

IAASB

Chairman's Opening Remarks

Prof. Arnold Schilder, IAASB Chairman

IAASB Meeting
New York, USA
June 21-24, 2016

Summary Impressions – National Auditing Standards Setters Meeting 2016

- Exploring the Future of Reporting, Audit and Assurance
- Interconnected Global and National Public Interest

Extended Auditor Reporting

- Impressive progress around the globe
- Interactions with various stakeholders: investors, audit committees, regulators
- Emerging questions regarding further development: materiality, no KAMs,...
- Often beyond listed entities, such as PIEs
- Importance of ongoing dialogue

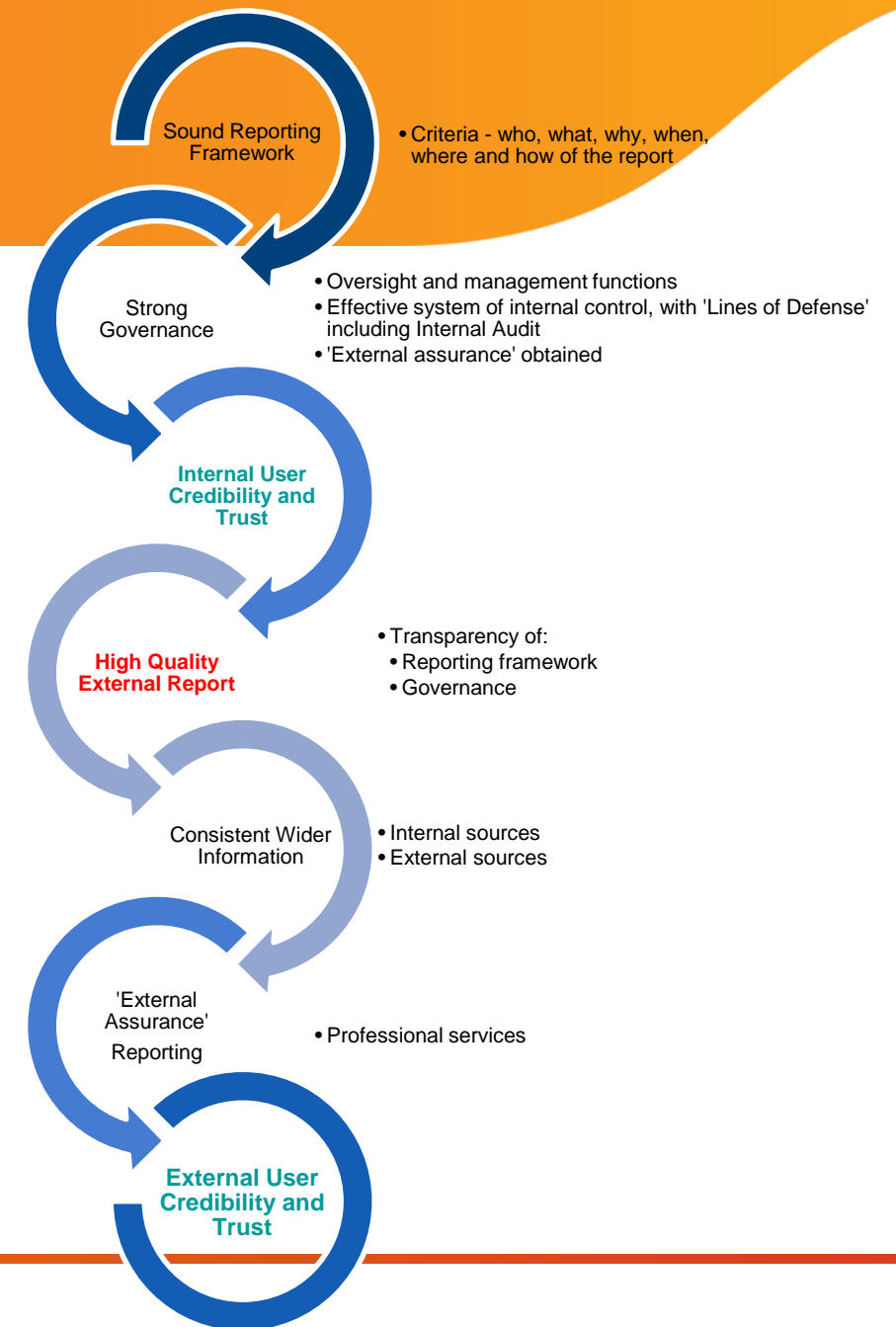
Emerging External and Other Reporting

- Beyond financial reporting but often linked: management, systems, controls, users
- “Overwhelming”: many impressive developments
- Integrated reporting; viability statement; management reports; governance, risk and compliance engagements; direct engagements

EER: Credibility and Trust as a Process

Four factors contributing to credibility and trust:

- Sound reporting framework
- Strong governance, internal control – reporting process
- Consistent wider information
- ‘External assurance’



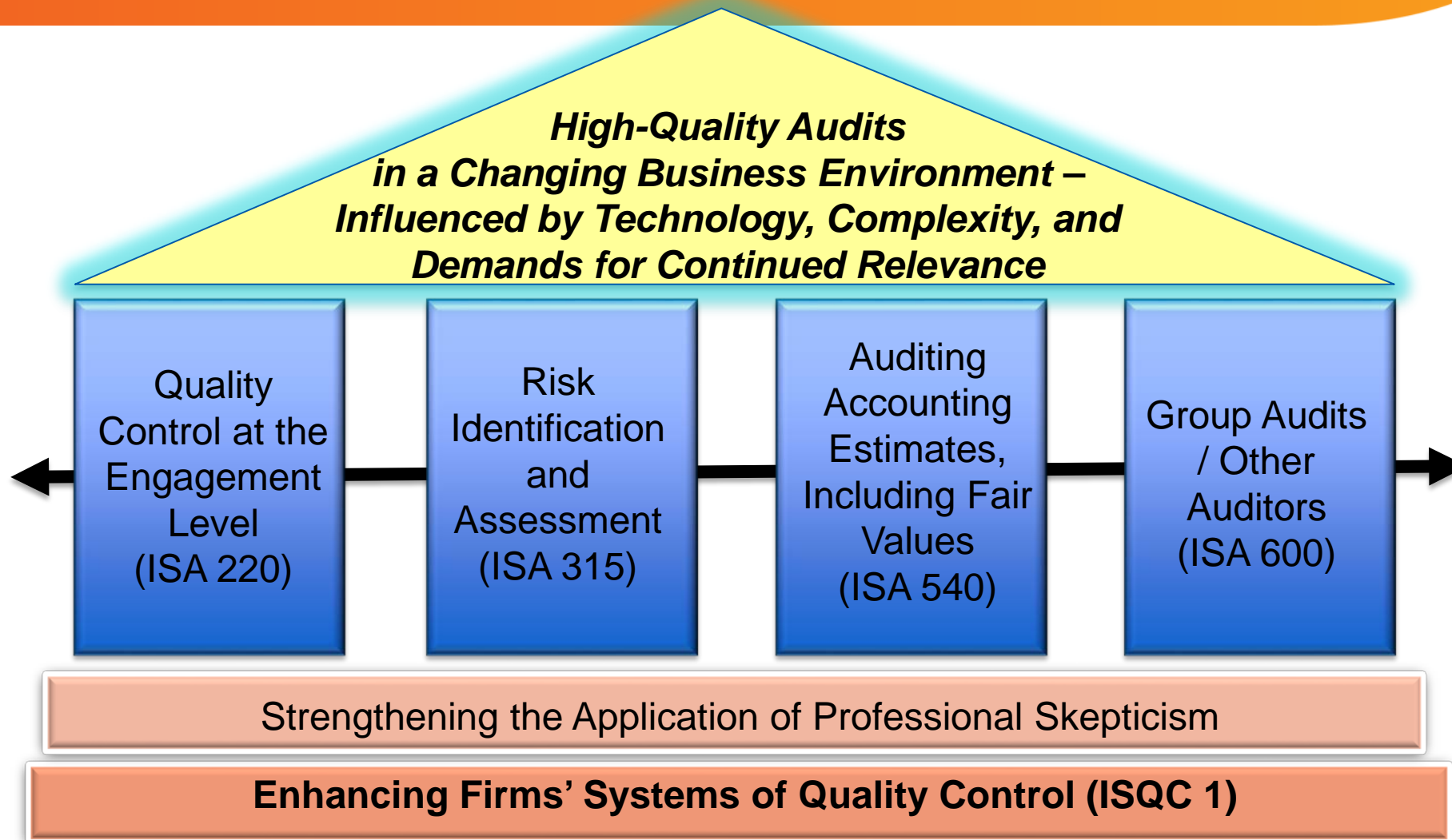
New Technologies

- Cybersecurity: CEO issue, key risk
- Data analytics
- Impact on audit and new ways of assurance: under development
- Risks and vulnerability
- Rewards and deeper insights

Future of Audit

- Professional skepticism revisited
- Fresh and comprehensive look at risk assessment
- Scalability and technology
- How to respond to ITC Comments?
 - Impact of work plan 2017-2018

Addressing Fundamental Elements Of The Audit ...



SMP / SME Needs

- Warm support for taking this up with an open mind
- Compartments of SMPs:
 - Midtier – IAASB/NSS
 - Really small – through NSS
- “Ask the question”: different audit standards?
- Tools, webinars, practical help
- Paris working conference coming

Future Work Plan

- Broad support
- Balancing demands and efforts
- What is best way to push things forward?
 - Short term versus long term issues
 - Board pronouncements versus staff and/or NSS guidance
 - Toolkits
- SMP working conference
- Inspection findings: national routes powerful, and regional

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