

Proposed Stakeholder Survey – IAASB Future Strategy**Introduction**

The objective of the International Auditing and Assurance Standards Board (IAASB) is to serve the public interest by setting, independently and under its own authority, high quality auditing, assurance, and other related standards for use by all professional accountants. The IAASB also seeks to facilitate the convergence of international and national standards. These objectives contribute to enhanced quality and consistency of practice throughout the world, and strengthened public confidence in the global auditing and assurance profession. The IAASB sets its international standards under the oversight of the Public Interest Oversight Board, and with the advice of the IAASB's Consultative Advisory Group, which provides public interest input into the development of the standards.

2012 was the first year of implementation of the *IAASB Strategy and Work Program, 2012–2014*.¹ Developed after extensive consultation, it has provided a framework for the IAASB's focus in its standard setting and related adoption and implementation initiatives.

The IAASB is now undertaking consultations relating to the development of its strategy for the period 2015–2019, in order to ensure the Board's strategy and related work program are in place by the beginning of that period.

The IAASB is considering a five-year period (2015-2019) for purposes of its future strategy, instead of a three-year period as it has done in the past. The IAASB believes that extending the IAASB's strategy period will enable a better understanding by stakeholders of the IAASB's medium-to-longer term priorities, and provide a suitable context for purposes of IAASB's decisions on specific initiatives. Based on IAASB's experience and feedback received on past strategy consultations, there is also the view that three years may be too short for purposes of setting IAASB's strategy, taking into account the time necessary to develop standards with due process and the frequency with which the IAASB undertakes strategy consultations with stakeholders.

In considering a longer strategy period, the IAASB also notes that it plans to establish a working group in 2013, referred to as the Innovation, Needs and Future Opportunities (INFO) Working Group, to identify and research issues and actively monitor relevant developments that may provide input to specific work streams for the IAASB to pursue.² This, in conjunction with input from the IAASB Consultative Advisory Group and from IAASB's ongoing outreach activities, will serve to keep the IAASB informed of strategic and emerging issues of relevance throughout the period of its strategy.

At this stage of its strategy consultation process, the IAASB is seeking views to help identify key issues for consideration by the IAASB in developing its future strategy. Input that is insightful or influential in shaping the direction of its future strategy, or which may help identify emerging developments or trends that are likely to be important in the public interest in the future, is particularly welcome.

¹ The *IAASB Strategy and Work Program, 2012-2014*, can be accessed at : <http://www.ifac.org/publications-resources/iaasb-strategy-and-work-program-2012-2014>

² The objectives and activities envisioned for the INFO working group are further described in Section II of this survey.

Using information gained from this survey, the IAASB plans to release at the end of 2013 a proposed future Strategy and Work Program for public consultation. The intention is that the IAASB's Work Program would then cover a two-year period (2015–2016), updated bi-annually based on input from, among others, the IAASB CAG, the IAASB INFO Working Group, and monitoring of relevant developments. This two-year cycle will enable the IAASB to better forecast its shorter-term deliverables and to be more responsive to emerging needs, within the context of its longer-term strategy. The findings from the IAASB's ISA Implementation Monitoring project also will be an important input to the IAASB's selection and prioritization of proposed future projects relating to individual ISAs in its Work Program starting 2015.³

We would be grateful if you could complete the following brief questionnaire by **May 1, 2013**.

Section I of this questionnaire requests respondents to provide an indication of the capacity in which they are responding to this questionnaire. To assist respondents in understanding the context in which the IAASB will begin its 2015–2019 strategy period, **Section II** describes the anticipated stage of completion of current IAASB projects by the beginning of 2015. **Section III** includes the specific questions asked of respondents.

Respondents to the public consultation on the proposed future Strategy and Work Program planned for December 2013 will have further opportunity to comment on specific proposed projects at that time.

Individual responses to the questionnaire will not be on public record. They will be summarized for discussion purposes. The summary, which may be made public, will not identify the names or organizations of the respondents. If you have questions, please contact James Gunn, IAASB Technical Director, at jamesgunn@iaasb.org.

³ The aims of the ISA Implementation Monitoring project are further described in Section II of this survey.

SECTION I: RESPONDENT'S BACKGROUND

Please mark the box(es) that best describe the capacity in which you are responding to this questionnaire

- Analyst
- Investor
- Preparer of Financial Statements
- Professional Accountant in Public Practice
- Other User of the Financial Statements
- Regulator
- Audit Oversight Body
- Standard Setter
- Governmental or Legislative Body
- IFAC Member Body
- Academia
- Private Sector
- Public Sector
- Small- and Medium-Sized Entity
- Small and Medium Sized Practice
- Developing / Emerging Economy
- Donor Agency or Similar Body
- Member, Technical Advisor or Observer of Other Public Interest Activity Committee, IFAC Board or Other IFAC Committee – please specify
- IAASB Consultative Advisory Group Member Organization / Representative
- IAASB Observer
- IAASB Member (current or former)
- IAASB Technical Advisor
- Other – please specify _____

Name or Organization:

Email address:

Please indicate whether you wish to receive an electronic copy of the proposed IAASB future strategy and work program when it is issued for public comment.

- Yes
- No

SECTION II—CONTEXT FOR THE IAASB'S 2015-2019 STRATEGY

The IAASB's areas of broad strategic focus over the medium-term are the following:

- (a) Development of standards;
- (b) Monitoring and facilitating adoption of those standards; and
- (c) Responding to concerns about the implementation of the standards by activities designed to improve the consistency and effectiveness of their application.

In prioritizing its resources among these areas of focus over the 2012–2014 period, the IAASB identified the following themes to be addressed in the public interest:

- Supporting global financial stability;
- Enhancing the role, relevance and quality of assurance and related services in an evolving world; and
- Facilitating the adoption and implementation of the standards.

These themes, and the IAASB's current and upcoming projects and initiatives to address them, are noted in the IAASB's 2012–2014 Strategy and Work Program.

Assuming the IAASB continues to progress its work in accordance with the 2012–2014 Work Program, by the beginning of 2015 it is anticipated, in addition to the completion of other current projects, that:

- The IAASB will have completed its work to enhance the International Standards on Auditing (ISAs) addressing auditor reporting. This initiative is expected to have important and wide-reaching implications in the public interest on the reporting responsibilities of the auditor. The IAASB anticipates that an important activity that will follow from the release of these enhanced ISAs will be the need to support their timely adoption and effective implementation. The IAASB will be considering in 2015 how best to do this.
- The IAASB's Audit Quality Framework⁴ will have been in the public domain in its final form for approximately a year. The IAASB would expect in 2015 to be continuing to learn about how the Framework is contributing to international debates on audit quality and how it is being used at national and firm levels.
- The IAASB will have made substantial progress in its work on new or revised standards, or new guidance, on auditing financial statement disclosures.
- The IAASB will be continuing its efforts to explore guidance on the relationship between banking supervisors and banks' external auditors, revised standards or new guidance in relation to auditing accounting estimates and fair value accounting estimates, and at the initial phase of efforts on auditor involvement with preliminary announcements.⁵
- The IAASB will be in process of revising the standard dealing with agreed-upon procedures (AUP) engagements.

⁴ Currently out for consultation until May 15, 2013

⁵ Commencement of these projects in the 2013–2014 period is subject to IAASB approval of project proposals.

- The IAASB's revised ISAE 3000,⁶ which provides an enhanced platform for assurance engagements, will be coming into effect. At the same time, the IAASB will have further insight into the audit or assurance implications of Integrated Reporting based on its monitoring efforts, along with the benefit of recommendations from its INFO Working Group, both of which may stimulate consideration of further subject matter-specific assurance standards.

Recognizing that the environment regarding assurance remains dynamic and fluid, the IAASB INFO Working Group is anticipated to be an important input to the activities of the IAASB in 2015 and beyond. The INFO Working Group is expected to report periodically to the IAASB, and may include recommendations for specific work streams for the IAASB to pursue, avenues of cooperation with interested stakeholders, how best to gather input at earlier stages of any potential project to develop specific assurance, and whether to develop discussion papers or thought pieces with a view to stimulate debate and collaboration.

It is also anticipated that the IAASB's ISA Monitoring project will influence the IAASB's selection and prioritization of proposed future projects relating to individual ISAs in its Work Program starting 2015. This project is currently focused on gathering information from a wide range of stakeholders about the implementation of the clarified ISAs to determine whether changes to the ISAs, or the development of new guidance, are needed.⁷

The IAASB expects in 2015 and beyond to continue its emphasis on monitoring and facilitating adoption and effective implementation of the ISAs and other IAASB standards, through ongoing outreach and communication activities. There are now 85 jurisdictions using or committed to using IAASB's Clarified ISAs.

The IAASB also expects to continue its important liaison and collaboration efforts with the International Accounting Standards Board (IASB), regulatory and audit oversight and inspection bodies, national standard setters and firms, and others.

⁶ ISAE 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*

⁷ The final findings from the project will be presented to the IAASB in June 2013.

SECTION III—QUESTIONS FOR RESPONDENTS

The IAASB is committed to the goal of developing a set of international standards which are generally accepted worldwide. The standards which the IAASB develops cover a broad range of engagements, including: audits of both public and private entities, irrespective of size; engagements to review financial statements; assurance engagements other than audits or reviews of historical financial information; and engagements to compile historical financial information and other related services engagement. The IAASB also develops international standards on quality control for such engagements.

The IAASB is seeking views to help identify key issues for consideration by the IAASB in developing its future strategy. Input that is insightful or influential in shaping the direction of its future strategy, or which may help identify emerging developments or trends that are likely to be important in the public interest in the future, is particularly welcome.

GLOBAL ISSUES, TRENDS OR DEVELOPMENTS

1. Other than Integrated Reporting and developments in International Financial Reporting Standards (which the IAASB has identified as being of global and long-term relevance and is monitoring):
 - (a) What key issues, trends or developments in the current global environment do you believe should significantly influence the IAASB's strategy for the period 2015-2019, and why?
 - (b) Are there specific initiatives within the stakeholder group to which you belong, or of which you are aware, that you believe the IAASB should actively monitor in light of their potential to inform the IAASB's future agenda, and why?

ACHIEVING THE IAASB'S OBJECTIVES

2. Do you agree with IAASB's intention to change the period for its future strategy from three years to five years? Do you agree with the IAASB's setting out a work program that covers a two-year period, updated bi-annually?
3. For the period 2012–2014, the IAASB has balanced its efforts relatively evenly between developing standards addressing audit, other assurance and related services engagements, and between developing standards and monitoring and facilitating adoption and effective implementation.
 - (a) In serving the public interest and achieving its objectives, how, in your view, should the IAASB focus its resources between developing standards for:

Audit	(___ indicate %);
Other assurance	(___ indicate %);
Related services	(___ indicate %);

Please indicate the rationale for your response.

- (b) For the following, in your view, should the IAASB focus the majority of its efforts on developing standards or monitoring and facilitating adoption and effective implementation:

- | | |
|------------------|--|
| Audit | - (indicate standards development, or monitoring/facilitating adoption and effective implementation) |
| Other assurance | - (indicate standards development, or monitoring/facilitating adoption and effective implementation) |
| Related services | - (indicate standards development, or monitoring/facilitating adoption and effective implementation) |

Please indicate the rationale for your response.

SPECIFIC AREAS OF POTENTIAL FOCUS

4. If there were a specific project/topic that, in your view, should be the IAASB's principal focus for the period 2015–2019, what would it be, and why, relating to:
- (a) The financial statement audit?
 - (b) Assurance and related services engagements?

OTHER

5. Are there any other matters you feel the IAASB should consider when conducting its strategic review? In particular, do you have any comments and suggestions as to how the IAASB can best ensure it serves the public interest?