

IAASB Strategy and Work Plan 2024-2027

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IAASB CAG Meeting

September 12–13, 2023

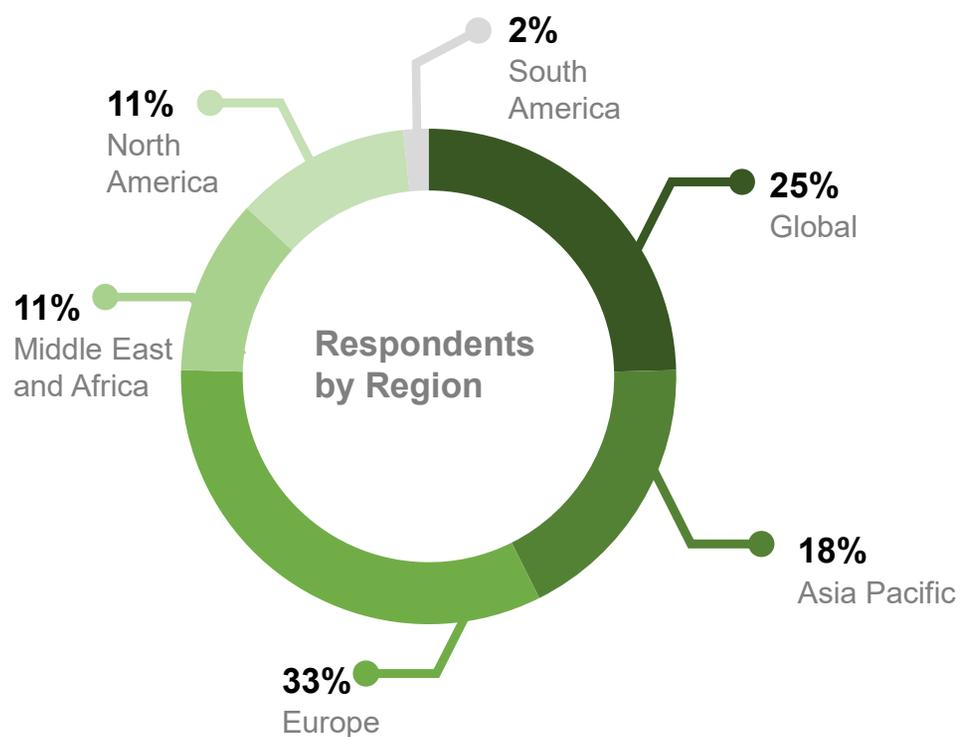
Agenda Item I.1

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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

Consultation Paper – List of Questions asked

1 Do you agree with Our Proposed Goal, and Our Proposed Keys to Success and Stakeholder Value Proposition?

2 Do you agree with Our Proposed Strategic Drivers as the key environmental factors that drive the opportunities and challenges impacting our ability to achieve our goal?

3 Do you agree with Our Proposed Strategic Objectives and Our Proposed Strategic Actions?

4 Do you support the identified possible new standard-setting projects as set out in Table B (see pages 20–22) within the area of audits and reviews (numbered A. to K.)? Please share your views on the individual topics, including, if relevant, why certain topics may be relatively more important to you, your organization or within your jurisdiction.

5 Do you support the identified possible new standard-setting projects as set out in Table B (see pages 20–22) within the area of sustainability and other assurance engagements (numbered L. and M.)? Topic L., Further Standards for Assurance on Sustainability Reporting, would involve addressing multiple topics (as part of possible multiple projects). Please provide your views about likely candidate topics for further standards.

6 Are there other topics that we should consider as new standard-setting projects? If so, please indicate whether any such topics are more important than the topics identified in Table B (see pages 20–22), and the needs and interests that would be served by undertaking work on such topic(s).

7 Our proposed Strategy and Work Plan emphasizes the importance of close coordination with our sister-Board, IESBA. What are your views about whether and, if so, how coordination could be enhanced in terms of opportunities for joint or complementary actions that would better serve the public interest? Suggestions could entail standard-setting work, engagement with stakeholder groups, and improved ways of working, among others.

8 Are there any other matters that we should consider in finalizing our Strategy and Work Plan?

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

Strategic Drivers

- Q1
- Q2
- Q3
- Q4
- Q5
- Q6
- Q7
- Q8

- Strong support from respondents
- No other strategic drivers were identified

Increased and More Diverse Demands for Our Standards

Heightened supervisory scrutiny

Impact of technology

Sustainability reporting and other evolving areas for assurance engagements

Diverse demands across the spectrum of stakeholders reflecting the breadth of the global economy

Supporting the implementation of our standards

Confronting 'Headwinds' to Adoption of Standards

Value of cooperation across independent standard-setting bodies

Evolving expectations around sustainability assurance

Impact of and reasons for jurisdictions developing their own audit and assurance standards

Increasingly complex to manage global engagement with new stakeholders

Changing Demands to Our Ways of Working

Attract top talent at the Board and Staff levels

Increasingly tight timelines to meet heightened expectations.

Implement the Monitoring Group reforms

Ability to leverage technology

Strategic Objectives and Actions

- Q1
- Q2
- Q3
- Q4
- Q5
- Q6
- Q7
- 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 CAG Consideration

The Representatives are asked for their views on the Goal, Keys to Success, Stakeholder Value, Strategic Drivers, and Strategic Objectives and Strategic Actions as presented in **Agenda Item I.2** and in view of the matters discussed in **Section C** in **Agenda Item I.3**

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
- Projects underway at the start of 2024
- Possible new projects/workstreams

Implementation
Support Activities

Audits and Reviews

Q1	Focus on the impact of technology	Other topics	Post Implementation Reviews
Q2			
Q3	<ul style="list-style-type: none"> Holistic approach 	<ul style="list-style-type: none"> “Joint Audits” not a candidate for a new project 	<ul style="list-style-type: none"> Respondents supported the IAASB undertaking post-implementation reviews for
Q4	<ul style="list-style-type: none"> Embed technology in ISAs 	<ul style="list-style-type: none"> 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) 	<ul style="list-style-type: none"> - ISA 540 (Revised)
Q5	<ul style="list-style-type: none"> Planning Committee considered 2 options 	<ul style="list-style-type: none"> ISA 320 also ranks high (support between stakeholder groups varied) 	<ul style="list-style-type: none"> - ISA 315 (Revised 2019)
Q6	<ul style="list-style-type: none"> a) ISA 330 project and a technology project focused on standards in the ISA 500-series 	<ul style="list-style-type: none"> ISA 620 and ISA 720 (Revised) ranks behind the above topics. Comments also noted the IESBA project on Experts 	<ul style="list-style-type: none"> - Quality Management Standards
Q7			<ul style="list-style-type: none"> 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
Q8	<ul style="list-style-type: none"> b) Expanded audit evidence and risk response project, and a technology project focused on other targeted standards 		

Sustainability and Other Assurance Engagements

Q1

Q2

Q3

Q4

Q5

Q6

Q7

Q8

Bespoke Suite of Standards on Sustainability Assurance

- Strong support for a bespoke suite of standards
- Few respondents suggested candidate topics for possible further standards
- Need for sufficient time to implement ISSA 5000 before a project(s) for further standards
- Prudent to have a placeholder in line with Board's commitment to the ISSA suite

ISAE 3000 (R), ISAE 3410, and EER Guidance

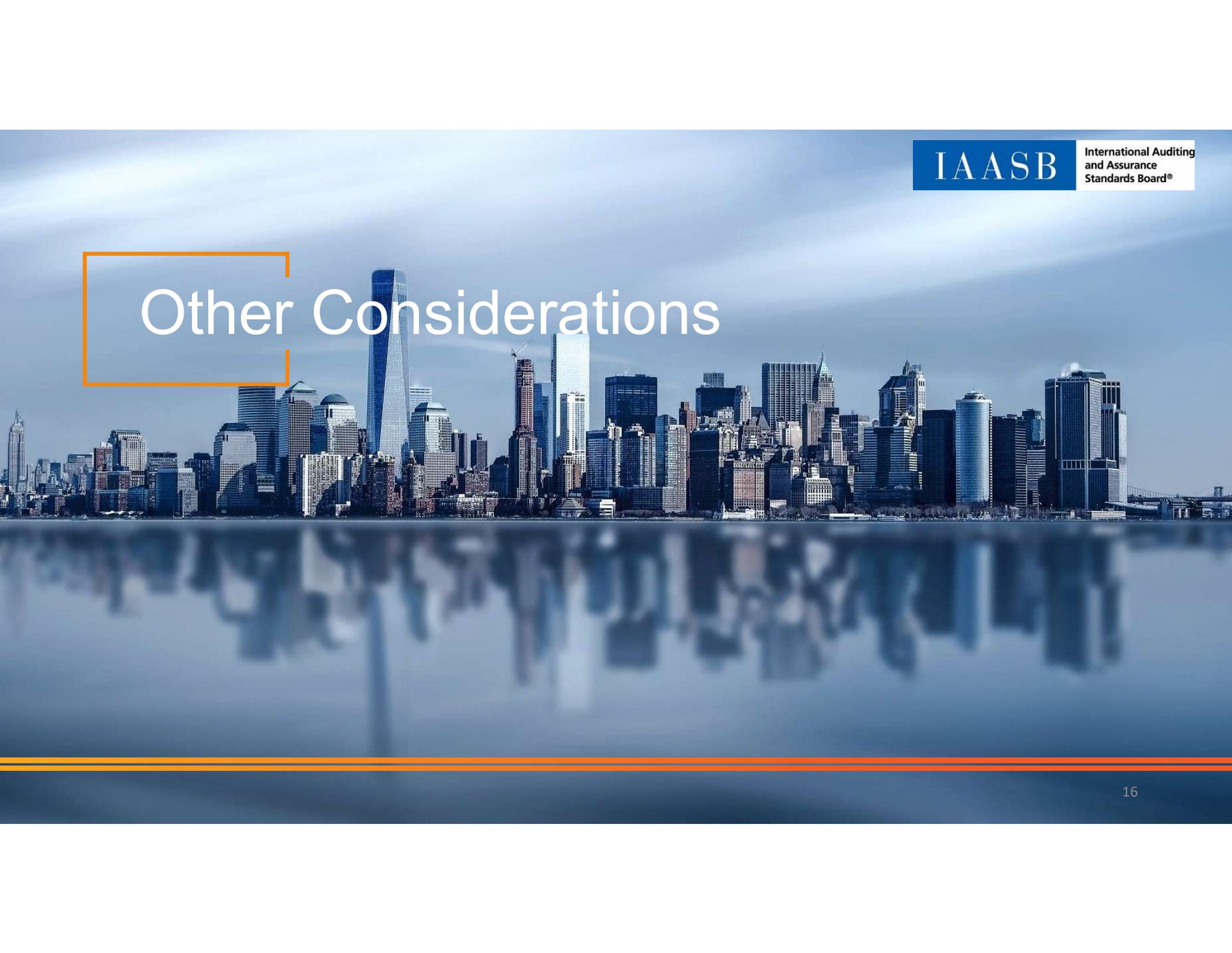
- Views that a focus on these are important to avoid confusion with ISSA 5000
- Need identified to update EER Guidance
- Need identified to clarify relationship between ISSA 5000 and ISAE 3410
- Actions to complement ISSA 5000 are likely. A project on ISAE 3000 (R) is unlikely.

Assurance on XBRL

- Mixed views by respondents
- Increased use of digital reporting recognized. Other views about global relevance of topic; ISAE 3000 (R) can be used; priority compared to other topics
- Views supporting a research project or updating ISAE 3000 (R) to better accommodate XBRL
- On balance, it is unlikely that a project would be commenced

Matters for IAASB CAG Consideration

- The Representatives are asked for their views on possible programming decisions in finalizing the Work Plan as discussed in **Sections D** in **Agenda Item I.3**, including as distinguished between
- Audits and Reviews (**Section D.1** in **Agenda Item I.3**)
 - Sustainability and Other Assurance Engagements (**Section D.2** in **Agenda Item I.3**)

The background of the slide is a wide-angle photograph of the New York City skyline, featuring numerous skyscrapers and buildings. The sky is overcast with grey clouds, and the water in the foreground is calm, reflecting the city's architecture. A thin orange horizontal line runs across the bottom of the image, just above the footer.

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 CAG Consideration

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

