

Work Plan 2022–2023: Feedback and Recommendations

Please note: This is the IAASB Work Plan 2022 – 2023 Issues Paper that will be discussed by the Board at the September 2021 IAASB meeting (Agenda Item 4). This paper is provided to the IAASB CAG Representatives in September 2021 for reference purposes.

Objectives of the IAASB Discussion

The objectives of this Agenda Item are to obtain the Board's views on:

- The Planning Committee's analysis of respondents' comments to the [Survey Consultation on the Work Plan 2022–2023](#) (the Survey) and the Planning Committee's recommendations as described in this Agenda Item; and
- The draft Work Plan for 2022–2023 (the "Work Plan") as presented in **Agenda Item 4-A (for CAG purposes this is Agenda Item C.2)**

The IAASB Chair and Senior Staff will briefly introduce the topic and will work through the Matters for IAASB Consideration in order of this agenda item.

Introduction

1. This Agenda Item sets out a summary of respondents' responses and comments¹ to the Survey related to questions four to seven² and the Planning Committee's recommendations. This paper is set up as follows:
 - (a) Section I: Completion of Standard-Setting Projects Currently Underway (Question 4 in the Survey);
 - (b) Section II: Ranking Eight Possible Topics that Should Be Prioritized (Question 5 in the Survey);
 - (c) Section III: Other Topics that Should Be Prioritized (Question 6 in the Survey); and
 - (d) Section IV: Narrow Scope Maintenance Topics (Question 7 in the Survey).

Section V of this Agenda Item describes the Planning Committee's overarching views in developing the Work Plan set out in **Agenda Item C.2** (the rest of this paper refers to the draft Work Plan as **Agenda Item 4-A**).

Respondents to the Survey

2. The Survey was published on May 6, 2021, with comments requested by August 5, 2021. In total 100 responses were received from a broad range of stakeholder groups with broad representation across the various regions:

¹ Staff analyzed the responses to the Survey by question. If needed, Staff allocated (some of) respondents' comments related to one question to another question to group related comments together. All comments made by respondents have been analyzed as part of one of the sections included in this paper.

² Question 1, 2 and 3 of the Survey asked respondents to provide their (organization's) name, geographic location and stakeholder group.

Stakeholder Group		Region	
Monitoring Group ³	1	Global	8
Regulators and Audit Oversight Authorities	7	Asia Pacific	30
National Auditing Standard Setters (NSS)	11	Europe	37
Accounting Firms	23	Middle East and Africa	12
Member Bodies and Other Professional Organizations	20	North America	10
Academics	2	South America	3
Preparers of Financial Statements	4	Total	100
Individuals	30		
Others	2		
Total	100		

3. **Appendix 1** to this paper includes the list of respondents to the work plan consultation.

Section I: Completion of Standard-Setting Projects Currently Underway (Question 4)

4. Question 4 in the Survey asked respondents:

Do you agree with our view that the Board's standard-setting projects currently underway (i.e., Audits of Less Complex Entities, Audit Evidence, Fraud, Going Concern and Implications for IAASB Standards of IESBA's project on the Definitions of Listed Entity and Public Interest Entity) at the commencement of 2022 should remain public interest priorities and therefore be completed?

Yes / No. If no, which projects should not be continued and why not?

What We Heard

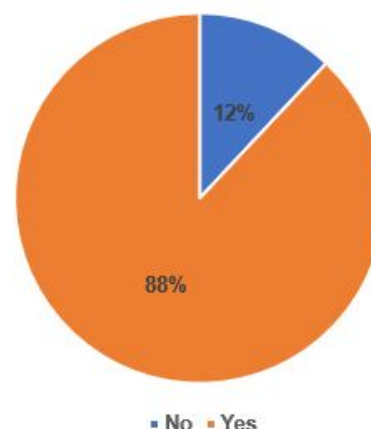
5. Based on the responses to Question 4, the table below paragraph 7 shows the substantial support by stakeholders to continue progressing and complete the Board's standard-setting projects underway at the start of 2022. Of the 100 respondents, 88 respondents agreed with our view that the Board's projects currently underway should remain public interest priorities and be completed before new projects are commenced, while 12 respondents (across stakeholder groups) did not agree. However, respondents who did not agree, in the most part, only identified one or two projects that should not be continued or prioritized but supported completion of the other projects underway.
6. If respondents did not agree with the Board's projects currently underway, Question 4 of the Survey

³ Staff are following up those Monitoring Group members that have not yet responded.

specifically asked respondents which projects should not be continued and why these projects should not be continued. The paragraphs below summarize respondents' views as to which project(s) should not be continued and why it should not be pursued.

7. While there was no specific question in the Survey asking respondents for views as to why projects currently underway should remain public interest priorities, some respondents nonetheless provided views as to why specific projects were important to them or need to be prioritized. Some views were also expressed about the activities within some projects. These views are also summarized below.

Stakeholder Groups	No	Yes	Grand Total
Monitoring Group Member	1		1
Regulators and Audit Oversight Authorities	4	3	7
NSS	2	9	11
Accounting Firms	1	22	23
Member Bodies and Other Professional Organizations		20	20
Academics		2	2
Preparers of Financial Statements		4	4
Individuals	4	26	30
Others		2	2
Grand Total	12	88	100



Monitoring Group

Changes to Topics Currently Underway / Timing / Prioritization

8. A Monitoring Group Member broadly agreed with the view that the IAASB's projects currently underway, except for the project on Audits of LCEs, should remain and continue as public interest priorities. The Monitoring Group Member was of the view that the Audits of LCEs Project needs to be reprioritized to rather commence projects for new or revised International Standards on Auditing (ISA) (sooner than 2023) that would be focused on improving the ISAs for audits of public interest entities (PIE).

Changes to the Project Scope and Objectives

9. While supporting the continuation of the other projects currently underway, the Monitoring Group Member noted the following with regard to these projects:
- **Audit Evidence** –It would be prudent for the IAASB to consider addressing the application issues and related impact of technology (including how the delivery of audits has changed as a result of the COVID-19 pandemic) on the ISAs underlying the audit evidence framework for a holistic approach to an audit.⁴
 - **Going Concern** –The IAASB is encouraged to continue engagement with accounting standards

⁴ See answers to Question 6 where this Monitoring Group Member encouraged reprioritization of new projects on Analytical Procedures and Audit Sampling

setters (e.g., International Accounting Standards Board (IASB)) to ensure a holistic approach is taken in relation to going concern that meets the expectations of all stakeholders in the financial reporting ecosystem.

Other Stakeholder Responses

10. The paragraphs that follow address stakeholder comments by project currently underway and include stakeholder comments related to each project where comments were provided. As explained in paragraph 7, in many instances support was expressed with no further comments. Those cases do not form part of the summaries of the comments in the following paragraphs. The consultation was in the form of a survey, and therefore many respondents chose not to provide specific comments on questions.

Audits of LCEs Project – Development of a Separate Standard

Changes to topics currently underway / timing / prioritization

11. A small number of respondents (mainly regulators and audit oversight authorities) noted that the development of a separate standard should not be continued because it is not in the public interest. It was highlighted that the ISAs already include specific application material paragraphs focused on smaller entities, which provide useful guidance for auditors in auditing smaller entities. It was also noted that the draft separate standard is not built on sufficient root cause analysis of the underlying issues.
12. A respondent (a regulator and audit oversight authority) was also of the view that the development of the separate standard should not be prioritized and encouraged the IAASB to closely monitor the amount of time allocated to this project to ensure it is aligned to the public interest benefit that will be derived from the finalization of a separate standard. It was added that it is important that this project should not take time and resources away from other standard setting topics that support broader public interest. While fully in agreement with our view that the Board's standard-setting projects currently underway should remain public interest priorities, another respondent (a regulator and audit oversight authority) noted that the LCE project remains worthwhile completing even if it does not carry the same level of urgency than the projects on audit evidence, fraud or going concern.
13. Other respondents (mainly professional accountancy organizations and a regulator and audit oversight authority) noted that the development of the separate standard addresses the needs of a large population of auditors and stakeholders and is critical to the future viability and relevance of the IAASB's standards for audits of small and medium-sized entities (SME). Respondents recognized that LCEs play a crucial role in the world economy and their collective economic health is of key public interest, and that a standard for Audits of LCEs will improve quality and efficiency in the audit for such entities. Respondents representing professional accountancy organizations highlighted the urgency to complete the development of a separate standard and re-emphasized the importance of allocating sufficient time and resources to this project.

Changes to the project scope and objectives

14. An accounting firm noted that the IAASB should proceed with caution in the project. It was added that the key to a successful outcome on this project would be the actions taken in response to the

feedback from the exposure draft. The respondent further noted that if feedback indicates that a standard for Audits of LCEs would not be used by respondents or does not satisfy their needs, the IAASB would need to consider alternative routes to pursue.

15. A professional accountancy organization noted that the proposed changes to the ISAs as indicated in the IAASB Work Plan may have an impact on the standard for Audits of LCEs, particularly if there is a strong interaction between the ISAs and the standard for Audits of LCEs. The respondent further noted that while the standard for Audits of LCEs may be intended to be a stand-alone standard, there would need to be consistency in the fundamental principles with the ISAs. Therefore, it was added that there needs to be coordination in the timing of new pronouncements being made by the IAASB to ensure that the standard for Audits of LCEs does not require numerous and significant changes over a short period of time after the final pronouncement comes into effect.

Complexity, Understandability, Scalability and Proportionality (CUSP)

Changes to Topics Currently Underway / Timing / Prioritization

16. Respondents across all stakeholder groups expressed support for the IAASB's efforts to address the CUSP of the ISAs. Respondents noted that addressing the drafting principles and developing guidelines for drafting the ISAs is highly relevant and in the public interest, and therefore suggested that the CUSP project be given high priority. These respondents emphasized the need to focus on specific aspects of CUSP (documentation, complexity and scalability) and to identify further opportunities to streamline existing ISAs.
17. An accounting firm noted that, notwithstanding the development of a separate standard for audits of LCEs and the activities in connection with the CUSP project, there will still be significant demand for scalability solutions in respect of the ISAs.

Audit Evidence

Changes to Topics Currently Underway / Timing / Prioritization

18. Respondents (across all stakeholder groups, including three regulators and audit oversight authorities) noted that the project on audit evidence should be prioritized in the Work Plan for 2022–2023.

Changes to the Project Scope and Objectives

19. Respondents that were of the view that the project on audit evidence should be prioritized, also noted that the revision of ISA 500⁵ alone may not be sufficient. They noted the need for a holistic revision of the ISA 500 series that covers enhancements related to professional skepticism, audit sampling, external confirmations, and analytical procedures to take into account inspection findings.
20. Respondents across all stakeholder groups also noted a more holistic revision should address how evolving technologies and automated tools impact the audit to ensure coherence of the audit standards. It was highlighted that widespread digital transformation, further accelerated by the pandemic, has resulted in more reliance on evidence in digital form, and respondents believed that

⁵ ISA 500, *Audit Evidence*

guidance on how digital evidence can be assessed for relevance and reliability under ISA 500 will be very helpful.

Fraud and Going Concern

Changes to Topics Currently Underway / Timing / Prioritization

21. Respondents across all stakeholder groups noted that fraud and going concern should be prioritized among the projects currently underway. Given the current COVID environment and the increased likelihood of financial failures, these respondents recommended that the IAASB accelerate these projects if capacity becomes available or additional resources can be secured.
22. With respect to the Going Concern Project, respondents (NSS and accounting firms) noted that that this standard had been updated relatively recently and that the lack of change in the financial reporting framework in relation to going concern was a key factor in limiting the changes that could be made to the standard at that time. As there has been no subsequent changes to the financial reporting framework since ISA 570 (Revised)⁶ became effective, the same issues will likely be encountered if this project results in amendments to the extant standard. Hence, collaboration with the IASB is critical to the success of this project and should be taken into consideration in determining the appropriate way forward for this project. On the other hand, a NSS respondent urged the IAASB to prioritize its efforts on reviewing extant going concern requirements (both from an auditing and broader reporting perspective). The respondent noted that this topic has a strong level of public interest and has implications across the whole financial reporting ecosystem in light of the recent COVID-19 pandemic.

Changes to the Project Scope and Objectives

23. A professional accountancy organization noted that the issues related to fraud and going concern cannot be addressed by changes to auditing standards alone and it will therefore be crucial for the IAASB to set out clear objectives in the project proposals which take account of the need to engage with all stakeholders to avoid a further widening of the expectation gap.
24. With respect to the Fraud project, an accounting firm noted that further time and effort should be prioritized to the broader fraud ecosystem agenda. Addressing the expectation gap will require equal efforts by others in the financial reporting ecosystem and the IAASB needs to be proactive in seeking to drive this forward.

Implications for IAASB Standards of International Ethics Standards Board for Accountants' (IESBA) Project, *Definitions of Listed Entity and Public Interest Entity*

Changes to Topics Currently Underway / Timing / Prioritization

25. Respondents (mainly regulators and audit oversight authorities) noted that work relating to the Implications of IESBA's Definitions of Listed Entity and PIE Project should not be continued or prioritized. It was noted that there is less urgency to address the Implications of IESBA's Definitions of Listed Entity and PIE Project as the definitions in the IAASB Standards are understood by auditors. Therefore, it was suggested to defer this project to 2023 or later.

⁶ ISA 570 (Revised), *Going Concern*

Changes to the Project Scope and Objectives

26. Respondents also provided views as to why work relating to the Implications of IESBA's Definitions of Listed Entity and PIE Project is important to them or how such work should be progressed:
- (a) Respondents (all professional accountancy organizations) noted that the IESBA and the IAASB should align their terminologies to the extent possible to provide clarity, promote consistency and avoid confusion. A regulator and oversight authority highlighted that the definition of PIE should be consistent with the PIE definition based on legislation applicable in the European Union (EU) but believed that dealing with the implications of IESBA's PIE Project can be treated with a slightly lower priority.
 - (b) A professional accountancy organization highlighted the importance of considering the implications of broadening the definitions of listed entity and PIE on the IAASB's International Standards. The respondent further noted that changes to these definitions may have a more significant impact in jurisdictions where there is mandatory audit firm rotation and guidance may need to be provided in this regard.

Planning Committee Recommendations

- No changes to current topics or projects that are currently being progressed (as presented in the Survey).
- Further consideration of prioritization of topics in progressing the topics in 2022 and 2023 (i.e., taken into account when developing the detailed quarterly forward agenda).

27. On balance, based on the responses to Question 4 in the Survey, the Planning Committee is of the view that there is no compelling need (taking into account the needs of all stakeholders) to reevaluate the topics currently being progressed to completion as identified in the Survey. Notwithstanding that there are stakeholders who believe that some current projects should be reprioritized or stopped (i.e., the project on Audits for LCEs), the broad support for the range of topics currently underway takes into account the broader public interest of all stakeholders that use the IAASB's standards (i.e., there was substantial support from the IAASB's broader stakeholders to complete the project on Audits of LCEs).
28. Stakeholder comments about prioritization of certain topics will be considered in any decisions made about the progression of each project to completion. However, there were mixed views on many of the topics and what should be prioritized.

Change in Scope of Current Projects Underway

29. Various suggestions have been made with regard to the scope of projects currently underway. Where these projects are still in the information gathering and research phase (i.e., there had not yet been an approved project proposal) these suggestions can be considered as part of developing the relevant project proposal. However, some of the projects are already in the standard-setting phase. Changes encouraged to the existing scope or objectives include:
- (a) CUSP – the IAASB was encouraged to further consider changes to the existing standards from the drafting principles and guidelines developed, not only to apply these prospectively.

- (b) Audit evidence – the revisions related to audit evidence should be more holistic, and include, for example, ISA 520⁷ and ISA 530,⁸ as well as technology related matters.

The Planning Committee is of the view that the support for completing the current projects currently underway does not necessitate a change at this stage to project scope where these have been agreed with the Board. However, the current project teams should consider any input from respondents, as relevant, in the ongoing conduct of their work.

Section II: Ranking Eight Possible Topics that Should Be Prioritized (Question 5)

30. Question 5 in the Survey asked respondents:

Please rank the relative importance of the eight topics in the table above to yourself or your organization (with 1 being the highest priority).

- *List with 8 topics – you can only select a topic once by assigning a number (from 1 to 8) to each topic.*
- *Please provide your rationale and views on the needs and interests that would be served by undertaking such work, why certain topics are relatively more important to you or your organization and any other relevant information to the IAASB?*

What We Heard

Ranking of Topics

Monitoring Group Member

31. One Monitoring Group member participated in the Survey and prioritized the following two topics to be addressed as possible standard setting activities:

- Audit sampling; and
- Analytical procedures.

Other Respondents

32. One of the challenges in analyzing the responses to this question was the weight of respondents ranking. For example, it was noted that thirty individuals responded and therefore represent the highest number of participants within any of the stakeholder groups, i.e., 30%. However, other stakeholder groups, such as NSS, professional accountancy organizations and accounting firms, may represent a significant number of members or constituents within their networks.
33. Therefore, the analysis of ranking the eight topics was performed in various ways to determine the preferred priority of topics for which the IAASB should pursue further information gathering activities. Staff looked at responses through the following four lenses:
- All respondents;
 - Organizations (All respondents excluding individuals);

⁷ ISA 520, *Analytical Procedures*

⁸ ISA 530, *Audit Sampling*

- Organizations that represent a significant number of members or constituents within their network; and
- Stakeholder groups.

All respondents

34. In analyzing the results of all respondents, the ‘Responding to Assessed Risks’ (i.e., revision of ISA 330⁹) topic was clearly rated the most important topic that the IAASB should pursue further information gathering activities for. After this topic, three topics broadly shared a similar ranking as the second most important topic for further information gathering activities: ‘Analytical Procedures’ (i.e., revision of ISA 520); ‘Audit Sampling’ (i.e., revision of ISA 530) and ‘Assurance for Climate Change Disclosures’. Also see the table below (paragraph 36).

Organizations

35. If the Survey results are considered by excluding individuals, the ‘Responding to Assessed Risks’ topic remains the most important topic that the IAASB should pursue for further information gathering activities for. The topics related to ‘Analytical Procedures’, ‘Audit Sampling’ and ‘Assurance for Climate Change Disclosures’ also broadly shared a similar ranking. However, the relative importance of ‘Assurance for Climate Change Disclosures’ increased, while the other topics decreased. Also see the table below (paragraph 36).

Organizations that represent a significant number of members or constituents within their network

36. If the Survey results are considered for organizations that represent a significant number of members or constituents within their network, the ‘Responding to Assessed Risks’ topic remains the most important topic that the IAASB should pursue for further information gathering activities. The topic related to ‘Assurance for Climate Change Disclosures’ is clearly the second most important topic that the IAASB should pursue for further information gathering activities, followed by the topics related to ‘Analytical Procedures’ and ‘Audit Sampling.’ Also see the table below.

	Highest rated topic	Second highest rated topic	Third highest rated topic	Fourth highest rated topic
All respondents	Responding to assessed risks	Analytical procedures	Assurance for climate change disclosures	Audit Sampling
Organizations	Responding to assessed risks	Analytical procedures	Assurance for climate change disclosures	Audit Sampling
Organizations that represent a significant	Responding to assessed risks	Assurance for climate change	Analytical procedures	Audit Sampling

⁹ ISA 330, *The Auditor’s Responses to Assessed Risks*

number of members or constituents within their network		disclosures		
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Stakeholder group

37. The table below presents the top four most important topics per stakeholder group (except the Monitoring Group which is discussed in paragraph 31).

Stakeholder group	Highest rated topic	Second highest rated topic	Third highest rated topic	Fourth highest rated topic
Regulators and audit oversight bodies (7)	Responding to assessed risks	Analytical procedures	Audit sampling	Assurance for climate change disclosures
NSS (11)	Responding to assessed risks	Assurance for climate change disclosures	Analytical procedures	Audit sampling
Accounting Firms (23) • GPPC firms (5)	Responding to assessed risks	Analytical procedures	Audit sampling	Assurance for climate change disclosures
	Assurance for climate change disclosures	Responding to assessed risks	Analytical procedures	Review of interim financial information
Member bodies and other professional accounting organizations (20)	Responding to assessed risks	Assurance for climate change disclosures	Analytical procedures	Audit sampling
Academics (2)	Assurance for climate change disclosures	Review of Interim financial statements	Responding to assessed risks	Joint audits
Preparers of Financial Statements (4)	Responding to assessed risks	Analytical procedures	Audit sampling	Using the work of an expert
Individuals (30)	Responding to assessed risks	Analytical procedures	Audit sampling	Review of interim financial information
Others	Responding to assessed risks	Assurance for climate change	Audit sampling	Using the work of an expert

		disclosures		
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Rationale and Views why Certain Topics are More Important

Monitoring Group Members

38. A Monitoring Group member encouraged the IAASB to commence work on a project to revise ISA 520 and ISA 530 by reprioritizing such new projects ahead of the project on developing a separate standard on Audits of LCEs. It was noted that such projects would supplement the work that is being undertaken to revise ISA 500.
39. In addition, the Monitoring Group member noted that some jurisdictions currently require assurance over digital financial reporting (e.g., using eXtensible Business Reporting Language (XBRL)) marking a first step to developing machine-readable financial statements. It was suggested to consider the need for non-authoritative guidance or educational material to assist with driving consistency in the delivery of assurance services over information reported in a digital format.

Other Respondents

Responding to assessed risks

40. Respondents who supported further information gathering activities on the 'Responding to Assessed Risks' topic cited, among other matters, the following reasons for their choice (where comments were provided):
 - (a) ISA 330 has strong linkages with the auditor's risk assessment and should be revised to align with the recent revisions to ISA 315 (Revised 2019).¹⁰ Respondents across all stakeholder groups are broadly of the view that the changes to ISA 315 (Revised 2019) were extensive and may therefore require a substantial revision to ISA 330. It was noted that some matters were addressed in ISA 315 (Revised 2019) which are not addressed in ISA 330 (such as the consequences if entity controls are not operating effectively and the concept of the spectrum of inherent risk).
 - (b) Given the substantial developments in technology, ISA 330 needs to be modernized to recognize the use of, for example, data analytics or other automated tools and techniques. This reason was of particular prominence among accounting firms.
 - (c) Revisions to ISA 330 need to prioritize scalability to consider practice issues that have arisen when applying the extant standard in different circumstances. This reason was of particular prominence among professional accountancy organizations.
 - (d) Revisions to ISA 330 may be necessary given the current proposals to revise ISA 500 and ISA 240.¹¹
41. Respondents (an accounting firm and an NSS) who were of the view that further information gathering activities on the 'Responding to Assessed Risks' topic are not directly needed noted that ISA 330 is not fundamentally broken.

¹⁰ ISA 315 (Revised 2019), *Identifying and Assessing the Risks of Material Misstatement*

¹¹ ISA 240 (Revised), *The Auditor's Responsibility to Consider Fraud and Error in an Audit of Financial Statements*

Analytical procedures

42. Respondents who supported a project on the 'Analytical Procedures' topic cited the following reasons for their choice (where comments were provided):
- (a) ISA 520 needs to be aligned or modernized given the increasing use of technology by entities or the use of automated tools and techniques by auditors. In particular, the ISA does not provide sufficient guidance in relation to the ability of the auditor to review or test large amounts of data. Revisions are necessary to address challenges in practice and to address regulator expectations about the use of technology. This reason was widely provided across all stakeholder groups.
 - (b) ISA 520 is fundamental to the auditor's risk assessment and further audit procedures (reason provided across stakeholder groups).
43. Respondents who did not support further information gathering activities cited the following reasons (where comments were provided):
- (a) ISA 520 is not fundamentally broken and therefore is not in favor of a project to revise the standard. It was added that clear issues of fundamental importance need to be identified prior to considering whether project proposals need to be prepared for these (NSS).
 - (b) The current standard on analytical procedures is still usable (NSS).
 - (c) Outreach suggested that the need for action in relation to ISA 520 is less pressing and should not be prioritized at the cost of the other projects highlighted in the Survey (professional accountancy organization).

Audit sampling

44. Respondents who supported a project on the 'Audit Sampling' topic cited the following reasons for their choice (where comments were provided):
- (a) ISA 530 needs to be aligned or modernized given the increasing use of technology by entities or the use of automated tools and techniques by auditors. For example, the ISAs does not provide sufficient guidance in relation to the ability of the auditor to review or test large amounts of data. Revisions are necessary to address such challenges in practice and to also address regulator expectations about the use of technology. This reason was widely provided across all stakeholder groups.
 - (b) The application of ISA 530 is fundamental to the auditor's risk assessment and further audit procedures (reason provided across stakeholder groups).
 - (c) The revision of ISA 530 is needed to assist smaller practitioners who may not have sophisticated methodologies to deal with sampling techniques (from stakeholders representing small and medium-sized practitioners (SMPs)).
 - (d) Currently the application of ISA 530 is inconsistent from firm to firm, resulting in circumstances whereby the same population and client characteristics could give rise to different sample sizes (from stakeholders representing SMPs).
45. Respondents who did not support further information gathering cited the following reasons for their

choice (where a reason was provided):

- (a) The respondent is not convinced that ISA 530 is fundamentally broken and therefore not in favor of a project to revise this standard. Clear issues of fundamental importance need to be identified prior to considering whether project proposals need to be prepared for these (NSS).
- (b) Outreach suggested that the need for action in relation to ISA 530 is less pressing and should not be prioritized at the cost of the other projects highlighted in the Survey (professional accountancy organization).

Using the work of an auditor's expert

46. Respondents who supported further information gathering activities on the 'Using the Work of an Auditor's Expert' topic cited, among other matters, the following reasons for their choice (where comments were provided):
- (a) As financial (and non-financial) reporting becomes increasingly prevalent and more complex (including sustainability reporting), reliance on experts is likely to increase. Sophisticated reporting matters are rapidly changing, and new types of expertise will be required (NSS and professional accountancy organizations).
 - (b) ISA 620¹² should be reconsidered in conjunction with the broader considerations in respect of the relevance and reliability of information to be used as audit evidence, regardless of its source, as part of the Audit Evidence project. It was also noted that the recent revisions to ISA 220 (Revised)¹³ may impact the direction, supervision, and review of the auditor's expert's work, and it was suggested to give further consideration to this to ensure that the standards are appropriately aligned (accounting firm).
 - (c) Given the recent revision to ISA 540 (Revised)¹⁴ a revision of ISA 620 is warranted given the frequent use of experts in auditing accounting estimates. It was also noted that, when auditing accounting estimates, the application of ISA 620 has been challenging for auditors (NSS and accounting firm).
 - (d) While not being an area that generates a significant number of regulatory findings, ISA 620 still creates some confusion among auditors, particularly in relation to the difference between an auditor's expert and a specialist in accounting or auditing (professional accountancy organizations).
47. Respondents who did not support further information gathering activities noted that ISA 620 is not broken and there are no fundamental issues. Clear issues of fundamental importance need to be identified prior to considering whether project proposals need to be prepared for this topic. This reason was of particular prominence among NSS.

Review of interim financial statements

48. Respondents across all stakeholder groups who supported further information gathering activities on

¹² ISA 620, *Using the Work of an Auditor's Expert*

¹³ ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*

¹⁴ ISA 540 (Revised), *Auditing Accounting Estimates and Related Disclosures*

‘Review of Interim Financial Statements’ noted that ISRE 2410¹⁵ is outdated while being used for listed entities worldwide. It was further noted (by stakeholders across stakeholder groups) that the standard:

- (a) Is not aligned with ISRE 2400;¹⁶
- (b) Is not written in the clarity format; and
- (c) Does not include any responsibilities of the auditor in relation to group financial statements or going concern.

49. Respondents who did not support further information gathering activities cited, among other matters, the following reasons:

- (a) The standard is less relevant to less complex entities as these entities often don’t prepare interim financial information (from stakeholders representing SMPs).
- (b) The standard has already been updated in the particular jurisdiction (professional accountancy organization).

Joint audits

50. Respondents who supported further information gathering activities on the ‘Joint Audits’ topic cited, among other matters, the following reasons for their choice (where comments were provided):

- (a) There is merit in the IAASB undertaking a project to improve the international consistency in the conduct of joint audits as several jurisdictions are contemplating the introduction of joint audits (e.g., the EU) or introduced joint audits (e.g., South Africa). This reason was of particular prominence among stakeholders from jurisdictions that are contemplating the introduction of joint audits or have already introduced joint audits.
- (b) The lack of a specific standard is used to argue against any possibility to introduce joint audits (NSS).

51. Respondents who did not support further information gathering activities noted that joint audits are not prevalent in many jurisdictions (this reason was cited across stakeholder groups). Respondents noted the ongoing consultations in some jurisdictions on the future of audit and potential changes to the audit model, including joint audits and recommended that a potential project on joint audits is delayed until the outcome of such consultations becomes more certain (accounting firms).

52. An NSS also noted that joint audits are not becoming more prevalent globally – there may be discussions about requiring joint audits but these discussions have not yet resulted in many countries requiring it. Therefore, respondents did not see a basis or need for standard-setting in this area, which is best left to individual jurisdictions to address based on local law, regulation or other market factors.

¹⁵ International Standards on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor*

¹⁶ ISRE 2400 (Revised), *Engagements to Review Historical Financial Statements*

Assurance for XBRL

53. Respondents who supported further information gathering activities on the ‘Assurance for XBRL’ topic cited, among other matters, the following reasons for their choice (where comments were provided):
- (a) The European Single Electronic Format is the new digital reporting format for the annual financial reports of issuers listed on the EU regulated markets. It is based on XBRL technology and will be fully implemented in EU member states for 2021 annual financial reports. It was noted that there is no international standard on assurance on XBRL and therefore each European country has developed its own standard or guidance and there is a risk of inconsistency among the various countries. This reason was of particular prominence among stakeholders from the EU and was across stakeholder groups.
 - (b) In many jurisdictions, such as in the EU and United States of America, digital reporting is an area of growth and is likely to expand to other areas of financial and non-financial reporting frameworks more broadly in the near future. As such, this project has been prioritized to reflect the fact that it is likely to become a much higher priority in the near future (this comment was cited across stakeholder groups).
54. Respondents who did not support further information gathering activities cited, among other matters, the following reasons:
- (a) There has been little demand from stakeholders, including regulators, for assurance engagements on XBRL or the use of XBRL is marginal in many jurisdictions (this comment was cited across stakeholder groups).
 - (b) There is no common practice on this matter internationally – even within the EU, so writing an international standard is likely not possible (NSS).
 - (c) Assurance on XBRL is of little significance to SMPs (from stakeholders representing SMPs).

Assurance for climate change disclosures

55. Respondents who supported further information gathering activities on the ‘Assurance for Climate Change Disclosures’ topic cited, among other matters, the following reasons for their choice (where comments were provided – this was an area where there were more comments provided than in many of the other areas:
- (a) More robust reporting on climate-related risks is a matter of high interest by global stakeholders who are placing increasing pressure on corporations for greater transparency on Environmental Social and Governance strategies. Respondents across all stakeholder groups noted that a subject-matter specific assurance standard on climate change disclosures will promote the quality and consistency as demand for assurance in this area is expected to grow.
 - (b) Assurance for climate change disclosures is in the public interest given its impact on all countries and societies, including the political, technical, financial and economic environment. It was noted that climate change presents financial risk to the global economy. Therefore, financial markets need clear, comprehensive high-quality information on the impacts of climate change. This includes the risks and opportunities presented by rising temperatures, climate-related policy and emerging technologies in our changing world. This reason was noted by

respondents across all stakeholder groups.

- (c) Some jurisdictions are engaging in consultations to develop or propose enhancements to corporate reporting directives that include sustainability reporting, and noted that there is a risk of inconsistent standards globally. This reason was noted by respondents across all stakeholder groups.
56. Respondents were also of the view that the IAASB should closely monitor global developments around non-financial information. They suggested to adopt a holistic approach and work towards the development of a framework setting out fundamental concepts and principles related to assurance standard setting for non-financial information or explore whether an assurance standard for engagements on sustainability reporting may be useful (also see paragraphs 71–72).
57. Respondents who did not support further information gathering activities cited the following reasons:
- (a) The impact of climate change disclosures, including assurance for climate change disclosures, is marginal in the jurisdiction of the respondent (this reason was cited across stakeholder groups).
 - (b) Given the Board's limited resources, priority should be given to updating existing ISAs (regional professional accountancy organization).

Planning Committee Recommendations

58. As noted, in paragraph 27, the Planning Committee recommends that the current IAASB projects underway are not reevaluated (except possibly the priority (i.e., timing) of the projects). The answers to this question, question 6 (see Section III below) and question 7 (see Section IV below) will therefore form the basis of any **new** projects commenced in the work plan period, (i.e., when current projects are completed and capacity opens up (and subject to the criteria in the [Framework for Activities](#) (Framework)). The rankings that have been provided will help inform the Board as to stakeholders' views about the next possible topic and will be considered as part of the process to determine the next Board project.
59. The 'pool' of projects from this question and questions 6 and 7 will be measured against the criteria for moving from Category A to Category B in the Information Gathering and Research Component of the Framework and, based on the application of the criteria for new projects in the Framework, a decision made as to the next possible project(s). It is anticipated that later in 2022 initial discussions about the application of the criteria to these topics will need to commence in order that initial Staff activities related to the next project in terms of information gathering and research activities commence early in 2023 (on the assumption presently that Board capacity opens up later in 2023).
60. For the purpose of the Work Plan for 2022-2023, the Planning Committee proposes to include a 'pool' of possible topics which is based on the eight topics already identified by the IAASB and any new topics identified based on the input from Question 6 (see Section III below). **Agenda Item 4-A** (Table B) provides the Planning Committee's proposals in this regard. The list of possible topics for the IAASB's new project(s) also includes limited scope maintenance projects (see Section IV below on Question 7 from the Survey).
61. It is proposed that the Work Plan for 2022-2023 explains how the application of the Framework is applied to determine the next project, and list out the possible contenders at this time, but noting that

this may change if there are other environmental developments that impact the nature of urgency of possible new projects.

62. The Planning Committee further noted that, at present, the standard-setting activities are focused on the ISAs. However, there has been a strong call for more on assurance for non-financial information. Therefore, the Planning Committee is of the view that the new possible topics are presented by “category” and that further consideration of new projects for the IAASB take into account that the IAASB’s efforts address all categories.

Section III: Other Topics that Should Be Prioritized (Question 6)

Background

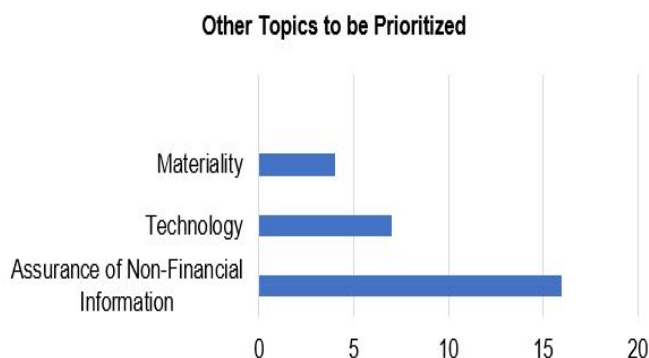
63. Question 6 in the Survey asked respondents:

Are there any other topics that are more important than the eight topics in the table above that should be prioritized ahead of these? If so, please explain what the topic is, what topic(s) should it be prioritized ahead of, and why (including your views on the needs and interests that would be served by undertaking such work)?

64. As noted in paragraph 58, the answers to question 6 (together with questions 5 and 7) will help inform the Board’s decision making about any **new** projects commenced in the work plan period, i.e., when current projects are completed and capacity opens up (subject to applying the Framework). The following sets out stakeholder views on other topics that should be included in the list of possible topics to be considered for the IAASB’s next project.

What We Heard

65. Based on the responses to Question 6 in the Survey, the chart to the right shows respondents’ views on new topics (i.e., not already included in the Survey question) that should also be considered by the IAASB, although in many cases the respondents did not specify ahead of which specific topics already presented in the Survey they should be prioritized ahead of. Other topics were also mentioned, however as only mentioned by a maximum of two respondents they have not been included (however, they will still be added to the topics that are included in “Category A” of the Framework for further consideration in the future).
66. **Appendix 2** to this Agenda Item includes topics that are not included in the Work Plan as possible topics for the IAASB’s new project(s) but were noted by respondents. These topics will be included in “Category A” of the Framework for further consideration in the future.
67. The table on the next page shows these other topics to be prioritized for consideration of a new project by the IAASB categorized by stakeholder group.



Stakeholder Groups	Assurance of Non-Financial Information	Technology	Materiality
Monitoring Group Member	1		
Regulators and Audit Oversight Authorities			2
NSS	5	2	
Accounting Firms	4	1	
Member Bodies and Other Professional Organizations	3	1	1
Preparers of Financial Statements	1		
Individuals		3	1
Others	2		
Grand Total	16	7	4

Monitoring Group

68. With respect to assurance on non-financial information, a Monitoring Group Member encouraged the IAASB to be proactive in considering enhancements to existing International Standards on Assurance Engagements (ISAEs) and ISAs to be responsive to current global developments related to sustainability reporting standards and climate change disclosures. This respondent noted that enhancements to existing ISAs may be needed as a result of increased use of auditor's experts or challenges in materiality application to non-financial information included in the audit.
69. In addition, the Monitoring Group member noted that it would be prudent for the IAASB to consider addressing the application issues and related impact that technology (including how the delivery of audits has changed as a result of the COVID-19 pandemic) has on standards underlying the audit evidence framework.
70. As the current and future work plans are developed by the IAASB, the Monitoring Group Member also encouraged the IAASB to build in adequate flexibility and resources to meet the public interest needs of assurance on non-financial information as reporting frameworks and standards are developed.

Other Respondents

Assurance on Non-Financial Information

71. Although respondents broadly supported the prioritization of a project on climate related disclosures, respondents across all stakeholder groups called for consideration of broader assurance on non-financial information to be prioritized by the IAASB. The latter was most frequently mentioned as a topic that is more important than the eight topics identified as part of question 8 (also see table chart to the right of paragraph 65).
72. Although some respondents, where comments were provided, only referred to non-financial information, others were more specific with regard to the needs and interests that would be served by undertaking such a possible project:
 - (a) *Assurance on Sustainability Information* – In light of the proposed EU Corporate Sustainability Reporting Directive (CSRD), respondents (across stakeholder groups and jurisdictions)

identified assurance on sustainability information as an important topic to be prioritized by the IAASB. It was noted that the CSRD proposal applies double materiality, and concerns were expressed over the expected challenges in applying the concept of double materiality in planning and performing an assurance engagement on sustainability information. It was also noted that the CSRD proposal requires limited assurance of the sustainability information and that there may be a move toward requiring reasonable assurance in the future. A professional accountancy organization from the EU was concerned that ISAE 3000 (Revised)¹⁷ will not be sufficient for the European Commission or at best will only suffice for limited assurance on sustainability reports. They therefore believed that the IAASB should be prepared for the eventual need for the development of standards for reasonable assurance. Professional accountancy organizations from the EU further noted that it is essential that existing standards (e.g., ISAE 3000 (Revised)) or newly developed reasonable assurance standards be scalable so that they might be used for sustainability reports prepared using sustainability reporting standards for SMEs.

- (b) *Subject-Matter Specific ISAEs or Non-Authoritative Guidance* – Respondents (mainly NSS and accounting firms) identified a need to develop subject-matter specific ISAEs or non-authoritative guidance other than Assurance for Climate Change Disclosures in order to respond to the demand for assurance on non-financial information. Among other matters, respondents noted the following areas where subject-matter specific ISAEs or non-authoritative guidance could be developed:
- Other aspects of environment, social and governance reporting and sustainability reporting (e.g., gender equality, modern slavery, corporate ethics);
 - Other emerging areas of risk (e.g., cyber security); and
 - Internal controls assurance.

It was noted that if there is no international assurance standard for specific underlying subject matters, each jurisdiction might develop their own standard, and that this would not be in the public interest.

- (c) *Update ISAE 3000 (Revised)* – Respondents (an accounting firm and a professional accountancy organization) noted that a number of concepts that the IAASB has developed, which are included in the [*Non-Authoritative Guidance on Applying ISAE 3000 \(Revised\) to Extended External Reporting \(EER\) Assurance Engagements*](#), should be considered for inclusion in ISAE 3000 (Revised) (e.g., in respect of understanding internal control, and the introduction of the concept of assertions). Accordingly, these respondents recommended that the IAASB consider a project to update ISAE 3000 (Revised), together with the other assurance standards in the ISAE 3000 suite, to incorporate such concepts and to address the global developments around assurance practices for non-financial information. These respondents also believed that these standards would benefit from updates to align them more closely with the auditing standards, which have undergone significant revisions in recent years, in particular, with respect to reporting matters, the identification and assessment of risks, and the effects on an audit of recent rapid developments in technology.

¹⁷ ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*

Technology¹⁸

73. Respondents (mainly NSS) identified technology as a topic to be prioritized by the IAASB. The following summarizes respondents' views, where comments were provided, about the scope of a possible project on technology, including respondents' views on the needs and interests that would be served by undertaking such a possible project:

- (a) Respondents were concerned about the approach to deal with technology matters primarily in the context of open projects (i.e., one ISA at a time). These respondents believe this piecemeal approach does not lend itself to the IAASB addressing challenges pervasive to the audit, and also has not resulted in robust or timely guidance for auditors. An accounting firm was encouraged by the IAASB's Disruptive Technologies project from the perspective of the potential for the IAASB adding technology-specific projects to its Work Plan but was concerned that no such project has been included in the list of eight possible standard-setting topics in Section II of the Survey.
- (b) Arising from recent high-profile events, respondents noted a need for clarity in the auditor's responsibilities related to cyber risks, particularly as it relates to designing and performing appropriate audit responses to cyber security risks related to the entity's financial information. In that regard, respondents noted that:
 - Cyber security risks are a contributor to the audit expectation gap and believed that proactive action by the IAASB is therefore important.
 - Businesses are likely to come under increasing pressure to demonstrate to stakeholders that they have effective controls in place to deter, detect and respond effectively to cyber security breaches.
- (c) Respondents (mainly NSS) encouraged the IAASB to address the effect on the audit of the use of data analytics and emerging technologies by entities, including blockchain, big data, artificial intelligence and cloud computing. Respondents recognized that addressing specific technologies in the standards themselves is not a viable approach due to the rapid pace of technological change. As an interim measure, respondents suggested that guidance be developed related to a specific type of technology with relevant considerations across the suite of ISAs (e.g., an audit guide for an entity's use of robotics process automation in its business processes). It was also suggested that existing ISAs be revised to incorporate the application of automated tools and techniques (e.g., ISA 240, ISA 505¹⁹, ISA 520, ISA 530).

Materiality

74. Respondents (mainly regulators and audit oversight authorities) identified materiality as a topic to be prioritized by the IAASB. It was noted that the materiality concepts contained within ISA 320²⁰ should be considered for revision as the concepts of materiality and performance materiality are interpreted

¹⁸ As part of answering question 4 of the Survey, respondents also highlighted the need for a holistic revision of the ISA 500 suite to address how evolving technologies impact the audit and ensure coherence of the audit standards. See paragraph 29.

¹⁹ ISA 505, *External Confirmations*

²⁰ ISA 320, *Materiality in Planning and Performing an Audit*

differently by audit firms depending on the various audit methodologies, resulting in inconsistent application of ISA 320. It was also suggested how materiality is determined be clarified, further consideration be given to how materiality effects the auditor's work effort and transparency on materiality in the auditor's report.

75. A professional accountancy organization suggested that guidance should be developed related to the revision of materiality as the audit progresses, particularly when there are changes in the nature and circumstances of an audit engagement. The respondent noted that this is particularly important given recent global events such as the COVID-19 pandemic, which could result in the initial materiality determined during the planning stage of the audit changing significantly as the engagement progresses.

Planning Committee Recommendations

76. Based on the responses to Question 6 in the Survey, there was no indication that any of the eight topics presented in the Survey was irrelevant (in particular where there were those that did not support a topic, there were others that did support the topic), therefore the Planning Committee recommends that when the time comes to determine the next possible project for the IAASB, consideration is given to the eight topics originally presented, as well as:

- (a) Expanding the possible topic of climate related disclosures to be broader with respect to non-financial information, with possible sub-topics (such as climate related disclosures, sustainability reporting etc.).
- (b) The topics of materiality and technology be added.

As noted in paragraph 62 above these topics have also been presented by “category” (see Work Plan, Table B (**Agenda Item 4-A**)).

Section IV – Narrow Scope Maintenance (Question 7)

77. The IAASB's Framework allows for narrow scope maintenance of its standards. This is achieved through a limited number of targeted changes, to either a single standard or across multiple standards (i.e., a “narrow scope maintenance project”). These types of projects are undertaken, for example, when there is an urgent need to address an issue or when a standard-setting response is indicated (rather than non-authoritative material) but does not require a full scope revision on one or more standards.

78. Question 7 of the Survey asked respondents:

Are there any specific topics or issues related to a targeted requirement(s) or issue(s) that could be a candidate for the narrow scope maintenance of our standards (other than what you have already addressed)? If so, please explain what the topic or issue is, which standard it relates to, why this is limited in scope, and why this should be prioritized?

What We Heard²¹

79. Based on comments from respondents that answered this question three areas were identified that could be a candidate for a narrow scope maintenance project. These include specific areas in the following standards or sets of standards:

- ISRE 2410;
- ISA 500 series; and
- Auditor reporting standards.

ISRE 2410, Review Reports on Interim Financial Information Performed by the Independent Auditor

80. Respondents (mainly NSS) noted that if ISRE 2410 does not make it onto the IAASB's Work Plan for 2022–2023, the IAASB should consider a narrow scope maintenance of ISRE 2410. It was further noted that the standard dates from 2006 and has not been updated since then.

81. Respondents noted the following specific issues that the narrow scope maintenance on ISRE 2410 could be focused on:

- (a) The auditor's responsibility in regard to the key difference in the nature and scope of auditor obligations related to going concern reporting between ISRE 2410 and the ISA 700 (Revised)²²
- (b) Updating the example reports in the standard that has not been updated or modified since 2006

Audit Evidence (ISA 500 Series)

82. Respondents noted that several standards in the ISA 500 series could be a candidate for narrow scope maintenance for a variety of reasons. The main reasons noted by respondents were, the need for auditing remotely due to the COVID-19 pandemic, the IAASB's current project to revise ISA 500, the revision of ISA 315 (Revised 2019) and technological advances in the audit of financial statements.

83. Issues relating to the ISA 500 series that could be a candidate for narrow scope maintenance include:

- ISA 501²³ – Respondents noted that this standard is outdated and suggested to update the standard for remote inventory counting and segment information. It was noted that given the COVID-19 pandemic, firms had to change their approach related to inventory counts and ISA 501 should be updated to support the counting of inventory through remote methods.
- ISA 505 – Respondents noted that this standard is outdated and suggested to update the standard for technological advancements and specifically noted the following targeted changes:
 - The principle of negative confirmations should be deleted as it was seen to be too unreliable. It was noted that the lack of responsiveness may not be an approval but an

²¹ This question was not answered by members of the Monitoring Group.

²² ISA 700 (Revised), *Forming an Opinion and Reporting on Financial Statements*

²³ ISA 501, *Audit Evidence – Specific Considerations for Selected Items*

oversight or a desire not to respond.

- Given the extent of using online conformation services, the standard should be modernized to permit firms to rely on the usage of such services without treating these service providers as a service organization under ISA 402.²⁴

84. Respondents also noted that if ISA 520 and ISA 530 do not make it onto the Work Plan, the IAASB should consider narrow scope maintenance to these standards.

Auditor Reporting

85. Respondents indicated that some narrow scope maintenance could be done on the revised auditor reporting standards.²⁵ Issues relating the revised auditor reporting standards that could be a candidate for narrow scope maintenance include:

- ISA 720 (Revised)²⁶ – Respondents noted that in light of the IAASB’s post-implementation review of the revised audit reporting standards there is likely a need for narrow scope maintenance to ISA 720 (Revised). The narrow scope maintenance could address feedback received in relation to implementation challenges and the need for greater clarity around the fact that the auditor's opinion does not extend to 'other information' included in the annual report.
- ISA 260 (Revised) – Respondents noted that the communications described in ISA 260 (Revised) paragraphs 14–17 is an area of confusion when management and those charged with governance are one and the same.

Planning Committee Recommendations

86. The objective of this question in the Survey was to determine possible candidates for the narrow scope maintenance of our standards. Respondents identified some possible candidates for narrow scope amendments. However, overall, question 7 was answered by a limited number of respondents and the input received was limited compared to other questions.

87. In addition to the possible candidates for narrow scope maintenance identified by respondents to the Survey, the Planning Committee did identify some other possibilities for narrow scope maintenance of our standards based on respondents’ comments related to other questions of the Survey. The Planning Committee is of the view that the following areas could be explored for possible narrow scope maintenance of our standards:

- ISA 260 (Revised), related to communications described in paragraphs 14–17 of that standard;
- Omnibus project to update ISAs for the impact of technology (possibly limited to ISA 500 series);

²⁴ ISA 402, *Audit Considerations Relating to an Entity Using a Service Organization*

²⁵ The revised Auditor Reporting Standards comprise: ISA 700 (Revised); ISA 701, *Communicating Key Audit Matters in the Independent Auditor’s Report*; ISA 705 (Revised), *Modifications to the Opinion in the Independent Auditor’s Report*; ISA 706 (Revised), *Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report*; ISA 570 (Revised); ISA 260 (Revised), *Communication with Those Charged with Governance*; and conforming amendments to other ISAs.

²⁶ ISA 720 (Revised), *The Auditor’s Responsibilities Relating to Other Information*

- ISA 501 related to remote inventory counting;
- ISA 505 related to electronic confirmations;
- ISA 720 (Revised), for challenges arising from implementation; and
- ISRE 2410 related to the auditor's obligations on going concern.

88. As explained in paragraph 60, the list of possible 'limited scope maintenance' projects has been included in the overall pool of topics by "category" but has been clearly designated as narrow scope maintenance projects (see Work Plan, Table B (**Agenda Item 4-A**)).

Matters for IAASB Consideration

1. The IAASB is asked whether it agrees with:
 - (a) The analysis of the stakeholder input as set out in Sections I, II, III and IV. If not, what changes are needed?
 - (b) The Planning Committee's recommendations, as set out in Sections I, II, III and IV, that form the basis of the initial draft Work Plan? If not, why not and what changes are needed?

Section V – Draft Work Plan

89. The initial draft Work Plan has been developed based on respondents' comments and the Planning Committee's recommendations as set out in sections I to IV of this agenda item.
90. Overall, the Planning Committee:
- (a) Concluded that there was significant support from the IAASB's stakeholders to 'complete what we have started.' The projects that are underway at the start of 2022 are substantial and will take up the majority of the Board's resource and capacity in 2022 and 2023, and this messaging has been included in the introductory paragraphs of the draft Work Plan.
 - (b) Explained in the Work Plan that the IAASB's next project(s) will be selected from a 'pool' of possible topics. This pool of topics has been informed by the responses to the Survey, and the list of viable contenders has been presented in the initial draft Work Plan. It has also been explained that the next project(s) will be determined once capacity opens up and will be done in accordance with the criteria in the Framework, informed by the views of the stakeholders in this consultation.
91. In presenting previous work plans, a detailed quarterly forward agenda has been provided. In the current work plan period this detailed quarterly forward agenda has been updated several times due to various factors, including the changing environment due to COVID. In light of the need to change the detailed quarterly forward agenda, the Planning Committee recommends that the detailed quarterly forward agenda rather be kept as a 'living document' on the IAASB website (updated as needed) and the Work Plan only includes estimated targeted milestones for each project underway at the start of 2022.
92. The draft Work Plan in **Agenda Item 4-A** now also contains a table (Table B) setting out the list of all possible projects that the IAASB will consider when it deliberates its next project. The Appendix to the draft Work Plan in **Agenda Item 4-A** briefly describes what the possible projects could entail.

Matters for IAASB Consideration

2. The IAASB is asked for its views on the initial draft Work Plan set out in **Agenda Item 4-A**.

Way Forward

93. After the September 2021 meeting, the Planning Committee will focus on addressing the Board's and IAASB CAG's comments. The Planning Committee will bring the Work Plan to the December 2021 IAASB meeting for approval.

Appendix 1

List of Respondents to the Survey

#	Abbrev.	Respondent (100)	Region
Monitoring Group (1)			
1.	IOSCO	International Organization of Securities Commissions	GLOBAL
Regulators and Audit Oversight Authorities (7)			
2.	AFM	Dutch Authority for the Financial Markets	EU ²⁷
3.	CPAB	Canadian Public Accountability Board	NA
4.	CSSF	Commission de Surveillance du Secteur Financier	EU
5.	H3C	Haut Conseil du Commissariat aux Comptes	EU
6.	IAASA	Irish Auditing & Accounting Supervisory Authority	EU
7.	ICAC	Institute of Accounting and Auditing	EU
8.	IRBA	Independent Regulatory Board for Auditors	MEA
National Standard Setters (11)			
9.	AICPA	The American Institute of Certified Public Accountants (Auditing Standards Board)	NA
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
15.	JICPA	The Japanese Institute of Certified Public Accountants	AP
16.	KSW	Austrian Chamber of Tax Advisors and Public Accountants	EU
17.	NBA	Royal Netherlands Institute of Chartered Accountants	EU
18.	NZAuASB	New Zealand Auditing and Assurance Standards Board	AP
19.	PCSA	Polish Chamber of Statutory Auditors	EU
Accounting Firms (23)			
20.	AMCO	Amin, Mudassar & Co	AP

²⁷ EU refers to the continent Europe

#	Abbrev.	Respondent (100)	Region
21.	ANCO	Aftab Nabi & Co	AP
22.	APEX	APEX Team International	EU
23.	BAAS	BAAS Associates	MEA
24.	BRA	Barral y Reina Auditores	EU
25.	CNK	CNK & Associates	AP
26.	DFK	DFK PD Audit	EU
27.	EBIT	Kancelaria Biegłego Rewidenta Krystyna	EU
28.	ETY	ETY	MEA
29.	EYG	Ernst & Young Global	GLOBAL
30.	GT	Grant Thornton International	GLOBAL
31.	HTP	HT & P Partners	AP
32.	JFM	JFM y Asociados	NA
33.	KADPBR	Kancelaria Audytorska Dudek i Partnerzy Biegli Rewidenci	EU
34.	KPMG	KPMG International	GLOBAL
35.	MAZ	Mazars	GLOBAL
36.	MAZUSA	Mazars USA	NA
37.	MHA	MHA MacIntyre Hudson	EU
38.	MNP	MNP	NA
39.	PWC	PwC International	GLOBAL
40.	RHI	Rees Henning	MEA
41.	SVA	Silva Velasquez y Asociados	SA
42.	ZBR	ZBR Faber Spółka	EU
Member Bodies and Other Professional Organizations (20)			
43.	ACCA	Association of Chartered Certified Accountants	GLOBAL
44.	AE	Accountancy Europe	EU
45.	ASEAN	Association of South East Asian Nation Federation of Accountants	AP
46.	BDICPA	Brunei Darussalam Institute of Certified Public Accountants	AP
47.	CAANZ	Chartered Accountants Australia and New Zealand	AP
48.	CACR	Chamber of Auditors of the Czech Republic	EU

#	Abbrev.	Respondent (100)	Region
49.	CPAA	Certified Public Accountant Australia	AP
50.	DNR	Norwegian Institute of Public Accountants	EU
51.	EFAA	European Federation of Accountants and Auditors for SMEs	EU
52.	ICAEW	Institute of Chartered Accountants in England and Wales	EU
53.	ICAS	Institute of Chartered Accountants of Scotland	EU
54.	IMCP	Mexican Institute of Public Accountants	NA
55.	ISCA	Institute of Singapore Chartered Accountants	AP
56.	KICPAA	Kampuchea Institute of Certified Public Accountants and Auditors	AP
57.	NRF	Nordic Federation of Public Accountants	EU
58.	ONEC-CABF	Ordre National des Experts-Comptables et des Comptables Agréés du Burkina Faso	MEA
59.	REA-CGE	Registro de Economistas Auditores - Consejo General de Economistas	EU
60.	SAICA	South African Institute of Chartered Accountants	MEA
61.	SMPAG	International Federation of Accountants' Small and Medium Practice Advisory Group	GLOBAL
62.	UCCPAT	Union of Chambers of Certified Public Accountants of Turkey	EU
Academics (2)			
63.	BUL	Srivatsan Lakshminarayan – Brunel University London	EU
64.	CUMD	Luis Hernan Pedraza – Corporación Universitaria Minuto de Dios	SA
Preparers of Financial Statements (4)			
65.	AJC	Al Jomaih Consumer, Manufacturing and New Projects Division	MEA
66.	FRCL	Furniture Resource Centre	EU
67.	MGL	Mercia Group	EU
68.	NPPMC	National Power Parks Management Company Private	AP
Individuals (30)			
69.	AC1	Anonymous, Canada 1	NA
70.	AC2	Anonymous, Canada 2	NA
71.	ADAMA	Sawadogo Adama	MEA
72.	AKINDIYA	Akinwale Akindiya	MEA
73.	AKRAM	Akramandco	AP

#	Abbrev.	Respondent (100)	Region
74.	ALBO	Kirsten Albo	NA
75.	ALI	Altaf Noor Ali	AP
76.	ARKA	Arkadiusz	EU
77.	BALK	Christoph Balk	EU
78.	BEATA	Beata	EU
79.	DIEDERICKS	Georgia Diedericks	AP
80.	EZHOVA	Alla Ezhova	EU
81.	GOVENDER	Ugesparan M Govender	MEA
82.	KAMAL	Mustafa Kamal	AP
83.	KHAN	Waseem Khan	AP
84.	KOCK	W. De Kock	EU
85.	KOTHARI	Tooba Kothari	AP
86.	LAM	Terence Lam	AP
87.	MAQBOOL	Mohammad Maqbool	AP
88.	MIGUEL	Marydith C Miguel	AP
89.	MUNA	Cristian Munarriz	SA
90.	NAMASAKE	Walter Namasake	MEA
91.	ONG	Steve Ong	AP
92.	SAI	Garaga Yeshwanth Sai	AP
93.	SEBINEZA	F. Sebinez	MEA
94.	SIDDIQUI	Arshad Siddiqui	AP
95.	SILVA	João G. Silva	EU
96.	TALIB	Sandeep Talib	AP
97.	UNG	Kimsopheaktra Ung	AP
98.	YASEEN	Muhammad Yaseen	AP
Others (2)			
99.	EFTEC	EFTEC	EU
100.	CC	Capitals Coalition	EU

Appendix 2

List of Topics Not Included in The Work Plan

1. This appendix includes topics that are not included in the Work Plan (see **Agenda Item 4-A**) as possible topics for the IAASB's new project(s) but were noted by respondents to the Survey. These topics will be included in "Category A" of the Framework for further consideration in the future and include:

International Standard on Quality Management

- Development of an International Standard on Quality Management (ISQM) for SMEs;

Assurance Standards

- Update ISAE 3000 series, including ISAE 3000 (Revised);
- Update ISAE 3400;²⁸
- Assurance on Internal Control over Financial Reporting;
- Quality Management Standard for Small– and Medium–sized Practitioners;

Narrow Scope Amendments

- ISA 230,²⁹ related to what need when certain audit procedures have not been performed because they are ineffective t do not apply;
- ISA 402, related to cyber security risks and the use of technological platforms;
- ISA 501, related to segment information;
- ISA 505, related to negative confirmations;
- ISAE 3402,³⁰ related to cyber security risks; and

Subject-Matter Specific ISAEs or Non-Authoritative Guidance

- Internal controls assurance.

2. Other matters that respondents noted and that the IAASB is addressing as part of the [Work Plan for 2020–2021](#) include:

- Development of digital handbook; and
- Implementation Support for ISA 315 (Revised 2019) and ISQM 1.³¹

²⁸ ISAE 3400, *The Examination of Prospective Financial Information*

²⁹ ISA 230, *Audit Documentation*

³⁰ ISAE 3402, *Assurance Reports on Controls at a Service Organization*

³¹ ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*