### Approved Minutes of the Joint Public Session of the Meeting of the INTERNATIONAL AUDITING AND ASSURANCE STANDARDS BOARD CONSULTATIVE ADVISORY GROUP (IAASB CAG) and INTERNATIONAL ETHICS STANDARDS BOARD FOR ACCOUNTANTS CONSULTATIVE ADVISORY GROUP (IESBA CAG)

**Held on March 6, 2018**

**New York, USA**

**PRESENT**

**Members**

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<th>Organisation</th>
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<tr>
<td>Mr. Jim Dalkin</td>
<td>IAASB CAG Chair</td>
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<tr>
<td>Mr. Kristian Koktvedgaard</td>
<td>IESBA CAG Chair/ BusinessEurope</td>
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<tr>
<td>Mr. Mauro Bini</td>
<td>International Valuations Standards Council (IVSC)</td>
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<td>Ms. Vânia Borgerth</td>
<td>Associação Brasileira de Instituições Financeiras de Desenvolvimento</td>
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<td>Dr. Bello Lawal Danbatta</td>
<td>Islamic Financial Services Board (IFSB)</td>
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<td>Ms. Lucy Elliott</td>
<td>Organization for Economic Cooperation and Development (OECD)</td>
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<td>Mr. Gaylen Hansen</td>
<td>National Association of State Boards of Accountancy (NASBA)</td>
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<td>Mr. Atsushi Iinuma</td>
<td>International Organization of Securities Commissions (IOSCO)</td>
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<td>Mr. Nigel James</td>
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<td>Ms. Conchita Manabat</td>
<td>International Association of Financial Executives Institutes</td>
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<td>Mr. James Milholland</td>
<td>International Actuarial Association (IAA)</td>
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<td>Ms. Sarah Ovuka</td>
<td>Financial Executives International</td>
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<td>Ms. Gayani Perera</td>
<td>Sri Lanka Accounting and Auditing Standards Monitoring Board</td>
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<td>Mr. Henry Rees</td>
<td>International Accounting Standards Board (IASB)</td>
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<td>Ms. Noémi Robert</td>
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<td>Mr. David Rockwell</td>
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<td>Mr. Gregg Ruthman</td>
<td>International Organization of Supreme Audit Institutions (INTOSAI)</td>
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<td>Mr. Sanders Shaffer</td>
<td>International Association of Insurance Supervisors (IAIS)</td>
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<tr>
<td>Ms. Mohini Singh</td>
<td>CFA Institute (CFA)</td>
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</table>
Mr. Myles Thompson
Mr. Nic van der Ende
Mr. Kazuhiro Yoshii
Mr. Hüseyin Yurdakul

Observers
Ms. Dawn McGeachy
Mr. Martin Baumann**
Daniel Sarmiento Pavas

IAASB
Prof. Arnold Schilder
Ms. Megan Zietsman
Ms. Fiona Campbell
Mr. Robert Dohrer
Ms. Karen French
Mr. Marek Grabowski
Mr. Rich Sharko
Mr. James Gunn
Mr. Matt Waldron
Ms. Beverley Bahlmann
Mr. Brett James
Mr. Armand Kotze
Ms. Natalie Klonaridis
Ms. Schuyler Simms

IESBA
Stavros Thomadakis
Richard Fleck

** Views expressed by PCAOB Representative represent his views and do not necessarily reflect the view of the PCAOB Board or other Board members or staff.
Ms. Sylvie Soulier  IESBA Member
Ken Siong  IESBA Senior Technical Director
Diane Jules  IESBA Deputy Director
Geoffrey Kwan  Manager, Standards Development and Technical Projects
John Morrow  Manager, Standards Development and Technical Projects
Szilvia Sramko  Manager, Standards Development and Technical Projects

Public Interest Oversight Board (PIOB)  Ms. Maria Helena Petterson

APOLOGIES

Members
Mr. Obaid Saif Hamad Al Zaabi  Gulf States Regulatory Authorities
Mr. Simon Bradbury  International Monetary Fund
Mr. Henri Fortin  World Bank
Mr. John Kuyers  Information Systems Audit and Control Association
Ms. Wei Meng  World Federation of Exchanges
Ms. Anne Molyneux  International Corporate Governance Network
Mr. Paul Sobel\(^1\)  Institute of Internal Auditors

\(^1\) For purposes of the March 2018 meeting, Mr. Robert Perez attended as an alternate to Mr. Sobel of IIA.
Welcome and Approval of the Previous Meeting (Agenda Item J1)

OPENING REMARKS

Messrs. Dalkin and Koktvedgaard welcomed the Representatives and Observers to the meeting and in particular also welcomed Mmes. Rebekah Brown and Jackie Brown from the Business Learning Institute with the Maryland Association of CPAs, who will be presenting to the joint IAASB – IESBA CAG on the changing environment due to technological advancements.

MINUTES OF THE PREVIOUS MEETINGS

The minutes of the September 2017 joint IAASB and IESBA CAG public meeting were approved as presented.

Technology and Innovation (Agenda Item J2)

To RECEIVE a presentation on the impact of new technologies on the accounting profession from an external presenter.

The joint IAASB – IESBA CAG received a presentation on technology and innovation by Ms. Brown. In particular, the presentation to the representatives focused on the technological transformations and disruptions that are impacting the accounting profession and how these technological developments are changing what accounting and finance professionals do. Specific technological developments referred to include the use of Artificial Intelligence, Blockchain and Auditchain.

The presentation further noted that it is no longer appropriate for auditors to simply focus on providing a historical view on compliance with accounting standards. To meet audit demands of the future, audit firms and individual auditors must:

- Stay ahead of the curve on evolving technology and the changing regulatory environment;
- Sharpen technology, critical thinking and communication skills;
- Thoroughly understand a client’s industry and what makes the client unique in that industry;
- Develop long-term relationships with clients and other stakeholders based on integrity, candor, professionalism, objectivity and their ability to share valued insights based on these capabilities; and
- Look ahead and provide insights on future challenges and opportunities.

Ms. Brown further addressed the skills that accounting and finance professionals will have to master in order to remain relevant and stressed the fact that auditors will have to be ‘future ready’. To achieve this, auditors will have to be aware of changes, be able to predict the impact on the auditor’s environment and ultimately adapt to these changing environments.

Ms. Brown further facilitated a discussion with the joint IAASB – IESBA CAG in relation to trends that are currently affecting the global accounting profession and their potential impacts. This included small group discussions in respect of:

- What needs to change in how standards are created in a time of exponential change and transformation; and
- Future skills and tools needed for standard setters.
Closing Remarks

Messrs. Dalkin and Koktvedgaard thanked Ms. Brown for her insightful presentation, and also thanked the Representatives for their high level of participation and contributions to the discussions. They then closed the meeting.