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Via online submission

Dear James

**The IAASB's Proposed Strategy for 2015–2019**  
**The IAASB's Proposed Work Program for 2015–2016**

CPA Australia welcomes the opportunity to comment on the IAASB's Proposed Strategy for 2015–2019, and Proposed Work Program for 2015–2016 (the Consultation Paper). CPA Australia is one of the world's largest accounting bodies and represents the diverse interests of more than 150,000 members in finance, accounting and business in 121 countries throughout the world. Our vision is for CPA Australia to be the global professional accountancy designation for strategic business leaders. We make this submission on behalf of our members and in the broader public interest.

CPA Australia supports the strategic objectives outlined in the Consultation Paper and would emphasise the importance of the second strategic objective, "Ensure the IAASB's Suite of Standards Continues to be Relevant in a Changing World by Responding to Stakeholder Needs" in the context of evolving markets, technology and stakeholder needs.

CPA Australia recently hosted the inaugural Evolution of Auditing Forum in Sydney, Australia, hosting a keynote presentation from Professor Miklos Vasarhelyi of Rutgers in New Jersey (credited with the original development of a continuous assurance concept) and a panel of leaders from the Australian auditing profession and regulatory landscape. This forum highlighted the importance of seeking out and listening to the views of stakeholders, and being conscious that stakeholders may not be aware of how the audit profession's capabilities could address their evolving needs. This compels consideration of innovative and sometimes normative solutions as well as a clear view on emerging trends.

A critical trend which is not prominent in the Consultation Paper is the impact of emerging technology such as data mining and analysis. CPA Australia recommends it is important for the IAASB's strategy to encompass the risks associated with these technologies in an audit context and how they may provide opportunities for development of the auditor's role and suite of capabilities (see also below).

CPA Australia also considers the third strategic objective outlined in the Consultation paper as critical – "Collaborate and Cooperate with Contributors to the Financial Reporting Supply Chain to Foster Audit Quality and Stay Informed". The value of auditing is fundamentally linked to the value of the information being audited. Current and prospective developments in reporting, such as Integrated Reporting and efforts to address complexity in financial reporting, represent an opportunity to address concerns as to the relevance and usability of corporate reporting for increasingly diverse stakeholders.

CPA Australia recommends that a leading role and clear views from the IAASB and wider audit profession in these initiatives is crucial to ensuring these developments result in reporting that is compatible with auditing and assurance standards and framework.

While CPA Australia considers the Planned Priorities and Actions for 2015–2016 as highly appropriate, two items we would consider could also merit enhanced priority are:

1. Implementation of forthcoming new auditor reporting standards.
2. The impact of changes in technology and adoption of advanced data analytic and data mining technology in audit (see also above).

CPA Australia recognises the significant work of the IAASB on its Auditor Reporting project over the past three years and also the priority reflected in the Consultation Paper for post-implementation efforts. CPA Australia would highlight that the changes currently proposed to auditor reporting represent a significant shift for auditors and users of auditor's reports, the success of which will be largely contingent on what follows the issue of updated standards – along with the efforts of the IAASB this importantly includes the approach of auditors, firms, the wider accounting profession including accounting bodies, regulators and law makers. CPA Australia considers that the import carried by these changes for the relevance and value of auditor's reports compels the recognition of auditor reporting as a continued first priority for the IAASB over the period of the current proposed Work Program.

As outlined above, CPA Australia highlights the prevalence of new technologies in auditing, including opportunities for development in the approach to important aspects of audit engagements as well as risks that may warrant consideration.

If you require further information on any of our views expressed in this submission, please contact Amir Ghandar, CPA Australia by email at [amir.ghandar@cpaaustralia.com.au](mailto:amir.ghandar@cpaaustralia.com.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Drum', written in a cursive style.

Paul Drum FCPA  
Head of Policy