

Meeting: IAASB Consultative Advisory Group
Meeting Location: New York
Meeting Date: September 8-9, 2014

Agenda Item

L

The IAASB's Strategy for 2015–2019 and Work Plan for 2015–2016

Objectives of Agenda Item

1. To provide a report back on the Representatives' comments on the IAASB's Consultation Papers (CPs), *Proposed Strategy for 2015–2019* and *Proposed Work Program 2015–2016* as discussed at the March 2014 CAG Meeting.
2. To consider the final draft of *The IAASB's Strategy for 2015–2019* (Strategy) and *The IAASB's Work Plan for 2015–2016* (2015–2016 Work Plan).

Papers to be Referred to during Discussion

3. The discussion of this topic will follow the structure of this CAG paper. Within this paper, reference is made to **Agenda Item L.1**, *The IAASB's Strategy for 2015–2019* and **Agenda Item L.2**, *The IAASB's Work Plan for 2015–2016*. Both of these documents have been presented in clean versions as they have been substantially revised from the CPs.

Project Status and Timeline

4. The IAASB approved the CPs at its December 2013 meeting. The document was released for public comment on December 18, 2013 with a comment period to April 4, 2014. Forty-eight responses were received (a list of respondents can be found in Appendix B). All comment letters can be accessed from the IAASB website at <http://www.ifac.org/publications-resources/iaasb-s-proposed-strategy-2015-2019-and-proposed-work-program-2015-2016>
5. The IAASB discussed the feedback from the consultation at its June 2014 meeting, including possible changes to the strategic objectives, and projects and initiatives planned for 2015–2016. At the September 2014 IAASB meeting, revised drafts of the Strategy and 2015–2016 Work Plan (as presented in Agenda Items L.1 and L.2) will be considered for approval. The final documents will then be submitted to the Public Interest Oversight Board (PIOB) for approval as the IAASB's medium-term strategy and short-term work plan.
6. Appendix A to this paper provides a project history, including links to the relevant CAG documentation.

March 2014 CAG Discussion

7. Below are extracts from the draft minutes of the March 2014 CAG meeting,¹ and an indication of how the project Task Force² or IAASB has responded to the Representatives' comments.

Representatives' Comments	Task Force/IAASB Response
OVERALL COMMENTS	
Ms. de Beer expressed support for the consultation paper, noting it reflected a significant amount of thought and planning and was very well done. Mr. Hansen and Mmes. Blomme and Sucher agreed. In particular, Mr. Hansen supported the IAASB's process to date and agreed that the projects that had been identified all merit consideration.	Support noted.
Mr. Kottvedgaard was of the view that, from a strategic standpoint, exploring the effects of technology and emerging developments, such as cloud computing, offshoring and virtual audits, is critical to understanding whether the ISAs are "fit for purpose" or require adaptation. He suggested the Board should consider whether the auditing standards encourage innovation and efficiency in the audit profession, rather than unduly limiting it, while maintaining quality.	<p>Point accepted.</p> <p>Prof. Schilder noted the post-implementation reviews, such as the ISA Implementation Monitoring project, serve to highlight whether the ISAs and other standards have delivered what the IAASB had hoped to achieve in developing or revising them. He noted the IAASB appreciates both positive feedback, as well as suggestions for further enhancement.</p> <p>The 2015–2016 Work Plan includes the consideration of the effects of offshoring on the financial statement audit, in the projects on Group Audits–ISA 600³ and Quality Control. In addition, the IAASB's Innovation Working Group⁴ plans to monitor, as one of its priorities, developments in information technology and their effect on the financial statement audit.</p> <p>(See Agenda Item L.2, project descriptions on Group Audits and Quality Control; and paragraphs 39-42 of this paper for the activities</p>

¹ The March 2014 minutes will be approved at the September 2014 IAASB CAG meeting.

² The IAASB's Steering Committee serves as the Task Force for this initiative.

³ ISA 600, *Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)*

⁴ Previously the Information, Needs, and Future Opportunities (INFO) Working Group

<p>Mr. Kocktvedgaard expressed the view that the move from mandatory requirements for audits represents the view that the current standards are not fit for purpose for small and medium entities (SMEs), and that doing so drove innovation in the market in terms of other services that could be provided. He therefore supported the post-implementation reviews planned for the IAASB's standards on reviews and compilations.</p>	<p><i>of the INNOVATION WORKING GROUP.)</i></p> <p>Point accepted.</p> <p>The IAASB's proposed Work Plan 2015–2016 includes consideration of the revision of the IAASB's standard addressing Agreed-upon Procedures (ISRS 4400).⁵ In addition, as the IAASB contemplates this topic, wider consideration will also be given to exploring evolving engagements in this area (for example, “hybrid” engagements) to consider whether standard-setting or other activities may be appropriate to address any emerging needs.</p> <p><i>(See Agenda Item L.2, project description for revision of ISRS 4400.)</i></p> <p>During the 2015–2016 period, the IAASB also intends to develop a process for conducting post-implementation reviews of the IAASB's assurance and related services standards, with the intention that post-implementation reviews for the revised standards on reviews (ISRE 2400)⁶ and compilations (ISRS 4410)⁷ will be carried out in the 2017–2018 Work Plan.</p> <p><i>(See paragraph 26 of this paper.)</i></p>
<p>Mr. Kocktvedgaard asked how the IAASB would define success in terms of what had been achieved by 2019 and suggested the Board consider criteria or targets, such as number of countries having adopted the clarified ISAs, as a basis for measurement. He also suggested it may be necessary to gauge how well emerging issues are being addressed.</p>	<p>Point taken into account.</p> <p>Prof. Schilder noted that the quantification of countries, while an important measure, can be a moving target. Mr. Gunn noted Staff had explored potential metrics and was of the view that quantitative measurements can become an arbitrary exercise. It is important for the IAASB to focus on the quality of its outputs and the CAG's satisfaction in its processes and outputs. Prof. Schilder also drew attention to page 15 of the proposed Strategy (in the CP) in relation to how the IAASB might measure its success in</p>

⁵ International Standard on Related Services (ISRS) 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*

⁶ International Standards on review Engagements (ISRE) 2400 (Revised), *Engagements to Review Historical Financial Statements*

⁷ ISRS 4410 (Revised), *Compilation Engagements*

	<p>implementing the Strategy. He noted that one of the main aims of outreach is to understand emerging issues to which the IAASB may need to respond and areas where the IAASB can assist. The Board keeps an open mind as to what it is producing and whether it is delivering results. He also drew attention to the IAASB's plans to issue periodic public updates summarizing feedback obtained during its outreach on the progress and impact of the IAASB's standard-setting and other activities.</p> <p>(See Agenda Item L.1, paragraph 29.)</p>
<p>Mr. James noted that IOSCO members are of the view that, while what is articulated as the IAASB's proposed strategic represent useful goals, they can be read as more of a mission statement, as they are likely to continue to be relevant past the five-year strategic period. He questioned whether a different approach would result in a different focus.</p>	<p>Point taken into account.</p> <p>Prof. Schilder acknowledged that the three areas could broadly be viewed as a mission statement, but they had been carefully constructed to result in a greater focus on audit, compared to assurance, than in previous periods.</p> <p>In light of feedback on consultation, the strategic objectives have been recharacterized and the Board is of the view that they are now more outcome-orientated and appropriately classified. In particular, the first strategic objective focuses on audit, the second on the IAASB's standards other than the ISAs, and the third on the IAASB's outreach activities. The revisions also explain the relevance of each in the current environment to make them appropriate for this Strategy period.</p> <p>(See paragraph 5 of Agenda Item L.1 and explanations of the changes in paragraphs 18-30 of this paper.)</p>
<p>Mr. James drew attention to the reference to the Board recognizing the public interest importance of moving quickly on its auditor reporting project. In his view, external circumstances, in particular development in other regions placed significant external pressure on the Board to react in that way. He questioned whether the Board could work as quickly and effectively in the absence of external pressure to deliver on a topic.</p>	<p>Point noted.</p> <p>Prof. Schilder acknowledged that, while external developments played a role in the acceleration in 2012, the IAASB had commenced its work on auditor reporting in 2006 when it commissioned joint research on users' perceptions of the auditor's report. He noted that, in the time it took for the research findings to be available, the Board continued to monitor the level of demand and support for moving forward, taking into account the views of the CAG and other stakeholders during outreach. Mr. Gunn noted</p>

	<p>continued input from the CAG in relation to external pressures and rationale for suggested actions in terms of IAASB priorities would be useful.</p> <p>To respond to input from the respondents to the CP, discussions with the CAG, national standard setters (NSS) and others, the IAASB has agreed that work on more than three projects (as proposed in the CP) should commence as a priority, with the consequence that the timeline for completion would not be on an accelerated basis.</p> <p>(See paragraph 5 and the Appendix in Agenda Item L.2 and paragraph 44 of this paper.)</p>
Mr. James also suggested the Board needed to factor time into the work program for the development of the work plan for 2016–2017 and the mid-period assessment of the five-year strategy.	<p>Point accepted.</p> <p>Prof. Schilder agreed it could be more explicitly addressed in the indicative timetable and factored into the analysis of Board and Staff resources.</p> <p>(See paragraph 15 and the Appendix of Agenda Item L.2.)</p>
VIEWS ON PRIORITY PROJECTS	
<p>Mr. Hansen suggested the Financial Instruments (FI) project as a high priority, and suggested that topics such as impairment and loan loss provisioning could be addressed. Mr. Stewart questioned whether an assessment had been made of the need for guidance to support auditors in light of new requirements in the accounting standards to promote more consistent accounting.</p> <p>Ms. Sucher referred to the recent work of the Basel Committee on guidance for the audits of banks, and therefore welcomed the focus on financial instruments in light of the financial crisis. She highlighted that the Basel Committee had provide the IAASB with its initial thinking on how the ISAs could be enhanced to encourage high-quality audits of banks.</p> <p>Mr. Dalkin questioned whether it was prudent to focus on industry-specific matters and encouraged the IAASB to consider whether the</p>	<p>Points accepted.</p> <p>Prof. Schilder acknowledged the ongoing dialogue with the Basel Committee on its recently issued guidance, in light of the withdrawal of previous International Auditing Practice Statements (IAPSs) relevant to banks. He noted that the FI project contemplates a review of ISA 540⁸ to consider how best to reflect relevant accounting developments as mentioned by Messrs. Hansen and Stewart, changes to which would likely be relevant beyond financial institutions (i.e. banking and insurance entities). Finally Prof. Schilder expressed the view that the IASB may in the future wish to comment more formally to the IAASB about areas where guidance for auditors might be useful.</p> <p>The project description included in the 2015–2016 Work Plan now includes clarification that the initial review of the scope and direction of this project</p>

⁸ ISA 540, *Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures*

<p>issues to be addressed in the FI project were more broadly applicable.</p>	<p>will include considerations of the detailed comments from the Basel Committee related to the ISAs, in particular for the Board to form a view as to whether making changes to the ISAs could have wider applicability beyond financial institutions. In addition, it also includes consideration of the need for further consideration as to whether ISAs other than ISA 540 may be affected by work in this area.</p> <p><i>(See Agenda Item L.2, project description for the financial institutions project.)</i></p>
<p>Mr. Hansen and Ms. Sucher also supported focus on quality control and professional skepticism, suggesting that issues had been commonly noted in practice in relation to these topics.</p>	<p>Support noted.</p> <p>Prof. Schilder noted it would be interesting to see the interrelationships between a number of projects, for example, the application of professional skepticism in auditing financial institutions.</p>
<p>Views on Other Projects</p>	
<p>Mr. Waldron was of the view that the project on preliminary announcements should commence sooner than anticipated in Appendix 2 of the Work Program. Messrs. Hansen and Waldron noted the importance of preliminary announcements to the capital markets.</p>	<p>Point not accepted.</p> <p>Prof. Schilder explained that the IAASB had mentioned the topic as a previous project, with mixed views in terms of its relative importance given other priorities. He noted the IAASB would learn more from this consultation to determine a way forward. Mr. Gunn further explained that the possibility of academic research on the topic is being explored to understand demand and the feasibility of auditor involvement. He encouraged CAG member organizations to provide input as to how the topic of auditor involvement with preliminary announcements has been addressed nationally.</p> <p>As agreed at the June 2014 IAASB meeting, work on topics will be deferred unless additional resources beyond that required for the priority projects contemplated (as set out in 2015–2016 Work Plan) are available and, if not, they will form part of the IAASB's considerations for the Work Program for 2017–2018. At that IAASB meeting Ms. de Beer noted that the priority projects proposed for the Work Plan are in line with the views held by the CAG.</p>

<p>Referring to the previous discussion on whether the IAASB needed to address the topic of joint audits in the ISAs, Ms. Blomme explained that joint audits are currently not prohibited in Europe but to date had only been utilized in France, and it is unclear whether other member states would use group audits. As a result, she suggested this may not be as high a priority for the IAASB as other topics.</p>	<p>Point noted.</p> <p>Prof. Schilder agreed, noting feedback from Denmark and, to an extent, France, had indicated mixed views on such engagements. He acknowledged that work on the topic would depend on how widely joint audits were anticipated to be used and respondents' views on other priorities.</p> <p>Feedback from consultation did not indicate that the topic of joint audits is a priority topic relative to other initiatives on the IAASB's agenda. Accordingly, at present there are no plans for the IAASB to consider work in this area; however, if considered necessary in the future, the Innovation Working Group could continue to monitor emerging needs relating to the IAASB's standards.</p>
<p>Mr. James noted a continued concern by IOSCO of how sample sizes were being addressed in practice. He suggested consideration be given as to whether work in this area is a priority.</p>	<p>Point noted.</p> <p>Prof. Schilder noted the work in ISA 315⁹ in relation to technology and "big data" could potentially have an impact on sample sizes. Mr. Gunn noted that the topic had been captured as one that may be addressed in 2017 and beyond given the relative prioritization of other topics.</p> <p>Feedback on consultation did not indicate that the topic of audit sampling was of a higher priority relative to other initiatives. However, as noted by Prof. Schilder, the Innovation Working Group's plans to monitor the effects of evolving technology on the audit may highlight the need for revision to ISA 530.¹⁰ The topic of audit sampling will be considered for inclusion in the 2017–2018 Work Plan.</p>

Matters for CAG Consideration

8. The Representatives are asked to note the Report Back above, in particular the changes made as a result of the CAG's comments.

⁹ ISA 315 (Revised), *Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment*

¹⁰ ISA 530, *Audit Sampling*

9. A summary of the feedback from the consultation on the Strategy and 2015–2016 Work Plan, together with the main changes of substance proposed since the CP in December 2013, are highlighted below.

I. Strategy

Highlights of Feedback on the Strategy

10. The CP set out the following three strategic objectives for 2015–2019:
- (i) Develop and Maintain High-Quality International Standards on Auditing (ISAs) that Are Accepted as the Basis for High-Quality Financial Statement Audits
 - (ii) Ensure the IAASB's Suite of Standards Continues to Be Relevant in a Changing World by Responding to Stakeholder Needs
 - (iii) Collaborate and Cooperate with Contributors to the Financial Reporting Supply Chain to Foster Audit Quality and Stay Informed
11. Generally, respondents were supportive of the IAASB's proposed efforts as set out in its future strategy, and were of the view that the strategic objectives were an appropriate means of guiding the IAASB's work over the next 5-year period, notwithstanding specific comments on each of the strategic objectives. There was also support for a concentration of efforts on ISAs, particularly in the early parts of the Strategy period.
12. However, some respondents were of the view that the strategic objectives were too operational and should rather focus on ways to address strategic challenges¹¹ facing the profession, such as maintaining both the relevance and value of the audit,¹² as well as continued credibility of the Board and confidence in its work as a global standard setter, particularly in its work in the assurance space.¹³ A few respondents questioned why the emphasis on quality has not been extended beyond the ISAs.¹⁴
13. A few respondents had the view that there should be a stronger focus on balancing the needs of different stakeholder groups,¹⁵ in particular the needs of SMEs and small and medium practices (SMPs).¹⁶ Two other respondents also emphasized the need for consideration of the implementation of the standards.¹⁷
14. Respondents variously also urged the IAASB to further consider:

¹¹ ACCA, CPAB, IRBA, PWC, UKFRC

¹² CPAB, IRBA, UKFRC

¹³ DTTL, EAIG, EFAA, ICAEW, IDW, IRBA, NBA, SMPC, SRA

¹⁴ ACCA, IDW

¹⁵ ICAEW, IDW

¹⁶ EFAA, FSR, SMPC

¹⁷ BDO, EBA

- Its approach to projects, in particular to address some of the planned work on a more timely basis by further considering what other resources could be used to supplement the Board's resources¹⁸ and not limiting the Work Plan to current resources.¹⁹
 - Making more clear what was to be achieved by 2019,²⁰ including communicating the success and effectiveness of its standard setting, implementation and outreach activities, and addressing the risks that may threaten the achievement of the IAASB's goals.²¹
 - Aligning priorities with those of the Monitoring Group (MG) and the Public Interest Oversight Board (PIOB).²²
 - Better coordinating with the other independent Standard Setting Boards (SSBs),²³ with one respondent commenting that this should be included as a fourth strategic objective.²⁴
 - Developing a longer-term strategy (say for a period of ten years) to provide a benchmark for longer-term projects in assurance and related services.²⁵
 - Focusing on "markets" (such as listed entities, SMEs, and the public sector) rather than activities.²⁶
 - Developing an approach to identifying and responding to emerging issues.²⁷
 - Understanding "root causes" of issues raised by regulators, including possible concerns with the standards, by leveraging experiences of firms to be able to appropriately address issues that are being identified.²⁸
15. Some respondents also explicitly noted their strong support for the IAASB's commitment to a mid-period review of the Strategy to ensure it will remain appropriate over the five-year period.²⁹
16. Based on the overall support for the strategy, the Steering Committee is of the view that it is appropriate to largely retain the format and content of the Strategy as set out in the CP, with changes as necessary to the strategic objectives (discussed further below) and in response to

¹⁸ ACCA, GTI, KPMG

¹⁹ KPMG

²⁰ CAASB, ICAEW, IRBA, PWC

²¹ PWC

²² CFA

²³ CFA, CNCC-CSOEC

²⁴ CNCC-CSOEC

²⁵ EFAA, IDW

²⁶ NBA

²⁷ CPAB, DTTL, EAIG

²⁸ DTTL, EYG

²⁹ ACCA, EAIG, EYG, HKICPA, NZAuASB,

other various comments received. Changes were also made to reflect the final nature of the document, rather than as a means of consultation.

17. The revisions to the strategic objectives are explained further below.

Strategic Objective I: Develop and Maintain High-Quality ISAs that Are Accepted as the Basis for High-Quality Financial Statement Audits

18. While supporting the overall objective, several respondents made suggestions about what was intended to be addressed by this objective:

- A MG member was of the view that, in order to develop and maintain high-quality ISAs, the Board should focus its strategy on three key areas:
 - Obtaining sufficient appropriate audit evidence;
 - Exercising an appropriate level of professional skepticism;
 - Using the work of other auditors and experts.³⁰
- A few other respondents highlighted that some of the issues being identified (e.g., through the ISA Implementation Monitoring project and outreach) relate to the implementation of standards, and that standard-setting may not be the appropriate response. In addition, it was suggested that thought should be given to who besides the IAASB may play a role in achieving this objective (i.e., whether the word “develop” should be included in this strategic objective).³¹ Linked to this, a few respondents emphasized the need to consider whether standard-setting was the most appropriate response and would favor a “stable platform” where possible.³²

Proposed Changes to This Strategic Objective

19. The focus on ISAs and their importance to the capital markets continues to be stressed by the MG, regulators and others. At the same time, there is a need to acknowledge the unique needs of SMEs and SMPs in the context of performing an ISA audit. Finally, as further acknowledged in the feedback on the second objective, developments in the environment, particularly in relation to the effects of technology on audits, will likely need to be explored by the IAASB in the near term to ensure the ISAs remain “fit for purpose” and therefore relevant for entities of all sizes in all industries.
20. Respondents largely support a focus on high-quality ISAs during the five-year period, but have highlighted that actions beyond standard setting may be needed to supplement the strong base of the clarified ISAs. The revised 2015–2016 Work Plan continues this focus, and acknowledges the variety of actions that may be taken to support it beyond development or maintenance of standards. The IAASB largely agreed with proposed revisions presented in June 2014 and updated in marked text below, in particular since the objective now focused on

³⁰ IOSCO

³¹ CAASB, FEE, FSR, IDW

³² CNCC-CSOEC, WPK

the ISAs and better characterized the intent of the objective:

Ensure that ISAs Continue to Form the Basis for Develop and Maintain High-Quality, Valuable and Relevant Audits Conducted Worldwide by Responding on a Timely Basis to Issues Noted in Practice and Emerging Developments ~~ISAs that Are Accepted as the Basis for High-Quality Financial Statement Audits~~

21. The work of the Innovation Working Group in relation to considering the effects of technology on the ISAs is now also considered part of this strategic objective (see paragraphs 39–42 of this paper).

Strategic Objective II: Ensure the IAASB's Suite of Standards Continues to be Relevant in a Changing World by Responding to Stakeholder Needs

22. This strategic objective was intended to address not only ISAs but also the IAASB's assurance, review and related services standards. While many respondents considered the overall focus on ISAs to be appropriate, some concerns have been expressed that topics in the second strategic objective have not received sufficient prominence in the proposed 2015–2016 Work Plan.³³
23. There was strong support for the efforts to be undertaken by the Innovation Working Group, but some view that these efforts may need to extend beyond information gathering and should include research activities and more interactions with others.³⁴
24. Further changes suggested by respondents include:
- More emphasis on changes influencing stakeholder needs (such as changes arising from changing technologies), rather than emphasizing stakeholder needs.³⁵
 - Considering, as part of this strategic objective, whether additional guidance for audits of entities operating in emerging markets is needed.
 - Consider the importance of including changes to the ISAs to address practical issues of auditing in an electronic world to maintain their relevance.³⁶
 - Considering whether all the topics captured in this one strategic objective should be included, as the description of the objective may obscure some of the very important components included.³⁷

Proposed Changes to This Strategic Objective

25. As the IAASB has agreed changes to the first strategic objective to bring in the concept of

³³ IRBA

³⁴ GTI

³⁵ NBA

³⁶ PWC

³⁷ FEE, FSR

relevance in relation to the ISAs, this strategic objective has been changed to focus primarily on stakeholder needs in relation to the IAASB's other standards, revised as following:

Ensure the IAASB's Suite of Standards Evolve as Necessary to Adequately Address the Emerging Continues to Be Relevant in a Changing World by Responding to Stakeholder Needs of Stakeholders for Services Other than Audits of Financial Statements

26. An important part of the proposed 2015–2016 Work Plan related to the process to develop a post-implementation review of the IAASB's standards other than ISAs, in particular the review and compilation standards. By revising this objective, the IAASB is of the view that greater prominence is given to the considerations around assurance, review and related services engagements, in particular for SMPs.
27. It also addresses the monitoring efforts of the Innovation Working Group and other outreach in relation to new and emerging areas to respond to stakeholder needs. Feedback from discussions with the CAG indicated an essential part of responding to these demands is first to consider whether the IAASB's existing standards, in particular ISAE 3000 (Revised),³⁸ can be applied to new engagements (e.g., integrated reporting (IR) and other assurance services). The description supporting this strategic objective explains that, should the IAASB determine that a topic-specific standard is necessary, work would be seen as supporting this objective.

Strategic Objective III: Collaborate and Cooperate with Contributors to the Financial Reporting Supply Chain to Foster Audit Quality and Stay Informed

28. This strategic objective attracted the most comments. While respondents were supportive of collaboration and cooperation with others, some were of the view that this is an overarching consideration rather than a strategic objective. In addition, a number of specific areas of attention were raised variously for further consideration by the IAASB:
 - Consider a broader term than “financial reporting supply chain”,³⁹ as there is an increasing trend for entities to produce non-financial information (social, environmental and sustainable aspects of their operations). This also includes stressing the importance of efforts relating to IR.⁴⁰
 - Collaborate more with regulators and auditors to better understand how the requirements of the ISAs, the firms' methodologies and the approach of the audit regulators are influencing the auditor's approach to compliance with the standards and consistent interpretation.⁴¹ However, at the same time, a few respondents have noted that the IAASB needs to maintain a balanced approach to pressure from different stakeholders.⁴²

³⁸ ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*

³⁹ CBarnard, CNCC-CSOEC, ICAS

⁴⁰ NBA

⁴¹ BDO, UKFRC

⁴² FEE, PWC

- More proactively engage with users, particularly investors.⁴³
- Look for opportunities to further coordinate with the International Ethics Standards Board for Accountants (IESBA) because of the interdependencies between the Board's respective standards and the need for common language and definitions in order to facilitate a common understanding by stakeholders.⁴⁴
- Continue to engage the accounting standard setters on matters of "auditability",⁴⁵ including the need for further coordination with the International Public Sector Accounting Standards Board (IPSASB) or the International Organization of Supreme Audit Institutions (INTOSAI).⁴⁶
- Explore ways in which the NSS may be able to assist resource IAASB activities.⁴⁷

In addition, some respondents have noted that this objective appears to be more of a process rather than an objective,⁴⁸ notwithstanding that it is a critical activity.

Proposed Changes to This Strategic Objective

29. Notwithstanding that there is the view from some that this is an overarching consideration rather than a distinct strategic objective, the IAASB is of the view that there is sufficient support for retaining this as a strategic objective. However, to address concerns that this could be better articulated and to reflect a more proactive approach to outreach, the third strategic objective has been revised as follows:

Strengthen Outreach and Collaboration with Key Stakeholders in Collaborate and Cooperate with Contributors to the Financial Reporting Supply Chain⁴⁹ on Public Interest Issues Relevant to Audit, Assurance and Related Services to Foster Audit Quality and Stay Informed

30. It should also be noted that the description of this strategic objective has been revised to provide additional examples of important aspects of this cooperation and collaboration, as cited above (see **Agenda Item L.1**, paragraph 24).

Factors Guiding the Identification of Potential Priorities and Actions in Future Work Plans

31. Appendix 2 of the Strategy CP explained that, in identifying potential actions and their relative priority for the 2015–2016 period, a number of factors were considered.

⁴³ CICPA, UKFRC

⁴⁴ ESMA

⁴⁵ ICAEW

⁴⁶ CIPFA

⁴⁷ ACCA, CAASB, CPAB, ICSA, IRBA, KPMG, UKFRC

⁴⁸ CNCC-CSOEC, FEE, FSR

⁴⁹ This has been retained in order to reflect the active participation in debates on issues of public interest by the IAASB relevant to auditing and assurance for all types of entities.

32. Respondents commented variously on the factors taken into account in determining the potential actions and their relative priority in the 2015–2016 Work Plan as follows:

- Many respondents explicitly agreed that the factors set out by the IAASB are a reasonable basis to select future priorities.⁵⁰
- Some other respondents were in agreement that the factors seemed reasonable, but were unsure how they had been applied in determining the projects for the 2015–2016 Work Plan.⁵¹ A few of these respondents used ISA 600 as an example of a project that would seem to warrant priority consideration in light of the factors.
- A few respondents agreed with the factors, but suggested including consideration of the cost/benefit implications of changes that may be proposed,⁵² as well as other matters such as the needs of, and effect on, SMEs.⁵³
- Two respondents noted that the factors were a useful starting point but given their subjectivity it would be hard for the IAASB to develop its Work Plans and should rather be defined in terms of what the IAASB wanted to achieve.⁵⁴
- A few respondents also noted that weightings to be used for each the factors would be useful.⁵⁵ One respondent who suggested weighting were necessary also did not agree with using the factors as a basis for determining priorities, because the list was not a complete list.⁵⁶ This respondent also suggested explaining how potential actions are measured against the factors.
- One respondent suggested the IAASB should consider providing more transparency about how stakeholders' needs are balanced, and what happens when they are in conflict.⁵⁷
- One respondent suggested removing the word “perceived” in describing the “urgency in the public interest”.⁵⁸

Recommendations for Changes to the Factors

33. The IAASB is of the view that the proposed factors largely remain appropriate. The IAASB is also of the view that it would be difficult to assign weightings to the factors, or explicitly link the factors to outcomes. However, given the support for the factors as well as the proposed 2015–

⁵⁰ AUASB, CBarnard, CICPA, EBA, FSR, HKICPA, ICAS, ICSA, IRBA, JICPA, KPMG, NZAuASB, RSM, UKFRC, WITS, WPK

⁵¹ CAASB, CNCC-CSOEC, FEE, IDW, KICPA

⁵² BDO, PWC

⁵³ DJuvenal, ICAEW, SMPC, SRA

⁵⁴ EYG, PWC

⁵⁵ ACCA, EFAA, ICAA

⁵⁶ ACCA

⁵⁷ NBA

⁵⁸ CNCC-CSOEC

2016 Work Plan, the IAASB has agreed that the final strategy could more clearly work to link the selected projects to these factors and the factors could be revised as follows:

In identifying potential actions and their relative priority for the 2015–2016 period, a number of factors were considered, including the following:

- The Board's views about t~~The perceived~~ urgency in the public interest of the need for change, and the potential implications if action is delayed, taking into account both the demands of the capital markets and the impact on businesses of all sizes.
- The need for change to enhance audit quality globally, or to enhance the quality of engagements that are currently conducted on a widespread basis internationally or are expected to be in the near future, and the degree to which such change would further facilitate high-quality financial and corporate reporting and enhance public confidence therein.
- The degree to which an identified issue would be addressed effectively through change to the standards or through other appropriate action by the IAASB.
- The global applicability of the potential actions, for example in relation to entities of different sizes and complexity, different industries, and across jurisdictions, with acknowledgement of the potential impact associated with the actions.

Feedback received from public consultation on the Board's strategy and work plans, outreach activities and discussions with the IAASB CAG as well as the PIOB are taken into account in the Board's consideration of how best to fulfill its public mandate in adding initiatives to its Work Plan, recognizing the diverse needs of the wide range of the IAASB's stakeholders.

Matter for CAG Consideration

1. The Representatives are asked for their views on the revised Strategy as set out in **Agenda Item L.1**, in particular how the strategic objectives have been changed and details relating to them articulated in paragraphs 8 – 28.

II. The IAASB's Work Plan for 2015–2016

Highlights of Feedback on the 2015–2016 WP

34. The CP explained that the IAASB's planned priorities and actions were determined taking into account the strategic objectives set out in the proposed Strategy, the factors guiding the prioritization of projects and available resources. The IAASB therefore proposed to devote a significant amount of its resources to three priority projects (quality control, professional skepticism and special audit considerations relevant to financial institutions). Although many respondents agreed with the approach of three priority projects, this was often prefaced by the acknowledgement that there were limited resources.

35. Several respondents⁵⁹ across stakeholder groups (particularly NSS, regulators and member bodies and other professional organizations) encouraged the IAASB to consider alternative actions to undertake work to address the issues that have been identified by the ISA Implementation Monitoring project on a more accelerated basis than initially contemplated.
36. Some respondents⁶⁰ were of the view that IAASB's plan was not sufficiently ambitious and suggested the IAASB should commence work in more areas.
37. From the feedback, it is clear that the IAASB is urged to consider ways to increase its capacity to commence work in more than the three priority areas, as proposed. The IAASB therefore reassessed the feasibility of the approach initially proposed.
38. Feedback from respondents on specific projects proposed in the CP for the 2015–2016 WP indicates the following:
- Respondents⁶¹ are largely supportive of the commencement of the project on **quality control** as a priority project. However, concern was been raised by many about the issues to be addressed in this project. These respondents have encouraged the IAASB to further consider which issues are to be addressed and how best to do so.
 - Respondents⁶² agree that the subject of **professional skepticism** should be addressed by the Board, but have encouraged further consideration as to the nature of the project and whether it is a separate project to be addressed on a priority basis or rather could be addressed within other projects.
 - Recognizing the importance of **financial institutions** in financial markets, respondents⁶³ are largely supportive of this project. However, several⁶⁴ have cautioned against developing an industry-specific ISA and have encouraged the IAASB to consider whether an International Auditing Practice Note (IAPN) or other guidance would be more appropriate.
 - Respondents⁶⁵ expressed strong views to bring forward the project on **group audits**–ISA 600 as a matter of priority.
 - Respondents⁶⁶ encouraged the IAASB to bring forward work relating to **agreed-upon procedures** (ISRS 4400) in light of the view that the 2015–2016 WP does not address the growing demand for the broad range of services provided by SMEs. In addition, the

⁵⁹ CAASB, CNCC-CSOEC, CPAB, EAIG, HKICPA, IRBA, KPMG, UKFRC

⁶⁰ CNCC-CSOEC, EFAA, NBA, UKFRC

⁶¹ BCBS, C Barnard, CFA, DJuvenal, DTTL, EAIG, EBA, EFAA, ESMA, EYG, FEE, FSR, HKICPA, ISOCO, KICPA, NZAuASB, SMPC, WPK

⁶² ACCA, AUASB, CPAB, DTTL, EFAA, EYG, FEE, FSR, , ICAS, IDW, KPMG, NBA, PWC, SMPC

⁶³ ACCA, BCBS, CFA, DTTL, EBA, ESMA, FSR, IAA, IAIS, IOSCO, PWC

⁶⁴ CBarnard, CNCC-CSOEC, FEE, GTI, HKICPA, ICAA, ICAEW, ICAS, IDW, SMPC

⁶⁵ ACCA, AUASB, CAASB, CICPA, CPAB, DTTL, EAIG, EFAA, ESMA, EYG, FEE, GT, HKICPA, ICAA, ICAEW, ICAS, IOSCO, IRBA, KICPA, NBA, PWC, SAICA, UKFRC

⁶⁶ ACCA, AUASB, CAASB, CNCC-CSOEC, EFAA, FEE, FSR, ICSA, IDW, NBA, SMPC

IAASB was encouraged to further consider the scope of a potential project bearing in mind the “hybrid” engagements being performed, using a combination of procedures derived from review, compilation and agreed-upon procedures engagements, as a means of meeting the needs of SMEs.

- Several respondents⁶⁷ were concerned about the timing of the planned work on **ISA 315**, suggesting more attention is needed to be given to both the findings from the ISA Implementation Monitoring project and the effects of developments in technology on the audit.

Innovation Working Group

39. Strong support was expressed in comments to both the Strategy and the 2015–2016 Work Plan about the vital role of the Innovation Working Group in identifying and discussing emerging issues for future Board consideration.
40. Several respondents⁶⁸ expressed the general view that IAASB should focus more on strategic challenges facing the profession. Several respondents⁶⁹ suggested that this group, in addition to the prioritized work on IR, should also focus on other areas, such as changes arising from the impact of evolving technologies (including increased use of data analytics and cloud computing), hybrid engagements (including continuous assurance), assurance on internal control, assurance on other parts of the annual report and other evolving areas in sustainability reporting.
41. Mixed responses were received on the timing for commencing work on assurance for IR. Several respondents⁷⁰ noted that it would be important to commence work in this area as a matter of priority, as the IR Framework had already been published and assurance on IR was being explored in their particular jurisdictions. Others⁷¹ agreed with the proposed timing of work related to IR, although one respondent⁷² cautioned the IAASB to allow innovation in the market to occur prior to commencing a standard-setting project.
42. The Innovation Working Group will be recommending to the IAASB at the September 2014 meeting that its efforts should specifically focus on:
 - The developing interest in IR and the demand for assurance on integrated reports. This includes initial thinking on the nature of such engagements, including the suitability of criteria and other matters related to assurance on integrated reports. The Innovation Working Group will also consider the appropriateness of the development of a Practice Note or other non-authoritative guidance as opposed to a new assurance standard.

⁶⁷ ACCA, BDO, CNCC-CSOEC, DTTL, ICAA, ICAEW, IOSCO, IRBA, NBA, SAICA, UKFRS

⁶⁸ CPAB, EFAA, FEE, FRC, ICAA, ICAEW, ICAS, IRBA

⁶⁹ CNCC-CSOEC, GTI, IRBA, ISCA, KICPA, NBA, PWC, WITS

⁷⁰ AUASB, BRLF, CNCC, GTI, ICAEW, IRBA, NBA, NZAuASB, WITS

⁷¹ CPAB, EYG, ICAS, IDW, KICPA, PWC, RSM

⁷² PWC

- Developments in information technology and their effect on the financial statement audit. This includes the various applications of data analysis, “big data”, sophisticated audit techniques, and the relationship to the audit, such as the effect on risk assessments, testing approaches, analytical procedures and other audit evidence.

The Innovation Working Group will also continue to monitor, as appropriate, other emerging areas, including those variously noted by respondents to the CP (see further discussion in **Agenda Item E**).

Topics for Prioritization in the 2015–2016 Work Plan

IAASB Recommendations

43. Based on this feedback, the IAASB agreed in June 2014 that the following projects and initiatives commence as a matter of priority:

- **Continue to prioritize work on Quality Control and the Financial Institutions project** in light of the strong support across all stakeholder groups.
- **Prioritize substantive work on Group Audits (ISA 600) as a third key project**, recognizing the challenging nature of the breadth of issues to be explored and the likelihood that it would be difficult to finalize the project in an accelerated timeframe.
- **Engage in initial discussions to consider how best to address the topic of professional skepticism, for example through Board information sessions from regulators, academics and others with an interest in this area.** While the theme of professional skepticism can be woven into the work on Quality Control, ISA 600 and the Financial Institutions project on an initial basis, initial discussions on the topic are necessary to determine how and what further efforts may be undertaken.
- **Accelerate work on agreed-upon procedures (ISRS 4400)** (i.e., initial research and information gathering, as well as potentially leveraging developments at the national level in relation to revising the standard), with further consideration to be given as to whether a new standard or other activities is needed to address evolving types of services (such as hybrid engagements).
- **Further consider how to address issues identified in relation to ISA 315 (Revised) from the ISA Implementation Monitoring project**, initially gathering more information about the issues that are to be addressed by a project on this. Monitoring of evolving developments in information technology will be further considered by the Innovation Working Group as explained above.

Other Topics Considered by the IAASB

44. A few respondents suggested the 2015–2016 Work Plan should address topics that, in the IAASB's view, could be incorporated into the prioritized projects, for example:

- Work on issues relating to offshoring/shared service centers will be considered in the

projects on Quality Control and Group Audits–ISA 600 as appropriate;

- Remediation⁷³ will be considered as a possible matter in the Quality Control project; and
- Considering clearer requirements and guidance regarding the expectations of auditors in ISA 240⁷⁴ in the professional skepticism project.

Work on other topics suggested by respondents⁷⁵ will be deferred unless additional resources beyond that required for the priority projects contemplated in paragraph 43 above are available and, if not, they will form part of the IAASB's considerations for the Work Plan for 2017–2018.

45. Implementation of the recommendations in paragraph 43 would continue to result in the balance of prioritization on ISA-related matters issues in 2015–2016, which is viewed as largely appropriate in light of the responses.
46. Several respondents⁷⁶ highlighted the importance of supporting the effective implementation of the revised auditor reporting standards, including providing guidance in specific areas as necessary. A few respondents,⁷⁷ however, expressed concern about the use of Staff resources for these activities. There was also support expressed for the post-implementation review of the new standards once they were effective, but one respondent⁷⁸ cautioned that the review needed to be timely. Planning for implementation activities and a post-implementation review has commenced and will be an important activity for the IAASB in the 2015–2016 and 2017–2018 Work Plans.
47. A few stakeholders⁷⁹ explicitly agreed with activities to raise awareness regarding the *Framework for Audit Quality* (the Framework), and one⁸⁰ suggested a post-implementation review on its use should be carried out. Throughout the Strategy period, the IAASB will continue to undertake activities to support the use of the Framework by audit firms and other stakeholders through outreach and liaison activities, and other actions as appropriate.
48. Concern was expressed by a few IAASB members about the possibility of the need for additional guidance relating to auditing disclosures, in particular in relation to evidence to support disclosures, had been adequately factored into the 2015–2016 Work Program, as the IAASB is currently consulting on the matter. The Steering Committee is of the view that it is not possible to allocate specific time for discussion in the proposed forward timetable. This is

⁷³ The findings from the ISA Implementation Monitoring project indicated a concern, in particular from regulators, about whether the audit report should be withdrawn or consideration given to a different audit opinion when external inspections indicate that the audit was seriously flawed.

⁷⁴ ISA 240, *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*

⁷⁵ Including ISA 320, *Materiality in Planning and Performing an Audit*, ISA 505, *External Confirmations*, ISA 620, *Using the Work of an Auditor's Expert*, International Standards on Review Engagements (ISRE 2410), *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, and ISAE 3400, *The Examination of Prospective Financial Information*

⁷⁶ ACCA, CPAA, EFAA, EYG, HKICPA, ICAA, IDW, PWC

⁷⁷ EYG, IDW, KPMG

⁷⁸ ICAA

⁷⁹ EFAA, IDW, WITS

⁸⁰ EFAA

because until the responses to the Disclosures Exposure Draft (ED) have been received⁸¹ and consideration given to whether any further guidance may be required relating to disclosures and, if so, what form it may take, it would be difficult for the IAASB to anticipate what may be needed. However, it has been explicitly acknowledged in the 2015–2016 Work Plan that there is the possibility of further work in this area (**see paragraph 11(c) of Agenda Item L.2**). Should the Board have the view at the time of finalization of the changes to the ISAs for disclosures that more work is needed in this area (e.g., relating to evidence for disclosures), the IAASB would need to consider competing priorities at that time and reforecast the forward timetable to take this into account.

49. A few Board members also expressed concern whether, in light of the Board's continued debates on auditor reporting on going concern, further attention is needed on this topic. In the Steering Committee's view, notwithstanding that it is an important topic and more work may be needed in this area, this topic should not be prioritized above those already planned for 2015–2016 in light of the overall support for those topics. It is intended to acknowledge this in the Basis for Conclusions for the 2015–2016 Work Plan, by flagging that the topic of going concern will be included in the topics for consideration for the 2017–2018 Work Plan. Doing so will also allow time to assess whether the accounting standard setters have progressed work in this area, as well as developments by NSS (such as the US Public Company Accounting Oversight Board (PCAOB) and UK Financial Reporting Council (FRC))

Project Content and Timelines

50. The IAASB's projects for 2015–2016 are set out in paragraph 43. A description of the possible scope and focus of each project is has been set out in the 2015–2016 Work Plan [see pages 6–15 of **Agenda Item L.2**]. The Steering Committee considered the most appropriate way to present information about the individual topics in the final Work Plan and was of the view that it is necessary to illustrate for each initiative, at a high level, what issues may be addressed, the standards that may be addressed, possible other outputs, and a preliminary approach to the project. These project descriptions have been developed building upon the initial thinking set out in the CP, taking into account feedback from respondents about how topics could be addressed, and discussions with the CAG, the NSS at the May IAASB-NSS meeting, and with other key stakeholders.
51. Each project will be approached differently, and some will be prioritized over others in order to progress them more quickly. However, work on each will commence either in 2014, or in the 2015–2016 period, dependent on available resources. To this point, the IAASB is currently exploring different resource models to progress more work in some areas without committing Staff and Board resources until such time as an initiative is sufficiently progressed or it is deemed appropriate for their involvement. There is also a constraint on the time for discussion of each project at each of the four IAASB meetings. However, additional Board teleconferences have been planned, as practice has shown that such conferences can be effectively used for dealing with tailored issues and focused questions. Some of the work will

⁸¹ The comment period for the Disclosures ED ends on September 11, 2014

also be reliant on the availability, and willingness, of others to assist in some areas and may need to be reconsidered if such resources do not materialize.

52. Complementing the descriptions of individual projects, the Appendix to the 2015–2016 Work Plan provides an overview of the IAASB's projects and initiatives and activities planned for 2015–2016. The format distinguishes activities for the 2015–2016 period, while at the same time recognizing that there is still a fair amount of uncertainty as to what will be done on certain projects. In the Steering Committee's view, this approach enables stakeholders to see the volume and direction of activity expected to occur in 2015–2016 related to the new project and initiatives without seeking to forecast these activities on a quarterly basis. If other priorities arise during this period (e.g., see paragraph 49 above) that are considered to be a higher priority than other planned activities, resources may be need to be reallocated.

Matter for CAG Consideration

2. The Representatives are asked for their views on the projects proposed to be prioritized in 2015–2016, in particular the issues that may be addressed and the preliminary approach described in the 2015–2016 Work Plan (**Agenda Item L.2**), as well as the timing.
3. Representatives are asked to share any other views on the 2015–2016 Work Plan as set out in **Agenda Item L.2**.

IAASB Interaction with the IAASB CAG

53. There are no substantive new issues being raised on the Strategy and 2015–2016 Work Plan for the purposes of the September 2014 IAASB meeting. Accordingly, this report back serves as the final discussion of the Strategy and 2015–2016 Work Plan prior to its anticipated approval by the IAASB. CAG Representatives may wish to take this opportunity to comment on the IAASB's interaction with the CAG during the development and finalization of the Strategy and 2015–2016 Work Plan. The Appendix to this paper provides a project history, including links to the relevant CAG documentation.

Material Presented – IAASB CAG PAPER

Agenda Item L.1 Revised Draft of *The IAASB's Strategy for 2015–2019*

Agenda Item L.2 Revised Draft of *The IAASB's Work Plan for 2015–2016*

Appendix A

Project History

Project: IAASB Strategy for 2015–2019 and Work Plan for 2015–2016

Summary

	CAG Meeting	IAASB Meeting
Project Commencement		February 2013
Development of Proposed Strategy and Work Program (up to Consultation)	April 2013 September 2013	February 2013 April 2013 June 2013 September 2013 December 2013
Consultation	September 2013	September 2013 December 2013
Report Back on Final Consultation Paper and Further Discussion	March 2014	-
Consideration of Respondents' Comments on Consultation	September 2014	June 2014
Final approval of IAASB's Future Strategy and Work Plan	September 2014	September 2014

CAG Discussions: Detailed References

Development of Proposed Strategy and Work Plan (up to Consultation)	<u>April 2013</u> See IAASB CAG meeting material: http://www.ifac.org/sites/default/files/meetings/files/20130408-IAASB-CAG-Agenda_Item_G-Strategy-Cover_Sheet-final.pdf http://www.ifac.org/sites/default/files/meetings/files/20130408-IAASBCAG-Agenda_Item_G.1-Strategy-ISA_Implementation_Monitoring_Preliminary_Report-final.docx http://www.ifac.org/sites/default/files/meetings/files/20130408-IAASB-Agenda_Item_G.2_ISA_Implementation_Monitoring_Presentation-final.pdf http://www.ifac.org/sites/default/files/meetings/files/20130408-IAASBCAG-Agenda_Item_G.2_ISA_Implementation_Monitoring_Presentation-final.pdf
---	--

	<p>Agenda Item G.4-Strategy-Survey.pdf</p> <p>Note: The INFO Working Group is now addressed in Agenda Item D of the March 2014 meeting.</p> <p>See CAG meeting minutes (included as Agenda Item G of the following):</p> <p>CAG April 2013 Meeting Minutes</p> <p>See report back on April 2013 CAG meeting:</p> <p>http://www.ifac.org/sites/default/files/meetings/files/20130909-IAASB-CAG-Agenda_Item_J2-Strategy_Report_Back-Final.pdf</p> <p><u>September 2013</u></p> <p>See IAASB CAG meeting material:</p> <p>http://www.ifac.org/sites/default/files/meetings/files/20130909-IAASB-CAG-Agenda_Item_J-Strategy_Cover-Final.pdf</p> <p>http://www.ifac.org/sites/default/files/meetings/files/20130909-IAASB-CAG-Agenda_Item_J1-Strategy_Consultation_Paper-Final.pdf</p> <p>http://www.ifac.org/sites/default/files/meetings/files/20130909-IAASB-CAG-Agenda_Item_J2-Strategy_Report_Back-Final.pdf</p> <p>See report back on September 2013 CAG meeting at paragraph 8 of Agenda Item J at http://www.ifac.org/sites/default/files/meetings/files/20140311%20-IAASBCAG-Agenda_Item_J-Future_Strategy_and_Work_Program-final.pdf</p> <p>See CAG meeting minutes (included as Agenda Item J of the following):</p> <p>CAG September 2013 Meeting Minutes</p> <p><u>March 2014</u></p> <p>See draft minutes of the March 2014 CAG Meeting at Agenda Item B at http://www.ifac.org/meetings/new-york-usa-4</p> <p>See report back on March 2014 CAG meeting:</p> <p>See paragraph 7 of this paper.</p>
--	--

Appendix B

List of Respondents to the Consultation Paper: Strategy 2015–2019 and Work Plan 2015–2016

Note: Members of the Monitoring Group are shown in bold below.

#	Abbrev.	Respondent (48)	Region
Regulators and Oversight Authorities (9)			
1.	BCBS	Basel Committee on Banking Supervision	GLOBAL
2.	CPAB	Canadian Public Accountability Board	NA
3.	EAIG	European Audit Inspection Group (21 European Audit Regulators) ⁸²	EU
4.	EBA	European Banking Authority	EU
5.	ESMA	European Securities and Markets Authority	EU
6.	IAIS	International Association of Insurance Supervisors	GLOBAL
7.	IFIAR	The International Forum of Independent Audit Regulators	GLOBAL
8.	IOSCO	International Organization of Securities Commissions	GLOBAL
9.	IRBA	Independent Regulatory Board for Auditors (South Africa)	MEA
National Auditing Standard Setters (9)			
10.	AUASB	Australian Auditing and Assurance Standards Board	AP
11.	CAASB	Canadian Auditing and Assurance Standards Board	NA
12.	CNCC-CSOEC	Compagnie Nationale des Commissaires aux Comptes and the Conseil Supérieur de l'Ordre des Experts-Comptables	EU
13.	HKICPA	Hong Kong Institute of Certified Public Accountants	AP
14.	IDW	Institut der Wirtschaftsprüfer	EU

⁸² Austrian Auditors Supervisory Authority (Austria), Audit Public Oversight Council (Czech Republic), Danish Business Authority (Denmark), Auditors Activities Oversight Council (Estonia), Haut Conseil du Commissariat aux Comptes (France), Abschlussprüferaufsichtskommission (Germany), Hellenic Accounting and Auditing Standards Oversight Board (Greece), Auditor's Public Oversight Authority (Hungary), Irish Auditing & Accounting Supervisory Authority (Ireland), Authority of Audit and Accounting (Lithuania), Commission du Surveilance du Secteur Financier (Luxembourg), Netherlands Authority for the Financial Markets (The Netherlands), Finanstilsynet (Norway), Conselho Nacional de Supervisão de Auditoria (Portugal), Romanian Public Interest Oversight Body of Accounting Profession (Romania), Auditing Oversight Authority – UDVA – (Slovakia), Slovenian Agency for Public Oversight of Auditing (Slovenia), Instituto de Contabilidad y Auditoria de Cuentas (Spain), Federal Audit Oversight Authority FAOA (Switzerland), Supervisory Board of Public Accountants -Revisorsnämnden (Sweden) and Financial Reporting Council (United Kingdom).

#	Abbrev.	Respondent (48)	Region
15.	JICPA	The Japanese Institute of Certified Public Accountants	AP
16.	NBA	Nederlandse Beroepsorganisatie van Accountants	EU
17.	NZAUASB	New Zealand Auditing and Assurance Standards Board	AP
18.	UKFRC	Financial Reporting Council – UK	EU
Accounting Firms (8)⁸³			
19.	BDO*	BDO International Limited	GLOBAL
20.	DTTL	Deloitte Touche Tohmatsu Limited	GLOBAL
21.	EYG*	Ernst & Young Global Limited	GLOBAL
22.	GTI*	Grant Thornton International Ltd	GLOBAL
23.	KPMG*	KPMG IFRG Limited (Network)	GLOBAL
24.	PWC*	PricewaterhouseCoopers International Limited	GLOBAL
25.	RSM	RSM International	GLOBAL
26.	SRA	SRA (Samenwerkende Register Accountants) (Netherlands Network)	EU
Public Sector Organizations (1)			
27.	CIPFA	Chartered Institute of Public Finance & Accountancy	GLOBAL
Investors and Analysts (1)			
28.	CFA	CFA Institute	GLOBAL
Member Bodies and Other Professional Organizations (16)			
29.	ACCA	Association of Chartered Certified Accountants	GLOBAL
30.	CICPA	Chinese Institute of Certified Public Accountants	AP
31.	CPAA	CPA Australia	AP
32.	CPAI	CPA Ireland	EU
33.	EFAA	European Federation of Accountants and Auditors for SMEs	EU
34.	FEE	Fédération des Experts comptables Européens - Federation of European Accountants	EU
35.	FSR	Foreningen af Statsautoriserede Revisorer (Danish Institute of Accountants)	EU

⁸³ Forum of Firms members are indicated with a *. The Forum of Firms is an association of international networks of accounting firms that perform transnational audits. Members of the Forum have committed to adhere to and promote the consistent application of high-quality audit practices worldwide, and use the ISAs as the basis for their audit methodologies.

#	Abbrev.	Respondent (48)	Region
36.	IAA	International Actuarial Association	GLOBAL
37.	ICAA	Institute of Chartered Accountant Australia	AP
38.	ICAEW	Institute of Chartered Accountants in England and Wales	EU
39.	ICAS	Institute of Chartered Accountants of Scotland	EU
40.	ISCA	Institute of Singapore Chartered Accountants	AP
41.	KICPA	Korean Institute of Certified Public Accountants	AP
42.	SAICA	South African Institute of Chartered Accountants	MEA
43.	SMPC	IFAC Small and Medium Practices Committee	GLOBAL
44.	WPK	Wirtschaftsprüferkammer (German Public Accountants MB)	EU
Academics (1)			
45.	WITS	University of the Witwatersrand (Johannesburg) Master Class	MEA
Individuals and Others (3)			
46.	CBarnard	Chris Barnard	EU
47.	BRLF	Australian Business Reporting Leaders Forum	AP
48.	DJuvenal	Denise Silva Ferreira Juvenal	SA