

*International Auditing and Assurance Standards  
Board*

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## The IAASB's Strategy and Work Plan for 2024–2027

Revised Draft of the Strategy and  
Work Plan – marked from  
September 2023

## **About the International Auditing and Assurance Standards Board (IAASB)**

We are a global independent standard-setting body that serves the public interest by setting high-quality international standards.

We believe that a single set of robust international standards contributes to enhanced engagement quality and consistency of practice throughout the world and strengthened public confidence in the global auditing and assurance profession. We set our standards in the public interest under the oversight of the Public Interest Oversight Board (PIOB).

## Chair's Foreword

[Placeholder – Foreword will be updated before the final release of the Strategy and Work Plan] Audit and assurance play vital roles in the world's economies. At its best, the opinion of audit and assurance practitioners enhance trust in markets and assist in efficient, sustainable resource allocation. This public interest mission is the reason that I, as a non-auditor, feel so passionately about the need to develop standards of the highest quality and relevance to underpin auditors' work.

The IAASB is now entering the fourth and final year of its current strategy. At this point, it is appropriate to pause and reflect on our current strategy's success. I also see the current moment as an opportunity to engage with our stakeholders on how to improve our work to ensure that the public interest is being best served through IAASB standards. Therefore, this Consultation Paper is meant to stimulate discussion and advice.



In many ways, this proposed Strategy builds upon the current strategy, with an emphasis on standards that enable the performance of high-quality engagements to enhance trust in markets. This proposed Strategy also comes at an exciting time for the IAASB and the International Ethics Standards Board for Accountants (IESBA) as we implement the [Monitoring Group reform recommendations](#) aimed at strengthening the independence and accountability of standard setting. This proposed Strategy, with the benefit of these reforms, will strengthen our ability to adapt to rapidly changing public interest demands. Our commitment in this proposed Strategy to developing a global baseline for sustainability assurance standards is maybe the strongest, but not exclusive, example of how we moved quickly to address emerging public interest requirements.

We know that we cannot act alone. The external reporting ecosystem depends on a range of participants—corporate preparers, board directors, investors, auditor and assurance practitioners, standard-setters, and regulators, among others. Our current strategy emphasized the need for enhanced outreach to all these groups. We will not step back from that level of engagement. This proposed Strategy also notes that the amount of standard-setting and regulatory initiatives across the world is only growing. We, in coordination with IESBA, will engage with our regulatory and standard-setting partners to help ensure that our coordinated actions strengthen trust in markets.

This proposed Strategy and Work Plan attempts to articulate these points and the specific actions that we will take over the next four years to achieve our goal.

We want to hear your views but are cognizant of the many requests and demands placed on our stakeholders. The pandemic has stretched capacity, and significant effort is underway to implement new standards. Therefore, please feel free to only respond to those parts of the consultation document that you feel most warrant attention or are most relevant to your work.

We value and need your input if we are going to fulfill our public interest mission.

Yours sincerely,

Tom Seidenstein

IAASB Chair

## Section I: Our Strategy for 2024–2027

We recognize the valuable role that high-quality, globally accepted quality management, audit and other assurance, and related services standards play in strengthening confidence in the external reporting ecosystem. That ecosystem comprises preparers (i.e., entities and their management), those charged with governance, users of externally reported information, auditors, assurance and other practitioners, international and jurisdictional standard setters, and regulators and oversight bodies.

With our standards used in more than approximately 130 jurisdictions throughout the world,<sup>1</sup> we recognize the positive impact that our standards make to the global economy. Our Strategy is an opportunity to articulate how we fulfill our public interest mandate. We have benefited from our stakeholders' advice as to how we can continue to evolve our approach and our work to effectively serve markets. Our Strategy will serve as a beacon to guide us in terms of the impact that we will have on, and for our stakeholders.

### Our Goal

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*

Our goal represents the aspirational outcome that we strive to achieve. It has been set in the context of the environment in which we operate and the needs that we serve. It reflects our public interest mandate affirmed by the recent Monitoring Group reform recommendations and it also incorporates our consideration of relevant strategic drivers (see pages 7–910). ~~Although To be clear, we are committed to supporting our the full suite of IAASB international quality management and engagement standards. However, for this strategy period comprises the following, our goal emphasizes our focus for the 2024–2027 strategy and work plan period, on audits and reviews of financial statements and other assurance engagements. :~~

~~International Standards on Quality Management (ISQMs)~~

~~Engagement standards for audits and reviews of historical financial statements and other historical financial information—~~

<sup>1</sup> These numbers have been determined from publicly available information provided by the International Federation of Accountants (IFAC) about jurisdictions using, or committed to using, the ISAs and are subject to change (134 jurisdictions from information available in August 2023).

~~International Standards on Auditing (ISAs)~~

~~The ISA for Audits of Financial Statements of Less Complex Entities (the ISA for LCE)~~

~~International Standards on Review Engagements (ISREs)~~

~~Engagement standards for other assurance engagements (i.e., other than audits and reviews)—~~

~~International Standards on Assurance Engagements (ISAEs)~~

~~International Standards on Sustainability Assurance (ISSAs)~~

~~Engagement standards for related services—International Standards on Related Services (ISRSs)~~

Our goal provides a barometer to evaluate our progress. Benefitting from the oversight of the PIOB, we will monitor whether our standards continue to be adopted and incorporated throughout the world, whether our work in new areas (including sustainability, technology, and complexity) achieve the broad respect of and use by stakeholders, and whether our commitment to the public interest remains unchallenged.

Our Strategy describes our strategic objectives and resulting strategic actions as the best way to contribute to achieving our goal (see pages [4011](#)–[4416](#)).

## Our Keys to Success and Stakeholder Value Proposition

The following messages frame the broad lens of our strategic thinking.

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### Our Keys to Success

Achieving our Strategy:

- Through our commitment to engage, listen and learn, and to lead and adapt in our global standard-setting responsibilities.
  - Through our people at the Board and Staff levels, utilizing their collective competencies, capabilities, and experience, and benefiting from their diversity to deliver global solutions.
  - By fostering confidence in the quality of our processes and the relevance and credibility of our standards, evidenced by the many jurisdictions using or committed to using our standards.
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### Our Stakeholder Value Proposition

- **Our standards:** Globally relevant, coherent, scalable, proportionate, operable, and adaptable for the future. Our standards support the consistent performance of quality engagements and are developed through activities that are timely and responsive to the needs of our stakeholders.
  - **Our engagement with our stakeholders:** Timely and meaningful dialogue with a broad range of stakeholders. Backed up by coordination with the International Federation of Accountants (IFAC), our general outreach program, and project-specific and other targeted outreach activities support connectedness with our stakeholders, enhance our responsiveness and influence our standard-setting activities. This includes, as appropriate, convening stakeholders to hold roundtables, or using other forms of targeted consultation to ensure that we use a variety of means to engage stakeholders in our activities.
  - **Our coordination with other standard setters:** Focused on the collective impact of the activities of standard setters in the external reporting ecosystem, at the global and jurisdictional levels, and the value of actions that are informed by interaction, coordination, and collaboration. Our standards are premised on firm or auditor / practitioner compliance with relevant ethical requirements. Therefore, we will continue and enhance our close coordination with IESBA.
  - **Our Work Plan:** Informed by deliberate processes and procedures for selecting and prioritizing our standard-setting activities. Our Work Plan is focused on where further development of the standards can best contribute to meeting users' needs, while balancing timeliness, stability, –and quality and robustness.
  - **Our processes:** Rigorous and inclusive, yet agile, leveraging external resources where appropriate. We continuously review and improve our processes and ways of working to better facilitate delivery of our Work Plan and address external expectations.
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## Our Strategic Drivers

The strategic drivers identified below are the result of our consideration of environmental factors that drive the opportunities and challenges impacting our ability to achieve our goal. Understanding our key opportunities and challenges and balancing the needs of our stakeholders will drive the choices we make for the 2024–2027 Strategy period. The most significant strategic drivers that have shaped our Strategy and Work Plan include:

### Increased and More Diverse Demand for Our Standards

- **Impact of technology.** The impact of technology is multifaceted and includes the use of technology by entities, and auditors and practitioners. Entities are increasingly operating in a digital environment and use technology for their business models, information systems and reporting processes. Auditors and practitioners are using technology in undertaking audit, assurance, and related services engagements. In addition, disruptive technologies (including artificial intelligence) are potentially transforming these engagements and may require new or revised standards. Stakeholders are asking-expecting standard setters to be proactive in their approach to dealing with (disruptive) technologies.
- **Sustainability reporting and other evolving areas for assurance engagements.** Sustainability reporting is a rapidly evolving area, moving from voluntary reporting commitments to requirements mandated across various jurisdictions. Alongside this, there is the need for assurance and a growing, urgent call to develop international standards on sustainability assurance. In addition, the broader focus on the role of non-financial information in capital and resource allocation decisions prompts the need for assurance engagements on various and diverse topics.
- **Diverse demands across the spectrum of stakeholders reflecting the breadth of the global economy.** The world that our standards must contend with is getting increasingly complex and diverse. On one hand, stakeholders are calling for more principle-based, understandable, scalable and proportionate standards, such as for audits of financial statements of less complex entities. These stakeholders also highlight that detailed rule-based standards, for example, can become obsolete in times of rapid change (engagement quality perspective) and could have a negative impact on recruiting and retaining staff in reduce the attractiveness of the profession, which has the characteristic of requiring professional judgment (capacity building perspective). On the other hand, stakeholders are asking for new or enhanced standards that address specific elements of an audit or assurance engagement, or specific subject matter information or services, with more granular requirements and application material.

	<ul style="list-style-type: none"> <li>• <b>Heightened supervisory scrutiny.</b> Regulators and oversight bodies are key players in the external reporting ecosystem. They promote accountability and support the faithful performance of audits of financial statements and assurance engagements. Regulators and oversight bodies are increasingly asking for enhanced standards to keep pace with increasing complexity of the business environment, and financial and other external reporting frameworks.</li> <li>• <b>Supporting the implementation of our standards.</b> Some stakeholders are of the view that, compared to the demands for standard setting, we should reduce the relative priority given to developing first-time implementation support materials, while other stakeholders are of the view that these activities add significant value for stakeholders and should be a focus area for us alongside our standard-setting activities. Stakeholders <del>are—suggesting</del>suggest seeking partners to assist in the development of first-time implementation support materials or other non-authoritative guidance (e.g., jurisdictional / national auditing standard setters (NSS)) to balance competing demands.</li> </ul>
<p><b>Confronting ‘headwinds’ to global adoption of standards</b></p>	<ul style="list-style-type: none"> <li>• <b>Value of cooperation across independent standard-setting bodies.</b> To enhance capital markets by reducing the cost of capital, stakeholders are increasingly expecting standard setters to be coordinated in their efforts. This includes international and jurisdictional standard setters for auditing, assurance, ethics, <del>and—</del>financial, sustainability and other external reporting.<sup>2</sup> Standards informed by coordination have an increased likelihood of acceptance and adoption, reduce the burden on and enhance effectiveness for entities and practitioners, and reduce fragmentation (i.e., reduce the need for local standard-setting on the same topic that may diverge from international standards).</li> <li>• <b>Evolving expectations around sustainability assurance.</b> Several jurisdictional and international organizations may develop sustainability assurance standards to local timelines which leads to fragmentation. Stakeholders emphasize the value of a global standard-setting solution that provides a baseline, as this would promote consistency, comparability, and transparency. Such a global baseline would need to be profession agnostic (i.e., can be used by professional accountant and non-accountant assurance practitioners) and be ready in a timely manner. Failing to do so may potentially lead to fragmentation.</li> </ul>

<sup>2</sup> At jurisdictional level, standards may result from the activities of legislative or regulatory authorities, or relevant local bodies with standard-setting authority.



	<ul style="list-style-type: none"> <li>• <b>Impact of and reasons for jurisdictions developing their own audit and assurance standards.</b> There is an increasing trend of certain jurisdictions developing their own standards. Although jurisdictions often indicate that a global standard(s) is preferred, there are factors that drive the need for jurisdictions to develop their own solutions. These factors include timeliness of delivering a standard(s), political and other jurisdictional pressures, and responding to a specific jurisdictional need. Often jurisdictional standards complement global standards, but the development of alternative standards may lead to fragmentation.</li> <li>• <b>Increasingly complex to manage global engagement with new stakeholders.</b> As the business and reporting environment, and user needs within the financial and broader external reporting ecosystem, continue to evolve, our standard-setting activities need to be informed by existing and new stakeholders. This new reality requires specific attention to identify and stay connected with new stakeholders.</li> </ul>
<p><b>Changing Demands to Our Ways of Working</b></p>	<ul style="list-style-type: none"> <li>• <b>Implement the Monitoring Group reforms.</b> The Monitoring Group reforms were finalized and issued in July 2020. <del>The</del> Transition planning was undertaken in 2020 and 2021, and <del>the</del> implementation commenced in 2022. <del>Full implementation is expected</del> <u>Implementation is well underway, with the great portion complete. The remaining elements could take a further two to three to four years and will require various changes at the Board and Staff levels (e.g., the Board's composition, and adoption of a staff-driven model), as well as in how oversight by the PIOB is exercised</u> <u>oversight</u> over the Board's activities and in our processes (our standard-setting process and our operating procedures). <u>Amid the anticipated changes, our focus will remain on maintaining appropriate resources, skills and mix of experience.</u></li> <li>• <b>Attract top talent at the Board and Staff levels.</b> The Monitoring Group's reforms require different skills from Board members and Staff compared to the extant model. For example, the composition of the Board will change, and projects will become primarily Staff-driven <del>led in so far insofar</del> as content development. In addition, the clear trend to maintaining workstreams and undertaking projects in both the traditional area of audits and reviews of financial statements, and sustainability and other assurance engagements, introduces a different dynamic for the talent required at the Board and Staff levels.</li> <li>• <b>Increasingly tight timelines to meet heightened expectations.</b> Across the spectrum of increased and diverse demands and the matters relevant to the risk of fragmentation as noted above, there is a general theme of urgency – a need for timely action and the timely delivery of standard-setting solutions. Stakeholders' expectations are changing about how long it should take to develop standards resulting in increasingly tight deadlines. On the other hand, stakeholders are asking</li> </ul>

the IAASB to consider the potential negative impact on the public interest arising from not having sufficient time to implement standards and absorb changes and indicating that more time to implement standards supports improved engagement quality.

- **Ability to leverage technology.** As noted above, the impact of technology is multifaceted. Leveraging technology provides opportunities to enhance the way we work, our processes and performance at the Board and Staff levels.

## Our Strategic Objectives

Our strategic objectives are the differentiating outcomes that address our strategic drivers and are necessary to achieve our goal. Our strategic objectives (and related strategic actions addressed in the next section) are the choices we made for the 2024–2027 Strategy period in working towards achieving our goal. This is what will focus our attention for selecting and prioritizing our standard-setting and related activities. In developing these strategic objectives, we have deliberately been specific about what we commit to and what we believe is achievable based on our Board and Staff resources and our operating budget.

The diagram below depicts our strategic objectives for the 2024–2027 Strategy period.



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### **Strategic Objective 1: Support the Consistent Performance of Quality Audit Engagements by Enhancing Our Auditing Standards in Areas Where There Is the Greatest Public Interest Need**

Setting auditing standards remains a key priority as we recognize the core role that audited financial statements play in contributing to trust and confidence in markets. This strategic objective assumes prioritizing the completion of the key audit engagement-related projects underway at the start of 2024. In addition, we will focus on the timely identification and progression of new projects in response to identified public interest demands.

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### **Strategic Objective 2: Establish Globally Accepted Standard(s) for Assurance on Sustainability Reporting**

Given the growing, urgent call to consider our international standards in relation to non-financial information and the rapidly evolving reporting and assurance requirements on sustainability in the European Union and elsewhere, we are committed to establish the preeminent and globally accepted standard(s) for assurance on sustainability reporting. Achieving this objective necessarily requires coordination and cooperation with a variety of stakeholders, including those who have not traditionally participated in our processes. It also includes liaison with other relevant standard-setting bodies, including but not limited to IESBA and the International Sustainability Standards Board (ISSB).

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### **Strategic Objective 3: Strengthen Coordination with IESBA and Other Leading Standard Setters and Regulators to Leverage Better Collective Actions in the Public Interest**

Although we and IESBA are independent of one another and have unique needs, the two Boards' standard-setting actions have a collective impact on the external reporting ecosystem. This strategic objective refers to maintaining and enhancing our coordination, while seeking opportunities for joint or complementary actions.

Other standard setters and regulators at the international and jurisdictional levels, and across the external reporting ecosystem, also have a shared interest in ensuring their standards complement each other. Timely and meaningful outreach, coordination and, as appropriate, collaboration is necessary to inform our work and to deliver on our mandate.

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### **Strategic Objective 4: Create more Agile, Innovative Ways of Working in Line with the Monitoring Group's Reform Vision**

The changes coming from the implementation of the Monitoring Group reforms and the growing need to maintain a balance between our focus on audits and reviews of financial statements, and sustainability and other assurance engagements, will require us to attract and retain talent at the Board and Staff levels to meet 'new' and different expectations. In addition, enhancing our processes is critical to our success, including using technology and appropriate resources to maximize the impact of our activities, thereby enabling us to respond on a timelier basis to issues and challenges.

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## Our Strategic Actions

### Strategic Objective 1: Support the Consistent Performance of Quality Audit Engagements by Enhancing Our Auditing Standards in Areas Where There Is the Greatest Public Interest Need

#### Strategic Actions – We will:

- Progress and complete our projects underway at the start of the Strategy period.
- Undertake information gathering and research activities to determine and initiate new projects for audits (or reviews) of financial statements during the Strategy period in accordance with the criteria as set out in our [Framework for Activities](#) (see our Work Plan). We will progress new standard-setting projects in accordance with approved project proposals and consider the use of narrow scope amendments to standards as contemplated in Component III of our Framework for Activities.<sup>3</sup> Narrow scope amendments also allow us to ~~be responsive~~ respond in a timely manner to standard-setting activities of other international standard setters and to address, for example, specific findings of regulators.
- Continue our focus on technology, professional skepticism and auditor reporting through our Consultation Groups and consider how best to respond to the broader public interest demands in these areas (also taking into account how these matters may be addressed in projects already underway or possible new projects).
- Develop timely first-time implementation support materials for completed projects, as appropriate. This may include action by us or facilitating and supporting action by others, including NSS, IFAC and other bodies.
- Monitor the need for and initiate, as appropriate, post-implementation reviews of ~~new or revised~~ standards.
- Continue engagement and communication with our stakeholders through timely and meaningful outreach activities (including exploring and using different means of reaching and consulting our stakeholders) focused on:
  - Taking the appropriate steps to support the adoption of the ISA for LCE,
  - Promoting the effective implementation of the International Standards on Auditing (ISAs), International Quality Management Standards (ISQMs) and the ~~proposed~~ ISA for LCE.
  - Understanding issues that affect our standards, including financial reporting issues, implementation challenges, the impact of technology and opportunities for collaboration to enhance engagement quality.
  - ~~Promoting the adoption of the ISA for LCE, as appropriate.~~

<sup>3</sup> The Framework for Activities explains that the purpose of narrow scope amendments are to achieve a limited number of targeted changes to either a single standard or across multiple standards in an expedient timeframe in response to either an urgent need for change to a standard(s) and waiting for a full-scope revision would not be in the public interest, or because a matter requires a standard-setting response (rather than non-authoritative material) but does not require a full-scope revision of one or more standards.

- Draft principle-based standards in line with the complexity, understandability, scalability and proportionality drafting principles and guidelines, and the qualitative characteristics that standards should exhibit as set out in the [Public Interest Framework](#).

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## Strategic Objective 2: Establish Globally Accepted Standard(s) for Assurance on Sustainability Reporting

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### Strategic Actions – We will:

- Progress in a timely manner and complete our overarching standard for assurance on sustainability reporting.
- Initiate further standards on sustainability assurance to complement our overarching standard during the Strategy period and develop a view on how the overarching standard will relate to topic specific standards. The selection of new topics will be done in accordance with the criteria as set out in our Framework for Activities.
- Monitor the need for, and develop as appropriate, timely first-time implementation support materials for our overarching standard. This may include action by us or facilitating and supporting action by others.
- Continue engagement and communication with our stakeholders through timely and meaningful outreach activities focused on:
  - Coordinating with other relevant standard-setting bodies, including IESBA in relation to international ethics standards, as well as international and jurisdictional bodies with responsibility for reporting or assurance requirements or standards.
  - Promoting the adoption and effective implementation of our sustainability assurance standard(s).
  - Understanding the issues that assurance practitioners and other stakeholders are facing with respect to sustainability reporting and assurance and identifying coordination opportunities to enhance sustainability reporting within the external reporting ecosystem.
- Draft principle-based standard(s) on sustainability assurance , in line with the complexity, understandability, scalability and proportionality drafting principles and guidelines, and the qualitative characteristics that standards should exhibit as set out in the [Public Interest Framework](#).

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## Strategic Objective 3: Enhance Coordination with IESBA and Other Leading Standard Setters and Regulators to Leverage Better Collective Actions in the Public Interest

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### Strategic Actions – We will:

- Maintain and enhance our coordination efforts with IESBA in the traditional area of audits and reviews of financial statements, as well as the area of sustainability and other assurance engagements. This includes systematic coordination at the Board, Task Force, Working Group and Staff levels, as well as in relation to project identification, scoping and timing.

- Interact with the newly formed Stakeholder Advisory Council.<sup>4</sup> The Stakeholder Advisory Council, which will serve both our work and that of IESBA, will be a fundamental part of our engagement with our stakeholders at a strategic level.
- Further enhance working relationships with regulators and audit and assurance oversight bodies to help understand their concerns and further explore causal factors to address public interest issues.
- Continue to liaise, and coordinate –with other international standard-setting boards. Active consultations will include, but are not limited to, the International Accounting Standards Board (IASB) and the ISSB on matters of auditability and assurability, respectively, of new and revised International Financial Reporting Standards (IFRS) Accounting or IFRS Sustainability Disclosure Standards, thereby contributing to the quality of external reporting. [Has been relocated from the Work Plan section (Section II) and incorporates the messages in the next bullet point that has been deleted]
- ~~— Continue our two-way liaison with the International Accounting Standards Board (IASB) and the ISSB. This includes providing input on auditability and assurability matters of their new and revised standards, thereby contributing to the quality of external reporting.~~
- Explore new ways to expand our collaboration with international standard-setting bodies and NSS, including on first-time implementation guidance.

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#### Strategic Objective 4: Create more Agile, Innovative Ways of Working in Line with the Monitoring Group's Reform Vision

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##### Strategic Actions – We will:

- Continue to transform our processes to further enhance the timeliness and effectiveness of our standard-setting activities and implement the Monitoring Group reforms. This includes understanding and addressing any areas of interdependency (operational or otherwise) between us and IESBA to enable effective coordination.
- With the support of the PIOB's Nominating Committee's, build a diverse Board that will enable us to continue to have the necessary expertise to respond to evolving public interest demands, as well as 'new' and different expectations in line with the Monitoring Group reform criteria.
- Enhance our technical Staff capacity and competencies to enable an independent technical team to:
  - Take day-to-day responsibility of project development, under Board supervision and direction; and
  - Keep pace with the developments of the profession and the business environment.
- In expanding and building our Staff team, continue to focus on an approach that promotes diversity, equity and inclusion.
- Foster an environment that is conducive to the retention of talent, through appropriate governance and leadership, and Human Capital support as it relates to career advancement and professional and personal development opportunities, and progressive human resources policies and procedures.

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<sup>4</sup> The Stakeholder Advisory Council will commence its activities in 2024 and replaces our and IESBA's Consultative Advisory Groups as contemplated under the Monitoring Group reforms.

- Consider more sustainable ways of working, including the development of appropriate policies, procedures and measurements.
- Use technology to enhance our processes and the accessibility of our standards.



## Section II: Our Work Plan for 2024–2027

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.

Although ~~past~~ experience is an important input when doing forward planning, the implementation of the Monitoring Group reforms also brings some uncertainties around the full impact of those changes which may influence considerations such as available resources at certain times, the focus and number of new projects that can and should be undertaken, and the nature and timing of our project cycle.

Our Work Plan assumes full utilization of our current resources and capacity (e.g., people, plenary time, and operating budget), and balances the current needs of different stakeholders. As the Work Plan period progresses, our Work Plan may change given the nature of the issues, the complexities of the projects, stakeholders' feedback, and new ways of working. In addition, we recognize the need to be flexible in view of pressures in the market in responding to our proposals or implementing our standards, and in responding to environmental changes. The latter includes changes that may be needed to accommodate capacity to address urgent or unexpected issues that arise and are not known at the time of approval of the Work Plan.

Because our Work Plan can change during ~~this~~<sup>the</sup> four-year work plan period, we accommodate the need of our stakeholders to be kept up to date with the planning and progress of our projects through the information that is available in our project proposals and on our [projects webpage](#). Project proposals for individual projects address, among other matters, a preliminary project timetable and the allocation of resources. We maintain a project webpage for each project that provides targeted dates or, as the project progresses, actual dates for key milestones (i.e., first Board plenary discussion, approval of project proposal, approval of exposure draft, comment period closing date, and final approval of pronouncement), which are updated on a quarterly basis, if necessary. Any changes made would also have been discussed with the PIOB.

This Section II provides further detail about our planned actions for 2024–2027, our coordination with IESBA, and allocation of our resources.

~~Balance Between Audits and Reviews, and Sustainability and Other Assurance Engagements~~

[This section has been relocated as part of "Our Planned Actions for 2024–2027" below]

### Our Planned Actions for 2024–2027

In 2023, we undertook a [Public Consultation](#) to develop our Work Plan for 2024–2027. We drew on the results of that consultation and on other activities as highlighted in **Appendix 1** to develop our planned actions for 2024–2027. These actions comprise the progression and completion of projects underway at the start of 2024 and the planned commencement of new projects during 2024–2027, as well as other initiatives and ongoing activities.

[The next two paragraphs have been relocated from the introduction part, above, with additional changes shown in marked text]

A key characteristic of our ~~planned actions~~<sup>proposed Work Plan</sup> is maintaining a balance in terms of our focus on both the traditional area of audits and reviews of financial statements, and the evolving area of sustainability and other assurance engagements. This is reflected below in the presentation of projects underway at the start of 2024 and the planned commencement for new projects during 2024–2027.

distinguishing between these two broad focus areas in the following sections under “Planned Actions for 2024–2027”:

- ~~Progressing and completion of projects underway at the start of 2024 (pages 16–17, including Table A)~~
- ~~Our next projects for the Work Plan period (pages 18–23, including Table B)~~

As has been highlighted for Strategic Objective 1, setting auditing standards remains a ~~key~~ priority for us. Our Work Plan will continue to reflect the revision and development of auditing standards on a timely basis to respond to the changing environment and the needs of our stakeholders. In addition, Strategic Objective 2 reflects that sustainability reporting and the assurance thereon are rapidly evolving to take a position alongside financial statements in the context of meeting the needs of intended users of an entity’s general purpose external reporting. Therefore, standard setting focused on sustainability assurance engagements will also be a ~~key~~ priority for us. We are mindful that the attention to non-financial information more broadly may also prompt demands for other assurance engagements.

We expect a majority of resources (approximately 70 percent) to be devoted to standard setting for audits and reviews of financial statements.

## Progression and Completion of Projects Underway at the Start of 2024

~~Based on the feedback received through our 2023 public consultation, we plan to complete the projects underway at the start of 2024.~~

Table A below sets out the ~~standard-setting projects that underway at the start of 2024 and that will in the first instance be we will focus on progressing and completing~~ in the Work Plan period. Appendix 3 provides a summary work plan which includes the projects underway at the start of 2024 and their targeted milestones. Also Rrefer to our [“Current Projects”](#) webpage that provides links to the project pages for more information about each project, including the project timeline and status of the project.

**Table A: ~~Standard-Setting~~ Projects Underway at the Start of 2024**

In order of expected finalization of projects

**Targeted  
-Final  
ApprovalMilestones<sup>5</sup>  
<sup>6</sup>**

### **AUDITS AND REVIEWS (ISAs and ISREs)**

<sup>5</sup> Targeted milestones are our best estimate for how we will progress the various projects. As indicated at the start of the Work Plan, timelines are subject to change because of various factors that cannot be fully anticipated at the planning stage. Periods are indicated in half-years, for example “H1 2024” means the 1<sup>st</sup> half of 2024. H1 includes the period January through June, and H2 includes the period July through December of any calendar year.

<sup>6</sup> Periods for targeted final approval are indicated in half-years, for example “H2 2024” means the 2<sup>nd</sup> half of 2024 (H1 includes the period January through June and H2 includes the period July through December of any calendar year). These targeted dates may change based on factors such as those indicated at the start of Section II, above. The project webpage for each project provides updated and more detailed information of progress-against-plan and any changes in timelines.

“Final approval” refers to when the Board votes to approve the final text of a standard(s). After approval by the Board, the PIOB will consider its public certification of the approved new or revised standard to confirm the PIOB’s oversight of the standard-

<b>Table A: <del>Standard-Setting</del> Projects Underway at the Start of 2024</b> <u><i>In order of expected finalization of projects</i></u>	<b>Targeted <del>-Final</del> <u>ApprovalMilestones</u><sup>5</sup> <sub>6</sub></b>
<b>Going Concern (Revision of ISA 570 (Revised))<sup>7</sup></b>	<del>Exposure period closed:</del> <del>H2-2023</del>  <del>Final approval:</del> H2 2024
<b>Implications for IAASB Standards of IESBA's Project on Listed Entity and Public Interest Entity – Track 2<sup>8</sup></b>	<del>Exposure period closes:</del> <del>H1-2024</del>  <del>Final approval:</del> H2 2024
<b>Fraud (Revision of ISA 240)<sup>9</sup></b>	<del>Exposure period closes:</del> <del>H1-2024</del>  <del>Final approval:</del> H1 2025
<b>Audit Evidence (Revision of ISA 500)<sup>10</sup></b>	<del>Exposure period closed:</del> <del>H1-2023</del>  <del>Final approval:</del> H1 2024[see <b>Note 1</b> after the <u>table]</u>
<b>SUSTAINABILBITY AND OTHER ASSURANCE ENGAGEMENTS</b>	
<b>Overarching Standard for Assurance on Sustainability Reporting (ISSA 5000)<sup>11</sup></b>	<del>Exposure period closed:</del> <del>H2-2023</del>  <del>Final approval:</del> H2 2024 <u>[see also Note 2 after the table]</u>

setting process throughout the full development cycle, that the standard was developed in a manner consistent with agreed due process and that the standard is responsive to the public interest, in accordance with the Public Interest Framework.

Resources continue to be allocated to a project after Board approval to attend to the PIOB certification process, to finalize the standard for publication and to develop the Basis for Conclusions and a general fact sheet that provides an overview of the revised or new standard. If applicable, resources and time are also allocated to undertake implementation support activities.

<sup>7</sup> ISA 570 (Revised), *Going Concern*

<sup>8</sup> Our Listed Entity and Public Interest Entity project is being undertaken on two tracks as explained in Section VII of the approved [Project Proposal](#). Track 1 ~~was~~will be completed in 2023 and Track 2 will still be underway at the start of 2024.

<sup>9</sup> ISA 240, *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*

<sup>10</sup> ISA 500, *Audit Evidence*

<sup>11</sup> Proposed International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance Engagements*

**Note 1** and **Note 2** below are new, and their content is not shown in marked text. These notes were added to draw attention to the link between projects underway at the start of 2024 (**Table A**) and planned new projects for 2024-2027 (**Table B**) in relation to ED-500 and ISSA 5000.]

**Note 1: ED-500<sup>12</sup> as part of an integrated approach to audit evidence and risk response**

Based on the feedback on both ED-500 and the Consultation Paper, *The IAASB's Proposed Strategy and Work Plan for 2024–2027*, Board deliberations, and ongoing outreach (in particular with regulators) we will pursue an integrated and more strategic approach for addressing issues relating to audit evidence and risk response. This integrated project will include a more strategic emphasis on technology and, in the case of ISA 330,<sup>13</sup> internal controls.

Many commentators called for the proposed revisions in ED-500 to be more ambitious with respect to relevant audit evidence- and technology-related matters. In their view, the proposed revisions to ISA 500 alone were not sufficient to address all audit evidence-related matters across the ISAs and that technology-related matters should be more broadly addressed in ED-500 as well as other standards. In this regard, respondents cited ISA 330 and other targeted standards in the ISA 500-series. Responses, particularly from regulatory authorities, indicated the need to more inclusively consider and concurrently address revisions to ISA 500 and ISA 330. Commentators highlighted that both standards address aspects of the auditor obtaining sufficient appropriate audit evidence and evaluating whether sufficient appropriate audit evidence has been obtained. These commentators described the need to evaluate the revisions together to determine whether we are meeting public interest objectives effectively.

Therefore, our integrated approach represents a thoughtful reconsideration in response to those comments. The adjusted effort would deal with the 'reference framework' aspects relating to judgments about sufficient appropriate audit evidence (ISA 500) and the 'performance' aspects of the auditor's responsibility to design and perform audit procedures to obtain sufficient appropriate audit evidence (ISA 330 and potentially ISA 520)<sup>14</sup>. Throughout the project, we would give particular consideration to the impact of technology. Furthermore, within the revision of ISA 330, we would address issues related to internal controls.

The adaptation of the project would not stop our consideration of the comments received on the ED-500 public consultation (closed in April 2023) and appropriate responses. We would continue to advance proposed changes in response to the comments and would engage with stakeholders on the appropriateness of the changes (i.e., the audit evidence workstream). At the same time, the Board would expeditiously begin its work to scope the other elements of the integrated project (i.e., the risk response

<sup>12</sup> Exposure Draft (ED), Proposed ISA 500 (Revised), *Audit Evidence* (ED-500)

<sup>13</sup> ISA 330, *The Auditor's Responses to Assessed Risks*

<sup>14</sup> ISA 520, *Analytical Procedures*. ISA 520 could be included owing to the close proximity of the section about substantive analytical procedures in this standard to further audit procedures in ISA 330 (i.e., substantive procedures comprise tests of details and substantive analytical procedures), as well as more broadly, the link to analytical procedures as risk assessment procedures in ISA 315 (Revised 2019) and the interplay between these two types of analytical procedures. In addition, analytical procedures are an area within an audit of financial statements where the impact of technology has been prominent.

workstream).<sup>15</sup> As a consequence, **Table B** describes the project contemplated under the integrated approach and **Appendix 3** includes a revised timeline.

## **Note 2: Implementation support for ISSA 5000**

Comprehensive outreach activities undertaken with our stakeholders during the consultation period of ED-5000<sup>16</sup> in 2023, revealed, amongst other key themes, the demand for the development of non-authoritative guidance. Although the Project Proposal<sup>17</sup> anticipated the need for non-authoritative guidance, our outreach activities have indicated that key elements of guidance should be available around the same time that the standard is finalized. The Board agreed with stakeholders and have allocated resources to progress the development on non-authoritative guidance and related materials in parallel with the standard-setting activities to update ED-5000 post public exposure, in 2024. Refer to **Table B** that includes the extended project that is contemplated for implementation support and other actions related to ISSA 5000.

### Other Initiatives and Ongoing Activities

[This section has been relocated to after “planned commencement of new projects during 2024–2027”, below]

## **Our Next Projects for the Work Plan Period****Planned Commencement of New Projects During 2024–2027**

We ~~will~~ determine ~~which the planned commencement of~~ new projects ~~will commence~~ during ~~the~~ Work Plan period in accordance with the criteria as set out in our Framework for Activities, including the appropriate time for a new project(s) to commence.

### Criteria for Selecting and Prioritizing Topics to be Taken Up in Our Work Plan:

- A known public interest need or benefit for pursuing a project, taking account of the Public Interest Framework.
- Alignment with our goal, strategic drivers and strategic objectives.
- The other criteria for the selection of new projects or actions as set out in our Framework for Activities (i.e., the prevalence of the issue globally; Board action necessary to maintain or enhance quality of engagements; and urgency).
- Maintaining an appropriate balance in taking on new projects to revise or develop standards with an awareness of the possible cumulative effect of successive fundamental changes to standards (e.g., the potential negative impact on the public interest, including the quality of engagements, arising from stakeholders not being given sufficient time to absorb changes).
- The available resources, including Board capacity and Staff resources.

Planned activities on candidate topics for new projects involve information gathering and research as

<sup>15</sup> Should the Board at any stage reflect, supported by ongoing outreach with key stakeholders, that the full package of ‘reference framework’ and ‘performance’ aspects, including the realization of its objectives, are sufficiently clear, a decision could be taken to advance and finalize one workstream over another workstream (e.g., that proposed ISA 500 (Revised) could be finalized before proposed ISA 330 (Revised) and ISA 520 (Revised)).

<sup>16</sup> Exposure Draft, Proposed ISSA 5000, *General Requirements for Sustainability Assurance Engagements* (ED-5000)

<sup>17</sup> See [Project Proposal](#), *Development of an Overarching Standard for Assurance on Sustainability Reporting*, paragraph 39(a).

contemplated in our Framework for Activities.<sup>18</sup> The nature, scope and timing of information gathering and research for a topic will be influenced by the criteria identified above, as well as the outcome of activities as the information gathering and research is undertaken. For example, initial fact finding to identify and understand the issues and challenges relating to a topic may reveal the need for more targeted information gathering such as through a public forum or roundtable(s), or to solicit views on identified matters through a discussion paper, consultation paper, request for input or a stakeholder survey. In such instances, the time for analysis of feedback and developing of recommendations will be extended, compared to another topic where the issues and challenges may be more readily apparent, and the topic can move faster through understanding, analysis, and recommendations. Based on the recommendations developed, we may decide to move to a project proposal to scope and formalize our standard-setting commitment for a new project, or that other action is warranted (e.g., development of non-authoritative guidance, or action by others and how we may coordinate and support action by others). In planning our detailed forward actions, we will always balance information gathering and research efforts with the need for timely action to address topics of significant and urgent public interest.

**Appendix 2** provides a high-level overview of the key milestones of our ‘normal’ project cycle for the revision or development of a standard (the nature and timing of our project cycle is subject to change owing to the ongoing implementation of the Monitoring Group reforms during the Work Plan period).

#### *Commencement of New Projects as the Projects Already Underway Completes*

Subject to anticipated Board capacity, Staff resources, and the progression and completion of projects underway at the start of 2024 (see **Table A**), there will be a build up to and commencement of new projects. In line with proposed Strategic Objective 4, we will seek opportunities to advance targeted timelines, for example, through efficiencies in processes or procedures within the project cycle or innovating with respect to the project cycle.

~~Recognizing initial expectations about the impact of changes as a result of implementation of the Monitoring Group reforms, w~~We anticipate that the ‘new’ Board and Staff model will be able to accommodate around five to seven parallel standard-setting projects at any given time during the Work Plan period. The number of standard-setting projects is dependent on the ‘mix’ of those projects, i.e., not all projects can be major revisions of existing, or development of new, standards as contemplated in Component II of our Framework for Activities. A portion would need to be narrow scope maintenance of standards projects (see Component III of our Framework for Activities). In ‘clean’, the text box below has been deleted. It is no longer required because of the information provided in the ‘new’ Table B, that follows later]

**On balance, the following is expected in terms of commencement of new projects during the Work Plan period:**

- One new project in 2024;
- Two or three new projects in 2025;
- One or two new project(s) in 2026; and
- Depending on sequencing and progress of projects in the first three years, an additional new project in 2027.

<sup>18</sup> Staff commences information gathering and research activities well in advance of the first Board plenary discussion on a topic.



### ~~Possible Post-Implementation Reviews Projects~~

~~The above outline of new projects to be commenced during the Work Plan period also encapsulates any post-implementation reviews that we decide to undertake.~~

Post-implementation reviews (PIRs) of new or revised standards are only considered after a significant period of global adoption and implementation of a standard (i.e., 3–5 years). This allows sufficient time for a new or revised standard to be properly embedded in practice and for internal and external monitoring purposes, in the context of global adoption across jurisdictions. In addition, a possible ~~PIR post-implementation review project~~ would need to reach a level of priority that justifies its selection relative to the priority of other topics being considered for possible standard-setting projects (in applying the criteria as set out in our Framework for Activities). Table B, below, includes PIRs that are planned to be undertaken ~~The following may be candidates for post-implementation review projects during the Work Plan period.:~~

- ~~• ISA 540 (Revised),<sup>19</sup> Auditing Accounting Estimates and Related Disclosures (effective for audits of financial statements for periods beginning on or after December 15, 2019).~~
- ~~• ISA 315 (Revised 2019),<sup>20</sup> Identifying and Assessing the Risks of Material Misstatement (effective for audits of financial statements for periods beginning on or after December 15, 2021).~~
- ~~• The Quality Management Standards<sup>24</sup> (effective as of December 15, 2022).~~

### ~~Planned Possible New Standard-Setting Projects~~

**Table B** below sets out the new projects we plan to commence proposed list of possible new standard-setting projects for commencement during the Work Plan Period.<sup>22</sup> The “commencement” of a project is marked by staff and related resources being allocated to undertake information-gathering and research activities, the outcome of which will determine whether standard setting will proceed. The Board may determine that identified issues may best be addressed through means other than standard setting, such as development or commissioning non-authoritative guidance.

As new projects commence, a project webpage will be added for each that can be accessed under “Current Projects” on the IAASB website. Appendix 3 provides a summary work plan which includes the planned new projects and targeted milestones for each. Based on the current assessment of priorities, we anticipate that we would continue to run concurrent workstreams in the areas of audits and reviews of financial statements, and sustainability and other assurance engagements. The following broad prioritization of the candidate topics in Table B applies based on presently available information:

- ~~• For audits and reviews of financial statements~~

<sup>19</sup> ISA 540 (Revised), *Auditing Accounting Estimates and Related Disclosures*

<sup>20</sup> ISA 315 (Revised 2019), *Identifying and Assessing the Risks of Material Misstatement*

<sup>24</sup> The Quality Management Standards consist of ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*; ISQM 2, *Engagement Quality Reviews*; and ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*

<sup>22</sup> The topics in **Table B** are currently in Category A of Component I of our Framework for Activities, together with various other possible topics for our consideration. The topics presented in **Table B** are the likely candidates ~~that at this time to~~ meet the criteria in our Framework for Activities to move into Category B during the Work Plan period (i.e., for more focused information gathering and research activities to identify and understand the relevant public interest issues and related standard-setting or other needs of stakeholders), and progress further through our Framework for Activities, as appropriate.

- ~~○ We would anticipate the next major project to be the revision of ISA 330<sup>23</sup> (see Topic B).~~
- ~~○ After the conclusion of ISA 500 (Revised), we would also assume a focus on identified standards in the ISA 500-series, with a strong link to the impact of technology (see Topics C to G).~~
- ~~○ Unless we receive significant feedback about a particular topic(s) that indicates a need to prioritize ahead of other candidate topics, we anticipate that the remaining candidate topics would rank lower than those indicated above, but that could change due to changing external factors.~~
- ~~● For sustainability and other assurance engagements, the work would be determined by demands following the publication of ISSA 5000. We would expect that new projects may be driven by the relative importance and urgency at the time for developing further specific standards within the ISSA suite of standards (see Topic L). However, we are aware of the increased focus on XBRL in certain jurisdictions or regions, which may drive the global relevance of this topic (see Topic M). In addition, there may be a need for ISSA 5000 to first be adopted and implemented, which could be an important source of information about the need for further specific standards for which projects could then be undertaken.~~

[The original Table B included in the [Consultation Paper](#) (on pages 20-22) has been replaced with the new table below to reflect the planned commencement of new projects. The entire table is new, and its content is not shown in marked text.]

Table B: Planned New Projects for 2024–2027 <i>In order of expected commencement of projects</i>	Targeted Commencement <sup>24</sup>
<b>AUDITS AND REVIEWS (ISAs and ISREs)</b>	
<p><b>Integrated Approach to Audit Evidence and Risk Response, Including Focus on Technology and Internal Control</b></p> <p>Revising ISA 500 and ISA 330 (and potentially ISA 520). This project reflects an integrated approach to the ‘reference framework’ aspects relating to judgments about sufficient appropriate audit evidence in ISA 500 and the ‘performance’ aspects to design and perform further audit procedures responsive to assessed risks to obtain sufficient appropriate audit evidence in ISA 330 (and other relevant ISAs). The revisions will also include a focus on addressing the impact of technology, including building on the work that has already been undertaken in progressing ED-500 (e.g., around the use of automated tools and techniques). In addition, regarding ISA 330, the project will address concerns from regulators about the auditor’s work effort relating to an entity’s internal control, including internal control testing.</p>	<p>H1 2024</p> <p>(see also Note 1 to <b>Table A, ED-500 as part of an integrated approach to audit evidence and risk response</b>)</p>

<sup>23</sup> ~~ISA 330, *The Auditor’s Procedures in Response to Assessed Risks*~~

<sup>24</sup> Periods for targeted commencement are indicated in half-years, for example “H1 2024” means the 1<sup>st</sup> half of 2024 (H1 includes the period January through June and H2 includes the period July through December of any calendar year). These targeted commencement dates may change based on various factors, for example, the progress of projects already underway, changes in Staff and Board capacity or other resources, or changing priorities resulting from new or emerging issues or specific stakeholder needs. We will endeavor to inform stakeholders about any changes as timely as possible.



<b>Table B: Planned New Projects for 2024–2027</b> <i>In order of expected commencement of projects</i>	<b>Targeted Commencement<sup>24</sup></b>
<p>This project could also identify the need for the development or commissioning of supplemental technology guidance.</p>	
<p><b>Conforming and Consequential Amendments Arising from IESBA's Use of Experts Project</b></p> <p>IESBA's project address the specific ethics and independence matters that might arise when experts work alongside professional accountants in business and in public practice. Although the IAASB already accommodates requirements relating to the work of experts in our international standards, the IESBA's explicit introduction of ethical requirements in relation to using experts in the preparation of financial and non-financial information and in audit, assurance and non-assurance engagements, including introducing and revising certain definitions, may necessitate conforming and consequential amendments to IAASB standards to ensure that the two Boards' standards can continue to be effectively applied together.</p>	<p>H2 2024</p>
<p><b>ISRE 2410<sup>25</sup> – Review of Interim Financial Information</b></p> <p>Revising ISRE 2410 to update the standard to the clarity format, to ensure that the standard is technically consistent with the notion of limited assurance engagements in the IAASB's standards (including being aligned with ISRE 2400 (Revised))<sup>26</sup> and to modernize the standard and address specific issues and challenges identified (e.g., alignment with relevant concepts and principles in the ISAs, such as ISA 570 (Revised), ISA 700 (Revised)<sup>27</sup> and ISA 701).<sup>28</sup></p>	<p>H1 2025<sup>29</sup></p>
<p><b>Materiality</b></p> <p>Revising ISA 320<sup>30</sup> to address issues and challenges related to consistency of determination and application of materiality and performance materiality. While recognizing that the auditor's consideration of materiality is a matter of professional judgment, there is a need to address variability in judgments by different auditors in similar circumstances, including that diversity results in different levels of work effort. In addition, both the quantitative and qualitative dimensions of materiality would be highlighted and addressed more robustly. This project further provides the</p>	<p>H1 2025</p>

<sup>25</sup> International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*

<sup>26</sup> ISRE 2400 (Revised), *Engagements to Review Historical Financial Statements*

<sup>27</sup> ISA 700 (Revised), *Forming an Opinion and Reporting on Financial Statements*

<sup>28</sup> ISA 701, *Communicating Key Audit Matters in the Auditor's Report*

<sup>29</sup> This project has been identified as a candidate where the IAASB could collaborate with NSS to provide staff resources to assist the IAASB in developing proposed ISRE 2410 (Revised).

<sup>30</sup> ISA 320, *Materiality in Planning and Performing an Audit*

<b>Table B: Planned New Projects for 2024–2027</b> <i>In order of expected commencement of projects</i>	<b>Targeted Commencement<sup>24</sup></b>
opportunity to consider implications for materiality in sustainability and other assurance engagements.	
<p><b>Modernization of Other Targeted Standards in the ISA 500 Series, Including Focus on Technology</b></p> <p>Revising ISA 501,<sup>31</sup> ISA 505,<sup>32</sup> and ISA 530<sup>33</sup> to modernize these standards to reflect the current business and audit environments more appropriately, including the impact of the use of technology by entities, auditors, and the organizations they interaction with. Revisions would cover both technology-related and other specific matters of modernization, for example, different methods to obtain evidence regarding the existence and condition of an entity's inventory; new and innovative external confirmation processes and revisiting the extant concepts of positive and negative confirmations; issues and challenges related to the relevance of and the appropriate use and consistent application of audit sampling as a means of selecting items for testing.</p>	<p>H1 2026</p> <p>(a project could commence, depending on the progress of and input from our integrated audit evidence and risk response project, above)</p>
<p><b>PIR of ISA 540 (Revised)<sup>34</sup></b></p> <p>ISA 540 (Revised) is effective for audits of financial statements for periods beginning on or after December 15, 2019. Targeted commencement of a PIR in H1 2026 would mean that audits with December 2020 to 2024 year-ends would have been completed using ISA 540 (Revised) for auditing accounting estimates (five audit cycles). Although the sixth audit cycle (2025 year-ends) will already be underway, the timing of this project takes into account that there could be benefits in undertaking this PIR together with that of ISA 315 (Revised 2019) (see next row).</p>	<p>H1 2026</p>
<p><b>PIR of ISA 315 (Revised 2019)<sup>35</sup></b></p> <p>ISA 315 (Revised 2019) is effective for audits of financial statements for periods beginning on or after December 15, 2021. Targeted commencement of a PIR in H1 2026 would mean that audits with December 2022 to 2024 year-ends would have been completed, with the fourth audit cycle (2025 year-ends) being underway. This satisfies the principle of only undertaking PIRs after a significant period (three to five years) of implementation of a standard. In addition, there could be benefits in undertaking this PIR together with that of ISA 540 (Revised) (see previous row).</p>	<p>H1 2026</p>
<b>AUDITS – THE ISA FOR LCE</b>	

<sup>31</sup> ISA 501, *Audit Evidence – Specific Considerations for Selected Items*

<sup>32</sup> ISA 505, *External Confirmations*

<sup>33</sup> ISA 530, *Audit Sampling*

<sup>34</sup> ISA 540 (Revised), *Auditing Accounting Estimates and Related Disclosures*

<sup>35</sup> ISA 315 (Revised 2019), *Identifying and Assessing the Risks of Material Misstatement*

<b>Table B: Planned New Projects for 2024–2027</b> <i>In order of expected commencement of projects</i>	<b>Targeted Commencement<sup>24</sup></b>
<p><b>Maintenance of The ISA for LCE</b></p> <p>The Board remains committed to the maintenance of the ISA for LCE which was approved in September 2023 and is effective for audits of financial statements of LCEs for periods beginning on or after December 15, 2025. Taking into account an initial period of stability of at least three years after the effective date of the ISA for LCE, the consideration of possible revisions from recently completed ISAs and feedback from ongoing outreach related to the adoption and implementation of the standard may identify the need for updates that would not be effective before periods beginning on or after December 15, 2028 (three years after 2025).</p>	<p>H1 2025</p>
<b>SUSTAINABILBITY AND OTHER ASSURANCE ENGAGEMENTS</b>	
<p><b>Implementation Support and Other Actions Related to ISSA 5000</b></p> <p>IAASB Stakeholders strongly identified a need for the IAASB to undertake actions to complement the adoption and implementation of ISSA 5000. Implementation support activities that focus on, for example, supplemental guidance that address specific topics, first-time implementation guidance and other non-authoritative materials will be undertaken in parallel with the standard-setting activities to develop ISSA 5000. Certain key materials will be ready when the standard is finalized, while the development of other elements will continue beyond H2 2024. This work may include focusing on updating the EER Guidance,<sup>36</sup> addressing the relationship between ISSA 5000 and ISAE 3410<sup>37</sup> and non-authoritative guidance that address emerging issues.</p>	<p>H1 2024</p> <p>(see also Note 2 to <b>Table A</b>)<sup>38</sup></p>
<p><b>Additional Standard Setting Related to Sustainability</b></p> <p>Possible additional standard setting is consistent with the Board's commitment to establish a bespoke suite of standards on sustainability assurance over time. Any additional standard setting is expected to be driven by the relative importance and urgency at the time for further action within the ISSA suite of standards, while acknowledging the need for ISSA 5000 to first be adopted and implemented, including properly bedding down in practice and more broadly within the external reporting ecosystem. It is prudent to recognize that there could be specific public interest issues or urgent matters that may arise that are not known at the time of approval of the Work Plan.</p>	<p>H1 2026</p> <p>(a project could commence, depending on specific public interest issues or stakeholder needs)</p>

<sup>36</sup> Non-Authoritative Guidance on Applying ISAE 3000 (Revised) to Sustainability and Other Extended External Reporting (EER) Assurance Engagements

<sup>37</sup> International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*

<sup>38</sup> The parallel work on the development of non-authoritative guidance and related materials recognizes that the need for implementation support of ISSA 5000 is in part driven by the pace of developments in this area, including policy and regulatory action around mandating sustainability reporting and assurance, and the public interest in facilitating, for example, the expected expedited upskilling of assurance practitioners and adoption and implementation of relevant standards in jurisdictions.

The following topics were initially considered as candidate topics as part of developing our Strategy and Work Plan, including receiving support from stakeholders who responded to our public consultation. However, considering the anticipated capacity to accommodate around five to seven parallel standard-setting projects at any given time during the Work Plan period, the relative priority of the topics included in **Table B**, and the completion of projects underway at the start of 2024 (**Table A**), certain topics had to be put into reserve. ~~{These could be elevated to projects because factors and circumstances that originally informed the Board's programming decisions may change}~~. The receipt of dedicated resources and a changing external landscape are two factors that might shift priorities.

#### **Reserve topics:**

- ISA 620, *Using the Work of an Auditor's Expert* <sup>39</sup>
- ISA 720 (Revised), *The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements* <sup>39</sup>
- Assurance Engagements on Digital Reporting Tagging (e.g., XBRL tagging of financial and non-financial information)

#### **Other Initiatives and Ongoing Activities**

[This section has been relocated to fit better as a separate section after projects underway at the starts of 2024 and the commencement of new projects during 2024–2027. Additional changes are shown in marked text]

In addition to the projects in Tables A and B ~~our standard-setting projects above~~, the following initiatives and activities will also continue during~~in~~ the Work Plan period with dedicated Staff resources and Board plenary time as needed:

##### Ongoing Workstreams

- Technology, including our focused efforts on disruptive technologies.<sup>40</sup>
- Professional skepticism.<sup>40</sup>
- Auditor reporting.<sup>40</sup>

##### Implementation Support Activities

<sup>39</sup> The topics of using the work of experts and other information also have links to sustainability assurance engagements in the context of, respectively, the wide range of sustainability matters involved and the related expertise that may be necessary, and the increased focus on other information as external reporting has expanded to include a wide range of financial and non-financial information.

<sup>40</sup> The main function of our consultation groups is to provide input and support to task forces, working groups or Staff on relevant matters relating to technology, professional skepticism and auditor reporting, respectively. In addition, our efforts around disruptive technologies will be ongoing and are specifically focused on:

- Building processes and structures to support our disruption initiative;
- Maintaining and improving our knowledge about disruption trends and their implications for standard-setting and the public interest; and
- Sharing knowledge to improve audit and assurance quality and thereby improve reporting quality.

- We will continue to be alert to the need for developing timely first-time implementation support materials, mindful that there are competing demands and our efforts will continue to be prioritized for standard-setting projects. A determination will be made in the context of each project, taking into account, for example, the nature, extent and complexities of new concepts and principles introduced, or the impact of significant issues addressed in planned or proposed changes. Where considered appropriate, we will endeavor to factor the development of first-time implementation support materials into the timeline of a project (e.g., to avoid that staff is prematurely allocated to another project to ensure timely delivery of such materials).

The development of other non-authoritative guidance will mostly be limited to responding to significant unanticipated developments in the environment or addressing significant targeted issues that have arisen that require a more immediate response than standard setting can provide. The nature and extent of the relevant developments or issues, the urgency of the need, and the anticipated staff and related resources will be balanced with other work plan priorities, including possible delays of standard-setting projects.

First-time implementation support materials or other non-authoritative guidance may be developed by us, or we may facilitate and support action by others. This may include coordinating or collaborating with NSS, IFAC or other bodies (e.g., a publication is developed by staff of another body under the auspices of the IAASB).

## **Our Coordination with IESBA**

### **Coordination with Other Standard-Setting Boards**

#### **IESBA**

As our projects progress during the Work Plan period, there may be matters that impact the IESBA's *International Code of Ethics for Professional Accountants (Including International Independence Standards)* (the IESBA Code). Similarly, matters under consideration by IESBA may have implications for our standards. We recognize the importance of ongoing coordination between us and IESBA on matters that may impact either the IESBA Code arising from the projects we undertake or the impact from the IESBA's activities on our standards. We will therefore continue to coordinate with IESBA at the Board, Task Force, Working Group, and Staff levels, in the context of specific topics where necessary and appropriate, and through regular leadership interactions and communications. Ongoing coordination also includes undertaking joint outreach with key stakeholders, as appropriate.

Although our ongoing coordination as described above applies to all projects on both Boards' agendas, efforts at the start of the work plan period will particularly focus on our parallel projects relating to sustainability reporting and assurance, as well as Track 2 of the IAASB Listed Entity and Public Interest Entity ~~(PIE)~~ project that addresses implications for IAASB Standards resulting from revisions to the IESBA Code and the ongoing work of the IESBA PIE-rollout working group. The IESBA project, Use of Experts, will continue to receive attention in the context of possible implications for the IAASB's standards (e.g., conforming and consequential amendments, as well as the link to, for example, ISA 620 and proposed ISSA 5000). Recognizing the importance of the impact of technology in relation to the commencement of new IAASB projects and IESBA's completed and ongoing work on technology, coordination in this area will be key.

Both Boards are familiar with each other's work plans, including the commencement of new projects in 2024–2027. ~~and~~ Our coordination activities will center around these topics, while remaining alert to new, emerging or unanticipated developments in the environment that impact our standards. Project identification and scoping by both Boards will benefit from an increased focus on timely coordination to understand and act on any commonalities of interest. ~~Recognizing the importance of the impact of technology in relation to the commencement of new IASB projects and IESBA's completed and ongoing work on technology, coordination in this area will be key.~~

**[Relocated to the strategic actions under Strategic Objective 3]** ~~Other Global Standard-Setting Boards~~

~~We will continue to liaise, and coordinate where necessary, with other global standard-setting boards. Active consultations will include, but are not limited to, the IASB and the ISSB on matters of auditability and assurability, respectively, of new and revised international financial or sustainability reporting standards.~~

## **Allocation of Our Resources**

### **Allocation of Resources**

Our Work Plan will draw on our full capacity to deliver high-quality standards and undertake our activities in a timely manner. The Work Plan as set out ~~in this Section II above~~ is expected to be supported by a budget of approximately ~~[TBC]~~ \$7.9 million in 2024. The budget for the ~~newly formed 'Foundation'~~ International Foundation for Ethics and Audit (the Foundation) is affected by the funding arrangements agreed under the Monitoring Group reforms. These arrangements will evolve over the initial implementation period that falls within both our and IESBA's Work Plan periods. On balance, the overall budget and allocations for both Boards are expected to be reasonably stable, with the possibility of agreed upward annual adjustments.

The work that can be undertaken is also limited to volunteer hours of our Board members and Staff capacity available to undertake activities that we have committed to. The number of technical Staff through permanent appointments and secondments will increase over time to ensure appropriate technical expertise and to facilitate the shift from the traditional Task Force-model for projects to a Staff-driven model. The net positive impact of these changes is expected to become evident as the Board and Staff adapt throughout ~~the~~ is Work Plan period.

We will allocate the above resources on the basis of information about new initiatives or projects that will need to be started and past experience of the capacity needed to deliver our projects and initiatives, while being mindful of making adjustments as we continue to adapt to the 'new model' as referred to above. We reserve a limited capacity to respond to unexpected events and we will be able to reallocate resources if, and when, needed (however, with consequential changes to timelines of projects). The resources needed and capacity for key deliverables contemplated in the Work Plan assumes nearly full utilization of all Staff and Board resources.

## Appendix 1

### The Development of Our Strategy and Work Plan

The development of our Strategy and Work Plan was informed by:

- A [Public Consultation](#), *The IAASB's Proposed Strategy and Work Plan for 2024–2027*.

The feedback from the public consultation was discussed at our [September 2023 meeting](#). Our public consultation was also informed by the activities highlighted in this appendix, as well as a [Stakeholder Survey](#) for our Work Plan 2022–2023 (the results of which was discussed at our [September 2021 meeting](#)).

- Outreach by our Chair, Board members and senior and project Staff as part of our general outreach program, as well as project-specific outreach.

Details of our outreach activities are reported in Agenda Item 1 of every quarterly meeting and, in relation to project specific outreach, in the agenda materials for individual projects. This outreach included outreach with [relevant committees, groups or units of](#) Monitoring Group members [organizations](#) (e.g., the European Commission, the International Forum of Independent Audit Regulators, the International Organization of Securities Commissions and the Financial Stability Board).

- Discussions with the PIOB.
- Discussions with our Consultative Advisory Group.
- Regular engagements with our NSS.

This includes annual or bi-annual meetings with NSS, which includes report back on requests for input to NSS about jurisdictional developments of international relevance, as well as bilateral outreach with individual NSS as part of our general outreach program or project-specific outreach.

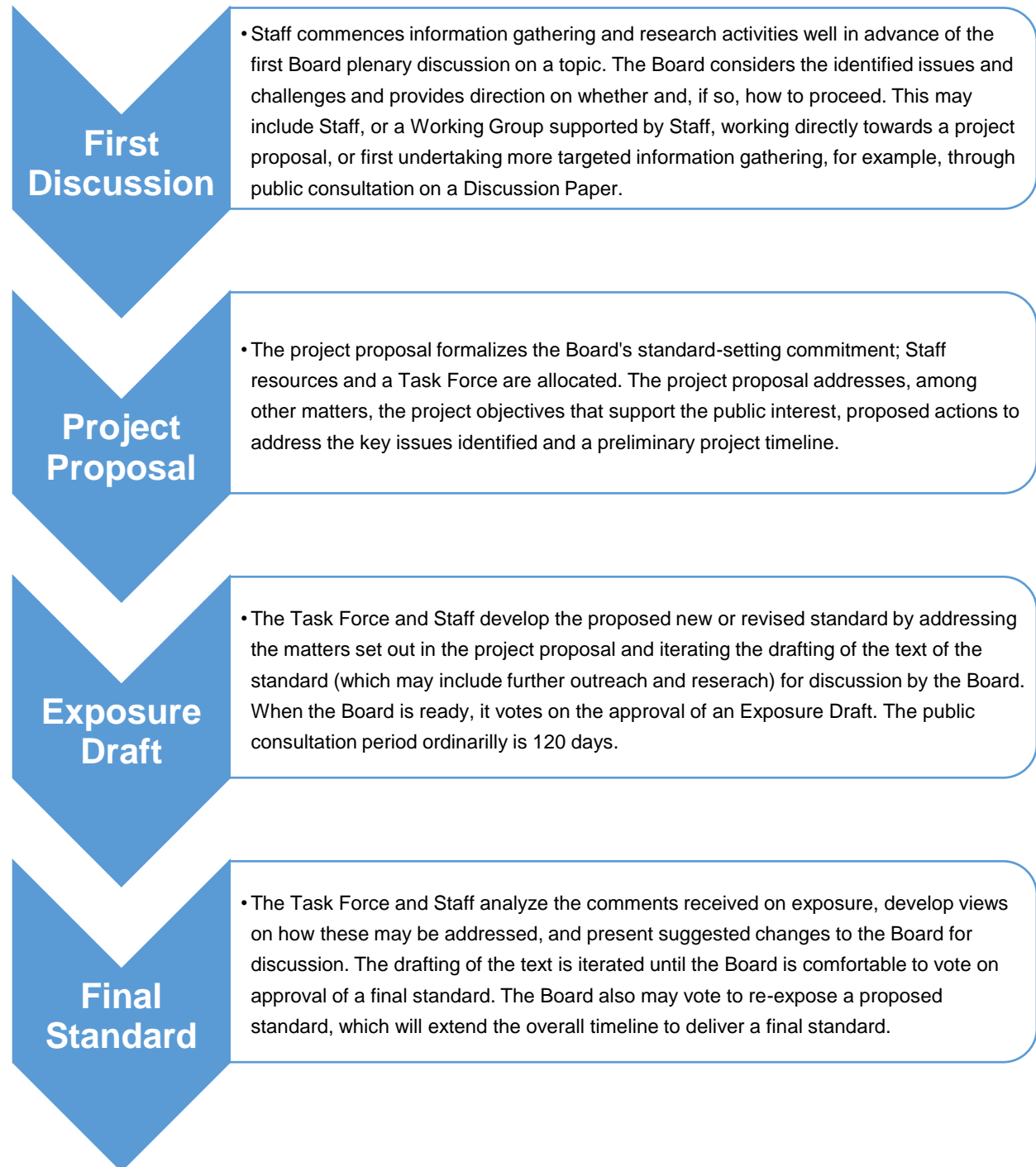
- Joint meetings of the IAASB and IESBA in September 2023 and of the planning committees of the two Boards in October 2022.
- Input from coordination activities with IFAC, including IFAC's Small and Medium Practices Advisory Group and the Forum of Firms.
- Matters raised in our projects or ongoing workstreams where the matter(s) is not addressed by the specific project or workstream.
- Ongoing scanning of the environment and monitoring of global trends.



## Appendix 2

## Key Milestones of a Standard-Setting Project

The following diagram provides a high-level overview of the key milestones of our ‘normal’ project cycle for the revision or development of a standard.





## Appendix 3

**Summary IAASB Work Plan for 2024–2027**  
**[Appendix 3 is new and is not shown in marked text]**

The table below is the Summary Work Plan as at the date of approval of the IAASB Strategy and Work Plan for 2024–2027 and includes the projects underway at the start of 2024 and the planned new projects to be commenced, with targeted milestones for projects in each of the calendar years in the Work Plan period. Targeted milestones may change based on factors such as those indicated at the start of the Work Plan section in the main document (Section II). Once a project commences, its [project webpage](#) provides updated and more detailed information of progress-against-plan and any changes in timelines.

Projects Already Underway and Planned New Projects	Targeted Milestones			
	2024	2025	2026	2027
<b>AUDITS AND REVIEWS (ISAs and ISREs)</b>				
<b>Going Concern (Revision of ISA 570 (Revised))</b>	Final Standard			
<b>Implications for IAASB Standards of IESBA's Project on Listed Entity and Public Interest Entity – Track 2</b>	Final Standard			
<b>Fraud (Revision of ISA 240)</b>	Ongoing	Final Standard		
<b>Integrated Approach to Audit Evidence and Risk Response,<sup>41</sup> Including Focus on Technology and Internal Control</b>	Project Proposal	Exposure Draft	Final Standard / Ongoing (depending on scoping)	
<b>Conforming and Consequential Amendments Arising from IESBA's Use of Experts Project</b>	Project Proposal	Final Standard		
<b>ISRE 2410 – Review of Interim Financial Information</b>		Project Proposal	Exposure Draft	Final Standard

<sup>41</sup> Also refer to Note 1 to Table A in the main document (Section II), that provides further information about the audit evidence and risk response workstreams of the integrated approach.

Projects Already Underway and Planned New Projects	Targeted Milestones			
	2024	2025	2026	2027
<b>Materiality</b>		Project Proposal	Exposure Draft	Final Standard
<b>Modernization of Other Targeted Standards in the ISA 500 Series, Including Focus on Technology</b>			Could Commence	Ongoing
<b>PIR of ISA 540 (Revised)</b>			Consultation Paper	Recommendations
<b>PIR of ISA 315 (Revised 2019)</b>			Consultation Paper	Recommendations
<b>AUDITS – THE ISA FOR LCE</b>				
<b>The ISA for LCE</b>	I-Support <sup>42</sup>			
<b>Maintenance of The ISA for LCE</b>		Could Commence	Finalize	
<b>SUSTAINABILITY AND OTHER ASSURANCE ENGAGEMENTS</b>				
<b>Overarching Standard for Assurance on Sustainability Reporting (ISSA 5000)</b>	Final Standard			
<b>Implementation Support and Other Actions Related to ISSA 5000</b>	I-Support	I-Support		
<b>Possible Additional Standard Setting Related to Sustainability</b>			Could Commence	Ongoing

<sup>42</sup> "I-Support" is the abbreviation for *Implementation Support Activities* as contemplated in Component IV of the Framework for Activities. Also refer to "Implementation Support Activities" in the subsection "Other initiatives and Ongoing Activities" in the main document (Section II).

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