

IAASB Strategy and Work Plan 2024-2027

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IAASB Meeting

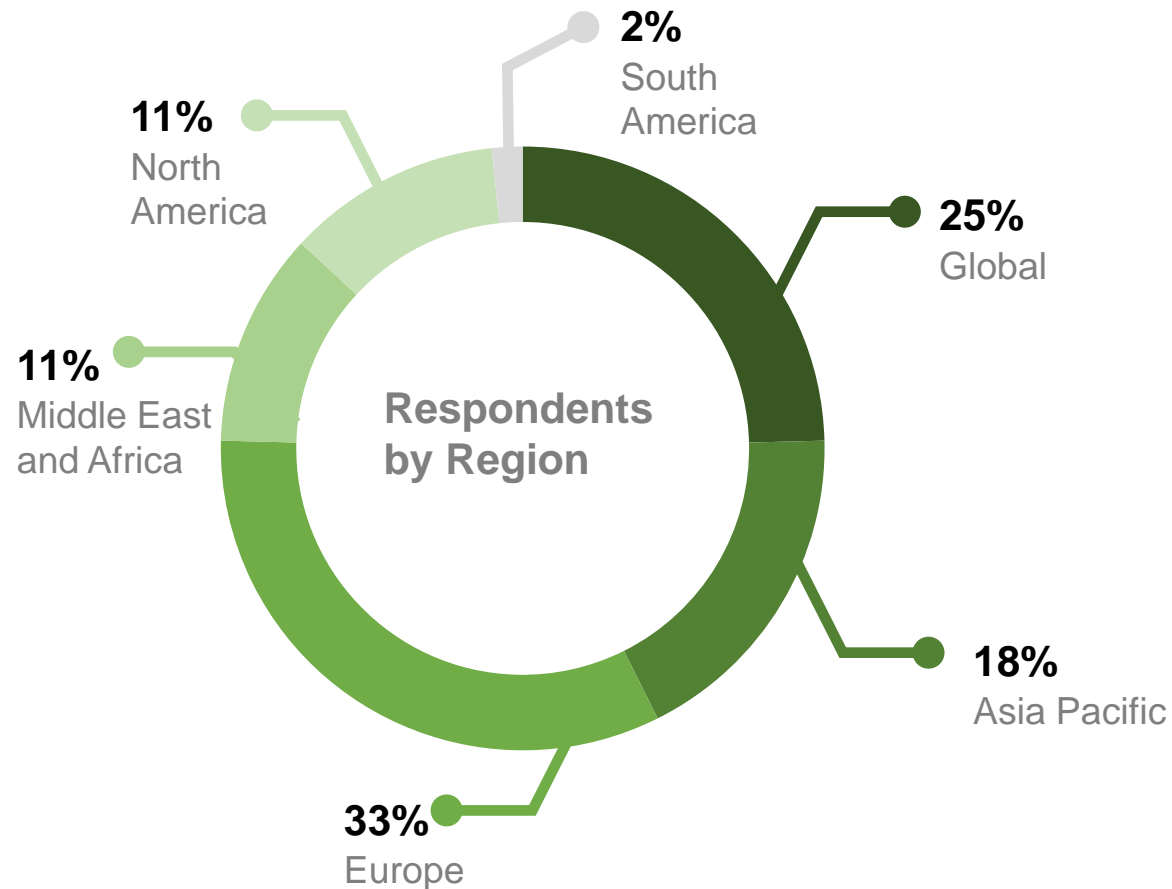
September 19, 2023

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Recap

Consultation Paper – Breakdown of Respondents



Stakeholders Type	No.
Monitoring Group	3
Investors and Analysts	2
Regulators and Audit Oversight Authorities	6
National Auditing Standard Setters	11
Public Sector Organizations	1
Academics	1
Individuals and Others	5
Accounting Firms	11
Member Bodies and Other Professional Organizations	21
Total	61

SWP – Feedback from CAG

- ❑ Broadly supportive of the proposed changes to the strategy section and initial views and direction about programming decisions in the work plan section
- ❑ Highlighted the importance of focusing on the impact of technology and its integration in the standards (mentioned specific technologies, e.g., AI, and use of technology in the standard-setting process)
- ❑ Post Implementation Reviews cited as a valuable means to obtain feedback and as an important candidate for a new project(s) during the upcoming work plan period
- ❑ Support noted for ‘Option II’ regarding ED-500, ISA 330 and standards in the ISA 500-series
- ❑ Support for revising ISA 320, ISA 620 and ISA 720R (noting that these topics also have a link to sustainability assurance), as well as updating the EER Guidance
- ❑ Suggestion for a flexible approach in developing further standards on sustainability assurance
- ❑ Suggestion to specifically ask about the continuation of projects underway in future consultations

Strategy

Goal, Keys to Success and Stakeholder Value Proposition

Q1

- 87% response rate

Q2

- Broad support from respondents

Q3

- Goal refined based on suggestions from respondents

Q4

Q5

Q6

Q7

Q8

To serve the public interest by:

Developing the globally accepted and leading audit, review and other assurance standards enabling the consistent performance of quality engagements that enhance trust in external reporting and evolve in a timely manner to meet changing public interest demands

Keys to success

- Commitment to engage, listen and learn
- Collective competencies, capabilities, and experience of our people at the Board and Staff levels,
- Confidence in the quality of our processes

Stakeholder Value Proposition

- Our standards
- Engagement with our stakeholders
- Coordination with other standard setters
- Work Plan
- Processes

Matters for IAASB Consideration

The IAASB is asked for its views on the Goal, Keys to Success, and Stakeholder Value as presented in **Agenda Item 5-B** and in view of the matters discussed in **Section C.1 in Agenda Item 5**

Strategic Drivers, Objectives and Actions

Q1			
Q2	Increased and More Diverse Demands for Our Standards	Confronting 'Headwinds' to Adoption of Standards	Changing Demands to Our Ways of Working
Q3	Heightened supervisory scrutiny	Value of cooperation across independent standard-setting bodies	Attract top talent at the Board and Staff levels
Q4	Impact of technology	Evolving expectations around sustainability assurance	Increasingly tight timelines to meet heightened expectations.
Q5	Sustainability reporting and other evolving areas for assurance engagements	Impact of and reasons for jurisdictions developing their own audit and assurance standards	Implement the Monitoring Group reforms
Q6	Diverse demands across the spectrum of stakeholders reflecting the breadth of the global economy	Increasingly complex to manage global engagement with new stakeholders	Ability to leverage technology
Q7	Supporting the implementation of our standards		
Q8			

Support the Consistent Performance of Quality Audit Engagements by Enhancing Our Auditing Standards in Areas Where There Is the Greatest Public Interest Need

Strengthen Coordination with IESBA and Other Leading Standard Setters and Regulators to Leverage Better Collective Actions in the Public Interest



Establish Globally Accepted Standard(s) for Assurance on Sustainability Reporting

Create more Agile, Innovative Ways of Working in Line with the Monitoring Group's Reform Vision

Matters for IAASB Consideration

The IAASB is asked for its views on the Strategic Drivers, Objectives and Actions as presented in **Agenda Item 5-B** and in view of the matters discussed in **Sections C.1 and C.2** in **Agenda Item 5**

Work Plan

Work Plan

Q1

Q2

Q3

Q4

Q5

Q6

Q7

Q8

Our Work Plan is focused on the ongoing, timely identification of new or emerging issues that may affect our global standards, and timely analysis and resolution of these identified issues

- Balance Between Audits and Reviews, and Sustainability and Other Assurance Engagements
 - Estimated split of 70 percent of resources and time allocated to Audit and Review-specific work
- Overarching Considerations
 - Anticipated capacity to accommodate around five to seven parallel standard-setting projects
 - Projects underway at the start of 2024
 - Candidate topics for new projects, including post-implementation reviews
 - Requests for implementation support activities

Possible Programming Decisions

Q1

Q2

Q3

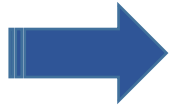
Q4

Q5

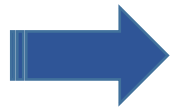
Q6

Q7

Q8



Which topics qualify; the order of priority; right time to commence



The criteria in the Framework for Activities provide an appropriate basis for the Board's programming decisions



Appropriate to also reflect on the balance between taking on new projects and the possible cumulative effect of successive fundamental changes to standards

Audits and Reviews

Q1

Q2

Q3

Q4

Q5

Q6

Q7

Q8

Focus on the impact of technology

- More strategic, broader considered approach
- Embed technology in ISAs
- Planning Committee considered 2 options:
 - a) ISA 330 project and a technology project focused on standards in the ISA 500-series
 - b) Expanded audit evidence and risk response project, and a technology project focused on other targeted standards

Other topics

- “Joint Audits” not a candidate for a new project
- The revision of ISRE 2410 ranks high as a candidate topic (strong arguments in favor vs views of not a priority compared to other topics)
- ISA 320 also ranks high (support between stakeholder groups varied)
- ISA 620 and ISA 720 (Revised) ranks behind the above topics. Comments also noted the IESBA project on Experts.

Post Implementation Reviews

- Respondents supported the IAASB undertaking post-implementation reviews for:
 - ISA 540 (Revised)
 - ISA 315 (Revised 2019)
 - Quality Management Standards
- PIR for Quality Management Standards is unlikely for this work plan period given their effective date and the period of implementation that should be allowed for

Matters for IAASB Consideration

The IAASB is asked for its views on possible programming decisions in finalizing the Audits and Reviews section of the Work Plan, including with respect to the matters discussed in **Section D.1** in **Agenda Item 5**

Sustainability and Other Assurance Engagements

	Bespoke Suite of Standards on Sustainability Assurance	ISAE 3000 (R), ISAE 3410, and EER Guidance	Assurance on XBRL
Q1			
Q2			
Q3			
Q4	<ul style="list-style-type: none">• Strong support for a bespoke suite of standards	<ul style="list-style-type: none">• Views that a focus on these are important to avoid confusion with ISSA 5000	<ul style="list-style-type: none">• Mixed views by respondents
Q5	<ul style="list-style-type: none">• Few respondents suggested candidate topics for possible further standards	<ul style="list-style-type: none">• Need identified to update EER Guidance	<ul style="list-style-type: none">• Increased use of digital reporting recognized. Other views about global relevance of topic; ISAE 3000 (R) can be used; not priority compared to other topics
Q6	<ul style="list-style-type: none">• Need for sufficient time to implement ISSA 5000 before a project(s) for further standards	<ul style="list-style-type: none">• Need identified to clarify relationship between ISSA 5000 and ISAE 3410	<ul style="list-style-type: none">• Views supporting a research project or updating ISAE 3000 (R) to better accommodate XBRL
Q7	<ul style="list-style-type: none">• Prudent to have a placeholder in line with Board's commitment to the ISSA suite	<ul style="list-style-type: none">• Actions to complement ISSA 5000 are likely. A project on ISAE 3000 (R) is unlikely.	<ul style="list-style-type: none">• On balance, it is unlikely that a project would be commenced
Q8			

Matters for IAASB Consideration

The IAASB is asked for its views on possible programming decisions in finalizing the Sustainability and Other Assurance Engagements section of the Work Plan, including with respect to the matters discussed in **Section D.2** in **Agenda Item 5**

Other Considerations

Other Considerations

Q1

Q2

Q3

Q4

Q5

Q6

Q7

Q8

IAASB/IESBA Coordination

- Importance of maintaining and enhancing coordination between the two Boards
- Systematic approach to coordination
- Efforts at the start of the work plan period will particularly focus on our parallel projects – Sustainability; Listed Entity and PIE
- Continued attention: IESBA project on Experts; IAASB projects focused on the impact of technology; Other projects per final work plans
- Project identification and scoping is a key stage to benefit from coordination

Other Matters

- Need for the IAASB to stay focused on developing principle-based standards
- IAASB to be more detailed in relation to work plan matters such as project priorities, project objectives, targeted outputs, project timelines, and allocation of resources.
- Other one-off comments did not warrant further revisions

Matters for IAASB Consideration

The IAASB is asked whether there are any other matters that the Planning Committee should consider in updating the Strategy and Work Plan

Way Forward

Way Forward

Joint IESBA/IAASB meeting on
September 21

Coordination with IESBA and Audit
Evidence Task Force

Outreach activities

December 2023
Targeted Approval
of the SWP

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