feedback to date (this outreach is ongoing into the fourth quarter) and any further input will be presented as part of the Board’s December discussions. Key themes from this outreach to date, which includes the views from six stakeholder discussions, as well as a focus group of analysts, directors and preparers, include that:

- Trust and confidence in independent assurance is important but eroding, in particular in light of recent corporate scandals. Continuing to understand the needs of investors is important, and the importance of a strong audit committee was highlighted.
- The speed of standard-setting needs to be considered in light of the evolving environment.
- More needs to be done to ensure effective implementation of standards.
- The IAASB needs to continue its outreach – input in this way helps inform the IAASB’s activities.
- The IAASB needs to focus on its core activities – it “cannot be all things to all people.”
- It is important for key stakeholders, such as the regulators, to spend time together to provide context for different views.
- The importance of the engagement team and the engagement partner doing the right things at the right time and, in particular, the involvement of the engagement partner.
- Further consideration may be needed about the audit model, in light of how audits will be performed in the future (for example, changing business models) as well as who is undertaking the work (i.e., the skills that will be needed to undertake the work).
- Focus needs to be on:
  - Technology.
  - Sustainability reporting / emerging forms of reporting.
- Skepticism is important – further work is needed to understand what really drives skepticism.
- Auditors should strive to do more relating to fraud.
- Post-implementation reviews are important to understand whether the objectives of projects have been met. It was highlighted that this will be important relating to the auditor reporting standards, in particular key audit matters.