Audits of Less Complex Entities
Q4 (b) Other possible actions not identified

Q4 (b) Alternative approaches to LCE assurance

2. Regulators and Audit Oversight Authorities
Committee of European Auditing Oversight Bodies - 90

We believe the IAASB should also consider, while examining the audit of LCEs, the relevance of other types of assurance services that could be provided by auditors to LCEs as alternatives to audit as defined by the ISAs (e.g. more limited reviews), and whether those are likely to better meet the expectations of LCE stakeholders. However, to avoid confusion and manage public expectations, any such alternatives would need to be clearly distinguished from audit. Such alternatives would also not be suitable in all instances, e.g. where the audit of and LCE is required by law.

3. National Audit Standards Setters
The Japanese Institute of Certified Public Accountants - 41

We also recommend that the IAASB raise the awareness of LCE stakeholders about the nature and value of engagements other than the audit, in particular, the review engagement and the agreed-upon procedures engagement. If an audit is not mandated for the entity, a review engagement or an agreed-upon procedures engagement may be more appropriate than an audit in light of intended users’ needs and costs. However, the review engagement and the agreed-upon procedures engagement are currently used only in limited circumstances as there is a lack of understanding of the nature and value of these engagements.

4. Accounting Firms
Baker Tilly International - 43

ALTERNATIVE OPTIONS PROPOSED

As outlined above, alternative suggestions for consideration, include: • A completely new form of assurance – a new form of assurance would most likely lie somewhere between a Review Engagement and an Audit, with greater requirements than a Review but with less onerous requirements than in the full auditing standards. • Modular assurance – under a “Modular Assurance” approach there may be a core set of requirements, similar to the core used in the building blocks approach to the auditing standards, with a choice of “modules” which the auditor and the entity would select to provide the assurance required by the entity.

As noted earlier, we believe that it is timely to consider the level of assurance required in LCEs and whether or not an audit, as it is currently defined, is the appropriate response to the assurance needs of such entities. It is important, however, that if a new form of assurance were developed, an entity may still opt to have a full audit in accordance with the auditing standards.

Furthermore, alongside these different forms of assurance (and in particular “modular assurance”) we believe that greater transparency in auditor’s reporting of the work actually performed during an engagement will add value to users of the financial statements. (See response to Q4).
As outlined above, we believe that it is timely to challenge the premise that all entities require an “audit” as currently defined. We would urge the IAASB to think more broadly in developing a response to the issues facing LCEs and to consider whether or not LCEs actually require a traditional audit or whether an alternative form of assurance may be more appropriate.

Context

This discussion forms a critical part of the ongoing discussions around the world on the “future of audit” in its many guises. Whilst many of the ongoing reviews in different jurisdictions are focused on the audit of Listed and Public Interest Entities (‘PIE’), it is clear that the future of auditing LCEs, which form a significant part of the economy in most, if not all, jurisdictions is just as important and that auditing such entities presents a different set of challenges.

After many years where the focus has been on maintaining a single set of auditing standards relevant to the audits of all entities regardless of size, nature and complexity, it is increasingly apparent that this model may no longer be fit for purpose. The auditing standards, as published, are increasingly focused on the needs of regulated entities, such as Listed Entities and Public Interest Entities with the requirements of the ISAs increasingly onerous and, equally importantly, ever more rigorously applied by audit regulators.

We believe, therefore, that the time may have come to look at alternative approaches for less regulated entities, and that we may be reaching a tipping point where a separate set of auditing standards, or perhaps even a new form of assurance, is required.

Suggested approaches to LCE assurance

As part of considering the future of audits for LCE, we believe that the time is right to ask whether the age-old mantra of “an audit is an audit” remains appropriate and to ask whether an “audit” is what is required for such entities, or whether a different form of assurance may be appropriate in many instances. In suggesting that a different form of assurance might be appropriate, we are mindful that many LCEs may still require a full audit for its own reasons and therefore the option should remain for all entities to request a full audit, to be undertaken in accordance the full set of auditing standards.

The question is then what form of assurance is appropriate for LCEs if the full auditing standards are not to be applied. We believe that there are a number of options which could be considered and explored. In addition to the options outlined in the Discussion Paper we believe that the time may be right to consider alternatives that are not rooted in the notion of an audit, as currently defined. Two such suggestions are:

• A completely new form of assurance – in considering that the time may be right to consider whether “an audit is an audit”, it may be appropriate to consider a new form of assurance which could be provided for entities which do not require a full audit. This form of assurance would most likely lie somewhere between a Review Engagement and an Audit, with greater requirements than a Review but with less onerous requirements than a full audit. The starting point in drafting these standards may be a presumption that the audited entity, the LCE, is not likely to have a fully operational system of internal controls and governance processes that the auditor can place reliance on.

• Modular assurance – we have been considering whether there is scope, perhaps within option C of the Discussion Paper above, to introduce a new concept of “Modular Assurance”. Under such an approach there may be a core set of requirements, similar to the building blocks approach to developing the auditing standards. The difference here, however, would be a greater choice of “modules” which the auditor and the entity would select to provide the assurance required by the entity. For example, modules may include tests of controls, IT General Controls, Financial Statements Presentation (or compilation), Data Analytics,
Safeguarding Assets, Specific attention on individual line items of relevance/importance to the entity, Sector Specific considerations, nonfinancial KPIs etc. The audit report would then be much more specific regarding the modules completed and the findings, making the audit report more relevant to the user of the financial statements and addressing the expectation gap by clearly describing what work the auditor has done.

We believe that it is timely to challenge the premise that all entities require an “audit” as currently defined and would urge the IAASB to think more broadly in developing a response to the issues facing Less Complex Entities (‘LCEs’). In particular the IAASB appears wedded to the current definition of an audit and the notion that “an audit is an audit”. We believe that a more fundamental question to consider is whether or not LCEs actually require a traditional audit or whether an alternative form of assurance may be more appropriate. We outline our thoughts in more detail below.

**BDO International - 60**

Additionally, although not within the scope of this discussion paper, increasing awareness of the benefits of reviews and other types of assurance engagements to the users of financial statements and the law makers may address some of the concerns regarding the audits of LCEs. If a lesser degree of assurance was acceptable to users, more LCEs could request assurance engagements other than audits. Awareness about the cost and complexity of an audit may also be helpful to users in determining the level of assurance and type of engagement that would meet their needs.

While the IAASB has decided to exclude further consideration of engagements that are not audits (i.e. a different level of assurance besides reasonable assurance, like a review engagement), this leaves an unresolved question about what the stakeholders of LCEs actually need from an assurance perspective.

There is the possibility of developing a standard for ‘direct’ engagements whereby the audit practitioner is involved in the calculation of the closing entries and measurement of final estimates. This would be a combined engagement; a direct engagement on final estimates and an assertion-based audit on the overall financial statements. Considering the nature and structure of LCEs, quite often, the owner and/or manager will not be an expert in accounting and this would close the expectation gap of management with respect to their responsibilities. Under the IAASB framework, it is possible to provide assurance within such an engagement i.e. where the auditor directly measures or evaluates the underlying subject matter against the criteria. Safeguards would need to be implemented to address the self-review risk on these combined engagements.

**KPMG IFRG Limited - 72**

**Alternative Deliverables**

We highlight that a consistent theme through the IAASB’s research is that many regulators require an audit, and many users request an audit in the absence of such requirements, whilst finding this solution not to be cost-effective, and therefore creating fee pressure.

We believe that IAASB standards currently support a wide range of deliverables, which meet different user needs, ranging from a full-scope audit in accordance with the ISAs, through to non-assurance engagements such as compilations and agreed-upon procedures engagements.

Rather than attempting to develop an “audit-lite” solution that would change and dilute a widely-used product that provides value to many users, or to attempt to introduce an additional product, which may be challenging to do, we suggest the IAASB instead refer to other solutions already available and explore in more depth as to what users want, why regulators require/user groups request an “audit”, and whether an established service performed in accordance with other IAASB standards may better meet their needs, in a
cost-effective and efficient manner. We note that such standards are based on similar principles to those underlying the ISAs, as relevant, including ethical requirements, and pervasive principles such as the exercise of professional scepticism and professional judgement. They may, therefore form a more appropriate basis to deliver services to LCEs as an alternative to an ISA audit, for example, they may provide a means to focus on a specific subject matter, or to assist management with the preparation and presentation of financial statements (a compilation engagement), or the performance of particular procedures which are agreed upon by the user and the auditor, in order to meet the user’s needs.

Accordingly, we suggest that the IAASB work with others, e.g. regulators, National Standard Setters and others to explore user needs more fully and to educate user groups as to the availability of such other services and the value of these.

Further exploration of user needs and alternative offerings based on extant standards other than the ISAs, e.g. reviews, assurance engagements performed in accordance with the ISAE 3000 (Revised) suite of standards to focus on a specific subject matter, agreed-upon procedures engagements and compilation engagements. (Please refer to our responses to Questions 4a) and 5 for further information).

We suggest elsewhere in this letter that the IAASB explore the following possible actions:

**NEXIA International - 52**

Performing outreach to the users of LCE financial statements might help guide the path forward to ensure that, no matter which path is taken, users do not feel that what they are getting is something less than the typical audit of which they have become accustomed.

On the other hand, we do not believe the IAASB should ignore possible market demands on what the users of LCE financial statements might desire in the future. Considering the enormous difference between a limited assurance engagement and an audit, this might bring to light a focus on limited assurance engagements, largely based on analytical procedures, and a number of additional, sometimes codified, agreed-upon procedures or limited assurance activities in areas such as receivables and inventory.

**PwC - 84**

Exploring alternatives to audit

The DP focuses solely on addressing challenges in applying the ISAs to audits of LCEs. We believe there may also be demand for some other form of assurance service that is not an audit (and is something more than a limited assurance review). The IAASB could seek views from national standard-setters, IFAC member firms and others about ideas and any initiatives in jurisdictions as to the potential form and characteristics of any such assurance service. As we note above, if a new assurance service was to be explored, it is important that this not be seen to undermine or diminish the value of an audit.

**6. Member Bodies and Other Professional Organizations**

**Chartered Accountants Australia and New Zealand (CA ANZ) and ACCA - 51**

We also recognise that the discussion paper scoped out ‘engagements other than audit’ of the explanatory activity. However, we think that that the Board should reconsider if those should be scoped out. Feedback received from our members mentioned that the solution may be a hybrid level of assurance such as a combination of assurance and agreed-upon procedures that might better meet the needs of users.

The IAASB should take into consideration that certain jurisdictions have very low audit exemption thresholds with some of them having no exemption at all. As a result, a very large number of audits taking place in
these jurisdictions relates to dormant or other micro-entities. It is therefore important for the Board to understand whether the action chosen as the way forward in such jurisdictions, is driven because of their experience with such audits or whether they would have chosen a different action if their audit exemption thresholds were higher.

**CPA Australia** - 67

We acknowledge that the DP has explicitly limited its discussion to audits, but nevertheless we recommend that the IAASB explores the value of other forms of assurance for LCEs. For example, this could lead to development of more comprehensive standards for the conduct of review engagements, to better articulate the work effort and to explore a clearer expression of conclusion, perhaps in a positive form, which may be better understood by users. Review standards which are clearer about the work effort and outcomes of the engagement may encourage their use more widely by policy makers, in place of audits for LCEs. Alternatively, another kind of assurance service could be developed to better meet the needs of LCEs, including micro entities.

We also suggest exploration of the value of other forms of assurance for LCEs, even though the DP has limited its discussion to audits. This could take the form of developing more comprehensive standards for the conduct of review engagements, to better articulate the work effort, and to explore a clearer expression of the conclusion, perhaps in a positive form, which may be better understood by users. Alternatively, another kind of assurance service might be developed to better meet the needs of LCEs, including micro entities.

**EXPERTsuisse** - 50

Swiss Audit Regime as a Stimulation for Further Discussions

In Switzerland a customized audit regime is in place based on different levels of assurance and a differentiation between listed entities on the one hand side and larger entities and SMEs (categorised by quantitative thresholds) on the other side.

Accepting fundamental differences between SMEs and PIEs, especially regarding differing expectations amongst their stakeholder base and foremost the varying number of stakeholders with an interest in audit, has led the Swiss legislator to change the audit regime with effect from 1 January 2008.

Since then we differentiate between full scope audits (with internal control attestation) in the segment of listed entities and larger corporations and statutory limited examinations in the SME segment. Whereas the first mentioned audit is a reasonable assurance engagement, the latter one is a limited assurance engagement tailored to the needs of SMEs and their respective stakeholders. Of course, the fact that we introduced two sets of standards has fostered the creation of a two-tier auditing profession and we see the risk that having the “full” ISAs and additionally a new LCE audit standard would also increase the risk of establishing two tiers in other jurisdictions. Nonetheless, the differentiation in Switzerland has led to increased stakeholder satisfaction and a more focused and risk-oriented approach in the SME audit segment.

We thus ask you to consider whether an SME-standard with limited assurance would also be a suggestion for an (additional) alternative assurance regime as an option for jurisdictions with a high proportion of SMEs. Switzerland has gone this route with the “statutory limited examination” and – as said before – it is widely accepted in Switzerland.

Nonetheless, the Swiss profession still performs innumerable (full scope) audits of (less complex) entities exceeding the quantitative thresholds, in which application of the existing ISAs (adopted as Swiss Auditing
Standards, SAS) is difficult. Thus, developing an LCE audit standard as a new option, would also be beneficial for the Swiss profession and the various stakeholders. Ultimately, we could imagine that the application of full ISAs would only be required for PIEs.

The issue of diverging needs of SMEs and public interest entities (PIEs) has led to a fully reformed audit regime in Switzerland in 2008. We make reference to the regulatory set-up in our jurisdiction and encourage the IAASB to reflect on the merits of the Swiss audit regime.

Institute of Chartered Accountants of England and Wales (ICAEW) - 24

The DP is based on the presumption that the only alternatives are limited assurance or audit. There is a significant gulf between the two and we believe that some consideration might be given to the practice in an increasing number of jurisdictions of providing limited assurance, largely based on analytical procedures, and a number of additional, sometimes codified, agreed-upon procedures or limited assurance activities in areas such as receivables and inventory. These practices have developed because of market demand and IAASB should not ignore these trends.

South African Institute of Professional Accountants (SAIPA) - 56

The other alternative is for the IAASB considering to elevate the understanding of the Independent Reviews (IR) and placing it at an equivalent level as the Audit but in this case being targeted at the LEC/SMEs. We find that the IR is seen as an inferior form of assurance and even in jurisdictions where it has been legislated as an option, most stakeholders still prefer audits.

Q4 (b) Interpretations, practice notes, guidance

2. Regulators and Audit Oversight Authorities

Committee of European Auditing Oversight Bodies - 90

It is important to provide a single location and consistent approach for standards-related material applicable to the audit of LCEs. At present, there is a large volume of information, set out in varying formats and with differing levels of authority (ISAs, application material, guidance, IFAC guide etc.) so that it can be challenging for an auditor to identify those requirements/guidelines which are appropriate to an audited entity’s particular circumstances.

Irish Auditing and Accounting Supervisory Authority (IAASA) - 36

It is important to provide a single location and consistent approach for standards-related material applicable to the audit of LCEs. At present, there is a large volume of information, set out in varying formats and with differing levels of authority (ISAs, application material, guidance, IFAC guide etc.) so that it can be challenging for an auditor to identify those requirements/guidelines which are appropriate to an audited entity’s particular circumstances.

4. Accounting Firms

Dailamipour and Co. - 31

In fact the consideration in developing a comprehensive audit guide, as has been identified by IAASB, would be sufficient if it pays due attention to the business environment and audit risks arising from the lack of transparency in the economic macro scale.
Grant Thornton International Limited - 62

An alternative targeted approach to updating the ISAs could be explored. This would involve identifying the ISAs that are the most problematic to apply in audits of LCEs, through feedback from this Discussion Paper, review of the existing Companion Manual: Guide to Quality Control for SMPs; Guide to Using the ISAs in the Audits of SMEs; Guide to Review Engagements; Guide to Compilation engagements; and through further outreach, with a view to undertaking a single project that addresses the issues identified in the ISAs. Subject to the IAASB identifying appropriate resources, this could reduce the timeline to completion of the project and provide the most value through addressing those areas determined to be the most problematic.

Consideration could also be given to developing interpretations in a similar manner to those provided by IFRIC. These interpretations could include the specific aspects of the ISAs that have been identified, through research, as particularly troublesome to apply. Such interpretations could have the same authority as the requirements or application material in the ISA itself, based on the aspect of the ISA to which it applies. We believe that this can be provided through a rapid response mechanism to emerging issues.

KPMG IFRG Limited - 72

Development of guidance directed at management of LCEs, to enable them to better understand the concept of an audit, what it involves, and how they may be better prepared. (Please refer to our response to Question 2a for further details).

6. Member Bodies and Other Professional Organizations

Inter-American Accounting Association (IAA) - 47

It may be necessary to develop and specify more precisely the application guides or practical notes for audits of less complex entities and surely there are many other possible actions that have not been identified and that should be considered in the future to the extent that the work is developed, reason that justifies, our proposal presented in numeral 5 of this comment.

8. Individuals and Others

Alla Ejova - 42

The release of the International audit practice review (IAPN) for LCE audits would certainly be useful.

Q4 (b) Leveraging technology

3. National Audit Standards Setters

Australian Auditing and Assurance Standards Board - 73

Enhanced accessibility of the ISAs

This should be pursued as a priority by the IAASB. Enhancing the accessibility of the ISAs particularly through the use of technology may be a short-term solution to address some of the challenges related to the size and complexity of the standards.

4. Accounting Firms

Adrian & Partners AB - 26

Depending on resources for IAASB we also would like to stress the importance of keeping up with the digitalisation, in this case meaning improvements of the digital access to the ISAs.
Deloitte Touche Tohmatsu Limited - 46

Related to the length/volume and the basic approach of the standards, it is DTTL’s recommendation that the IAASB explore leveraging some of the currently available ‘document management’ technologies when publishing the ISAs so that practitioners can utilize these technologies and are able to focus on those aspects of the standards that are applicable to their engagements. Using existing technologies available, the IAASB could, for example, author the ISAs in a way where an auditor could answer a set of upfront ‘tailoring/profiling’ questions related to the entity and the audit to be performed, and thereby only be presented with the ISAs and/or sections/paragraphs within the ISAs that are relevant to those circumstances.

KPMG IFRG Limited - 72

An interactive set of ISAs, using IT-enabled functionality. (Please refer to our response to Question 4a) for further details).

Exploring IT-enabled interactive solutions regarding the ability to facilitate end-user interaction with the standards themselves, as we describe in our response to Question 4a);

6. Member Bodies and Other Professional Organizations

Chartered Accountants Australia and New Zealand (CA ANZ) and ACCA - 51

We highly support exploring the use of technology enabled standards. A technology solution could be implemented on existing standards ahead of any revisions or separate standard development.

We recognise and support the IAASB initiative to work with IFAC to embrace the use of an electronic format by converting the IAASB’s Handbook as mentioned in footnote 12 of the discussion paper. We believe that it is also highly important to embrace the use of technology beyond the change in format. For example, having the base requirements with links that give practitioners ‘pop up’ or other format access to definitions, application paragraphs or other guidance material that the IAASB has produced (flowcharts etc). This would make the standards more user friendly and easier to understand. This may present challenges in how to also present the standards in hard copy but the value gained would be considerable.

Instituto de Censores Jurados de Cuentas de España - 22

IAASB engaging with IT developers at least to have technological solutions adapted to the standards.

The Institute of Chartered Accountants of Ghana - 71

Enhanced accessibility of the ISAs is an easy fix that will have immediate effects. In order to promote and improve higher standard audits, the IAASB needs to take a commanding role in this arena.

Q4 (b) Further evidence-based research

1. Monitoring Group

IFIAR - 88

Further research regarding challenges in using ISAs

6. IFIAR acknowledges that auditors of less complex entities have often cited challenges they face in the application of ISAs. Therefore, it would be useful to identify more specifically the reasons behind the challenges and substantive issues that lead to dissatisfaction among auditors in this regard. We encourage
the IAASB to understand the challenges and analyse further the underlying causes of the challenges faced, in order to identify appropriate solutions. We therefore suggest the IAASB continue its efforts and use the results of this consultation process to conduct further research and information gathering with a wide range of stakeholders.

2. Regulators and Audit Oversight Authorities

Committee of European Auditing Oversight Bodies - 90

The topic of LCE audit encompasses complex issues, which need to be further analyzed.

We support the IAASB initiative and efforts to understand and consider issues that have been raised by auditors in various jurisdictions. The audit of small and less complex entities merits attention, since it is a concern for both auditors and a broad range of stakeholders. In several countries, work has been undertaken on this topic, sometimes based on particular provisions of different national laws related to certain types of entities, for instance entities falling within thresholds based on their size. This topic should be further analyzed in detail, to ensure that the right issues are identified and addressed.

Independent Regulatory Board for Auditors (IRBA) - 35

Evidence-based research: In order to better understand the goals of this project, and what type of intervention is needed, we recommend that the IAASB undertake a structured and thorough evidence-based research and analysis. It is necessary to hear the experience and expectations of the users of financial statements, while also understanding how practitioner experiences vary across the world. Such research would enable the IAASB to obtain a clearer, evidence-based understanding of the root causes giving rise to the perceptions about the ISAs being complex, not scalable and not proportionate. Such research should focus on the public interest issues that arise, as well as how commercial considerations related to fees and competition between firms affect perceptions around the ISAs.

It will therefore be useful to consider the actions that the IAASB proposes to take based on feedback that it receives from respondents to this Discussion Paper and the structured and any thorough evidence-based research and analysis.

Our experience in South Africa is that legislation has been very effective in imposing appropriate thresholds for audits. Legislators are interested in reducing red tape for certain categories of entities and their audits, and are inclined to consider an appropriate dispensation for financial statements of entities of certain types and sizes to be reviewed, instead of being audited. We have found though that, despite this discretion to opt for an (independent) review (in terms of ISRE 2400 (Revised)) instead of an audit, preparers are hesitant to change. We suggest that the research mentioned in paragraph 8 above further understand the reasons why auditors/their clients may not take advantage of this discretion, as it may provide crucial insight into how the value of an audit is perceived and hence what potential interventions may be required.

Q4 (b) Other actions

3. National Audit Standards Setters

American Institute of Certified Public Accountants (AICPA) - 27

At this time, we do not have other actions to propose that would be in addition to those posed in the discussion paper and in this letter. We believe the IAASB outreach including regular interaction with
National Standard Setters is important to understand actions being contemplated or adopted in jurisdictions to address the complexity and costs of LCE audits and the AICPA stands ready to assist in these efforts.

4. Accounting Firms

NEXIA International - 52

Other issues include the need for guidelines on the avoidance of duplication and overlap with other standards more generally during the drafting process, and the need for the systematic involvement of skilled translators, also during the drafting process, and not, as at present, on an ad hoc basis when individual IAASB members raise a particular translation issue.

5. Public Sector Organizations

Wales Audit Office - 40

As we explain in response to question 1, the definition of an LCE and the audit response to risks are not mutually exclusive.

One option to dealing with this would be for the ISAs to start by setting out what is expected for low-risk / low-complexity bodies and to then provide guidance on what is expected of auditors as size, complexity and risk increase.

6. Member Bodies and Other Professional Organizations

Cayman Islands Institute of Professional Accountants (CIIPA) - 9

4. b. What would be helpful for users (which could be incorporated into Action C) is a summary of what specific procedures/requirements may not be necessary for LCEs under each standard.

Federación Argentina de Consejos Profesionales (FACPCE) - 76

4. Whatever the path chosen IFAC must undertake training courses under the train of trainers modality for LCE auditing professionals.

Institute of Chartered Accountants of Sri Lanka - 92

Response

It is important to develop training tools such as case studies to help practitioners gain a thorough understanding of the Proposed LCE Standard.

Instituto Mexicano de Contadores Públicos, A.C. - 37

We do not consider there are other possible actions to be addressed, however as indicated a combination of these actions may be appropriate.

8. Individuals and Others

Audit Assistant Limited - 33

Perhaps there needs to be more done on creating a theoretical framework for a risk-based audit?

This would provide a sort of “road map” so an auditor can say “I am here”.

We have attempted to do this with Audit Assistant. The problem is that we really have to wrestle with the standards to give this kind of workflow. As the ISAs have evolved they seem to be lacking a useful cohesion.
I think there is great merit in revising the ISAs along these lines – more clearly setting out what the auditor is to do – fitting within a “theoretical framework”.

This would be helpful for all audits – not just LCE audits.

A revision of the ISAs should also include:

A Plain English rewrite.

Combining and harmonising standards where appropriate (e.g. just one reporting standard).

Alongside this I would suggest allowing individual jurisdictions to develop their own appropriate LCE approaches for entities that do not interact in any significant way outside of that jurisdiction (as already covered elsewhere).

I think that a modified risk-based approach (p16) is still appropriate for LCEs. Added to basic risk identification and assessment there could also be:

A more prescriptive approach that provides so definite testing programmes to follow assuming little or no reliance on controls.

More direction on appropriate levels of testing in response to risk.

**Q4 (b) None**

2. Regulators and Audit Oversight Authorities

Canadian Public Accountability Board - 5

Czech Republic Public Audit Oversight Board - 89

3. National Audit Standards Setters

Auditing and Assurance Standards Board of the Institute of Chartered Accountants of India - 12

Austrian Chamber of Tax Advisors and Public Accountants (KSW) - 20

Brazilian Federal Accounting Council (CFC) - 44

Canadian Auditing and Assurance Standards Board - 81

No further possible actions identified

CNCC & CSOEC - 61

Hong Kong Institute of Certified Public Accountants - 74

We have not identified other possible actions.

Institut der Wirtschaftspruefer in Deutschland e.V. (IDW) - 49

In our view, other than the possible actions noted, there are no other actions that need to be considered as the IAASB progresses its work on LCE audits.

Korean Auditing and Assurance Standards Board (KAASB) - 23

Malaysian Institute of Accountants (MIA) - 30
Other than those that have been mentioned elsewhere in our response, we have not identified any other possible actions that should be considered by IAASB.

New Zealand Auditing and Assurance Standards Board - 53
The NZAuASB has not noted any other possible actions.

Royal Netherlands Institute of Chartered Accountants (NBA) - 85

The Japanese Institute of Certified Public Accountants - 41

4. Accounting Firms

Adrian & Partners AB - 26

No.

Crowe Global - 86
The Discussion Paper presents a range of appropriate ways to progress a project on the audit of LCEs.

Deloitte Touche Tohmatsu Limited - 46
In assessing possible actions, DTTL did not identify any other potential actions to bring to your attention for consideration.

Duncan & Toplis Limited - 15
We have not identified any additional possible actions not covered by the report, at this stage.

Ernst & Young Global Limited - 25

None noted.

GGI Practice Group of Auditing Reporting and Compliance - 29

HLB International - 57

HW Fisher - 17
We have no additional suggestions at this stage.

MGI Worldwide - 18

MNP LLP - 8
We are not aware of any other possible actions that have not been identified that should be considered at this time.

Moore Global - 78

Pitcher Partners - 7

PKF International Limited - 69
We have not identified any further possible actions.

PKF South Africa - 82

PwC - 84
No further actions identified with respect to audits of LCEs.
We have not identified any other possible actions.

RSM International Limited - 65
Rymand&co - 87
Shahedan and Co - 80
SRA - 21

5. Public Sector Organizations
U.S. Government Accountability Office (GAO) - 45

6. Member Bodies and Other Professional Organizations
Accountancy Europe - 83
ASSIREVI - 3
Belgium Institute for Tax Advisors and Accountants (ITAA) - 59
Nihil.
Belgium Institute of Registered Auditors (IBR-IRE) - 11
California Society of CPAs - 14
No.
Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili - 34
CPA Ireland - 70
European Federation of Accountants and Auditors for SMEs (EFEAA) - 38
IFAC - 4
IFAC SMPC - 77
Institute of Certified Public Accountants of Uganda - 55
No comment
Institute of Chartered Accountants of Nigeria - 6
Institute of Chartered Accountants of Pakistan - 64
None.
Institute of Chartered Accountants of Scotland (ICAS) - 28
Institute of Independent Auditors of Brazil (IBRACON) - 75
No.
Institute of Public Accountants of Australia (IPA) - 91
Institute of Singapore Chartered Accountants - 54
Instituto Mexicano de Contadores Públicos A.C. (Audit and Assurance Standards Commission) - 39
Malaysian Institute of Public Accountants (MICPA) - 10
MICPA has not identified any other possible actions.

Nordic Federation of Public Accountants - 58
South African Institute of Chartered Accountants (SAICA) - 63
South African Institute of Professional Accountants (SAIPA) - 56
The Institute of Chartered Accountants of Ghana - 71

We have not identified any possible actions that are not considered.

Union of Chambers of Certified Public Accountants of Turkey (TURMOB) - 79

7. Academics
Hunter College - 68

8. Individuals and Others
Adele Driscoll - 2
Ali Sarehraz - 32
Chartered Accountants Academy - 66
Cristian Munarriz - 93

No.
Gabriel Yepez - 13
Gary Young - 19
Michel Maher - 16
SAMantilla - 1
Vera Massarygina - 48