



The Chairman
International Auditing and Assurance Standards Board
529 5th Avenue
6th Floor
New York 10017
USA

Sent electronically through the IAASB Website (www.iaasb.org)

CONSULTATION PAPER: IAASB'S PROPOSED STRATEGY AND WORK PLAN FOR 2024–2027

PREFACE

The Pan-African Federation of Accountants (“PAFA”, “we” and “our”), welcomes the International Audit and Assurance Standards Board (IAASB)’s publication of The IAASB’s Proposed Strategy and Work Plan for 2024–2027, and the opportunity to comment thereon.

PAFA represents Africa’s professional accountants, and our objective is to accelerate the development and strengthen the voice of the accountancy profession within the continent and worldwide. In its unique regional capacity to work with Professional Accountancy Organisations and present a unified position for the profession, PAFA hereby presents its responses to the Exposure Draft.

We detail our responses to specific questions in the appendix to the letter below. We hope that our comments will positively contribute to the IAASB future’s deliberations. Should you have further concerns regarding our comments, please do not hesitate PAFA Director: Technical Excellence Ms Lebogang Senne on lebogangs@pafa.org.za

Questions

1. Do you agree with Our Proposed Goal, and Our Proposed Keys to Success and Stakeholder Value Proposition (see pages 5–6)?

PAFA Response

Overall, we agree with the components of the proposed goal however, as stated, the Proposed Goal is quite a long sentence and therefore a little difficult to follow. We noted that there is no reference or emphasis to high-quality standards and believe that there is a need to mention this explicitly (especially in the light of the desire for greater agility) as high-quality engagements are a factor of high-quality standards.

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 (see pages 7–9)?

PAFA Response

PAFA agrees with the proposed strategic drivers as identified.

3. Do you agree with Our Proposed Strategic Objectives and Our Proposed Strategic Actions (see pages 10–14)?

PAFA Response

PAFA agrees with the proposed strategic objectives and 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.

PAFA Response

Overall, PAFA is supportive of the projects that are detailed specifically:

- *Materiality – there has been more frequent findings of inconsistency with determining materiality so this should go a long way in addressing challenges in area.*
- *As it relates to Using the Work of an Auditor’s Expert (Revision of ISA 620), we are aware that national inspection projects have identified challenges with the use of the work of*

auditors experts which we believe warrant consideration of widening the scope beyond what is currently detailed – we propose that the Board make an assessment as to whether there is a need for broader revision or whether the challenges experienced are related to application. With the increase in the focus on sustainability reporting, we also expect that there might be greater reliance on ESG experts and if the issue lies with the standard then that would then be exacerbated.

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.

PAFA Response

While we support the projects proposed under Topic L, we question whether there is a need for a separate standard on XBRL (Topic M). Given that the data that is reported through XBRL is subject to existing standards, and that ISAE 3000 is already in existence and being used, we do not believe that there is a need for an additional standard for this purpose.

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).

PAFA Response

We encourage the Board to consider conducting post-implementation reviews to ensure that standards that are in issue are being applied as and achieving their intended purpose. We would welcome the post implementation review of the standards as detailed on page 19.

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.

PAFA Response

We have no specific comment on this but encourage collaboration between all standard setters including those developing reporting standards as these are what is ultimately subject to the work of the IAASB.

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

PAFA Response

We have no further comments to add.