

Information & Communications Technologies (ICT) Task Force

Initial Analysis of Comments

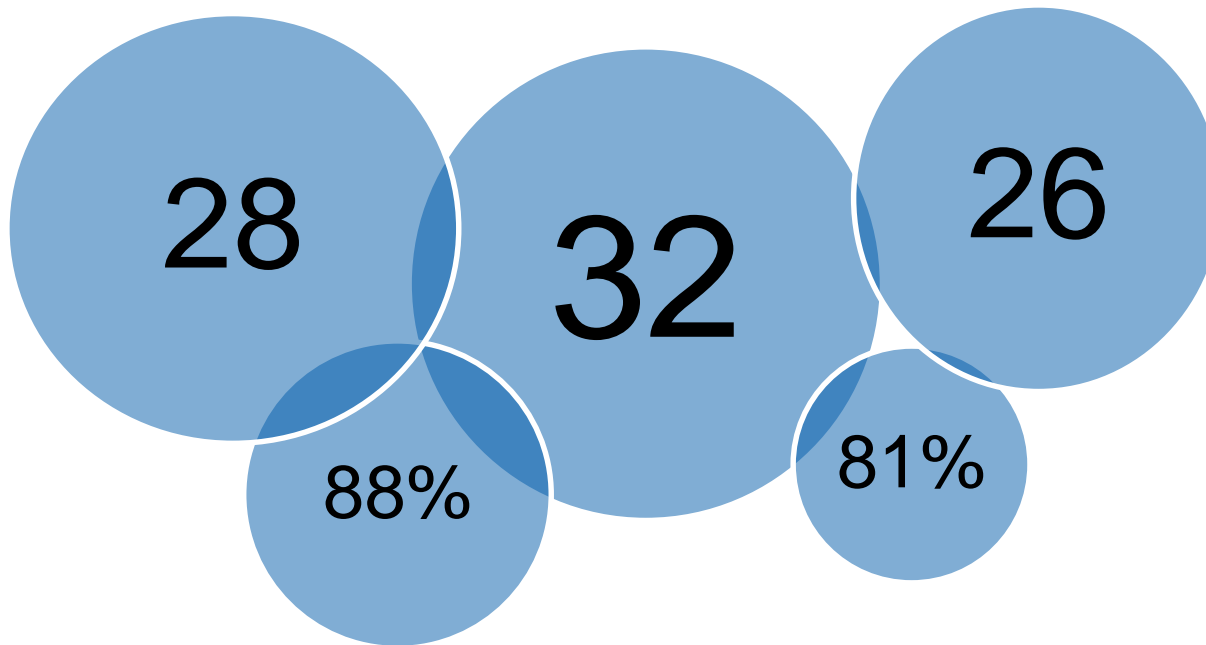
Bali, Indonesia

April 2019



Overall – Highly Supportive

The high level of support was aligned with the significant stakeholder outreach



Themes from Respondents Not Supporting the Proposed Changes

Too Soon to Revise Standards (3)

New Model (3+)

Coordination with IAASB and IESBA (2+)

Too Soon to Revise Standards

IDW, WPK, and Common Content

- Concern about revising standards soon after the last revisions were effective
- Education pipeline: 3 to 4 years + number of years for professional education

Task Force Debate and Response

- 6 years between effective dates for IES 2, 3 and 4; 5 years for IES 8
- Consider the need for program review cycles to shorten
- Outreach activity highly supportive of changes now

New Model

IDW, WPK, and Common Content

- Restructuring of the IAESB – future of standard setting and authority of IESs
- Sufficient time to analyze and address comments

ICAEW, BDO, and DTT supportive but with concerns on standard setting and the future of IESs in the New Model

Task Force Debate and Response

- IESs retained, SMO 2 applicable, process for future revision
- Initial analysis of comments completed
- Recommendation to the IPAE to activity pursue implementation of IESs

Coordination with IAASB and IESBA

IDW and WPK

- Insufficient coordination with the IAASB and IESBA on professional skepticism

PwC supportive but with similar concern on work by IAASB

Task Force Debate and Response

- In the public interest to address gaps identified
- Responsive to demand from outreach activities
- Recommendation to the IPAE to strengthen coordination

CAG Feedback

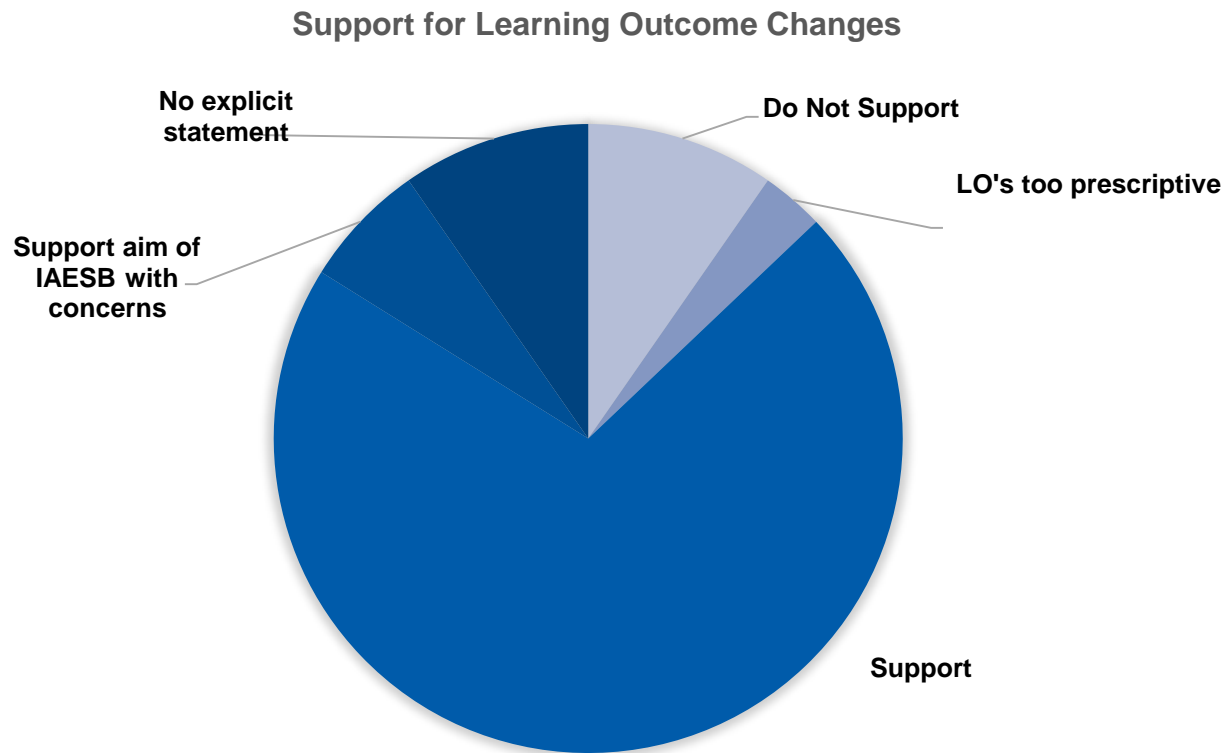
- Common Content context
 - Many European bodies do not control the timeline of the program review
 - Government conducts a program review - long cycle
- CAG supportive of the decision to proceed with the Exposure Draft
- CAG supportive of the recommendations to the IPAE

QUESTIONS

A. What is the Board's point of view on the ICT and Professional Skepticism Task Force's recommendations:

- 1. The evaluation of the three primary areas of concern have been adequately performed and the analysis is persuasive in reaching the conclusion to pursue the issuance of revised standards.**
- 2. Recommendations to the International Panel on Accountancy Education:**
 - a) Demonstrate the authority of the IESs through supporting the adoption and implementation of IES 2, 3, 4 and 8 (if revised).**
 - b) Develop a process to further strengthen the coordination and interaction with the IAASB, IESBA and IPSASB.**

General Statements of Support – Revisions to LOs



A Snapshot – Questions and Response

Suggested Revisions to LOs

- Further analysis of suggested revisions

New LOs

- Do not include specific technologies
- Further analysis of other suggested revisions

Revisions to ICT

- Do not include specific technologies
- Further analysis of other suggested revisions

Clarification of Terms

- Do not define commonly used terms
- Evaluation of “Use ICT to communicate with impact and influence others”

Observations on Responses to Questions

Question 1 – Suggest changes to learning outcomes if you do not support

- 80% supported the revised LOs
- 4 (13%) respondents supported the proposed learning outcomes (Content).
- 5 respondents had no individual comments on the revised LOs
- 8 was the highest number of comments to a single LO
- Over 100 individuals suggested changes to extant learning outcomes
- No discernable themes

Observations on Responses to Questions

Question 2 – Additional

- 50% of respondents indicated that the outcomes were expected
- Indicative themes
 - LOs should contain
 - Opportunities for new
 - context of audits
- Revised LOs written to exclude any specific technology - need for “technology agility”
- Balance between applicability of IESs to all Accountants and the important role auditors serve
- IPAE – example of how the IESs supports technology agility when applied to a specific technology

Observations on Responses to Questions

Question 3 – Suggest () needed

- 1 respondent did not
- Verbs suggested by definition: create; s analyze; analyze a
- Comments were m (Question 2) in the definition.

- Specific technologies in the ICT definition would become quickly outdated and fail to emphasize the “timeless” skills needed to operate in a rapidly changing environment

Observations on Responses to Questions

Question 4 – Additional clarification

- 5 (20%) respondents requested clarification.
- Additional clarification requested for:
 - “data” and “information”
 - collaboration
 - adequate and appropriate
 - impact and influence in the context of “use ICT to communicate with impact and influence others”.
- Each area for clarification was requested by 1 respondent
- Areas for clarification can most effectively be addressed through examples and contextualized situations to provide insight into their application.
- Inherent limitations in defining terms that are broadly applied and used extensively in accountancy education.

CAG Supportive

- Not referencing specific technologies in LOs
- Clarifying “use of ICT to communicate with impact and influence others”
- Do not clarify other commonly used terms
- Recommendation to IPAE
 - Demonstrating how LOs support the skills needed when faced with specific technologies
 - Development of examples for commonly used terms is less of a priority

QUESTIONS

B. What is the Board's point of view on the ICT Task Force's following recommendations?

1. Learning Outcomes should not reference specific technologies.
2. Further clarify “use ICT to communicate with impact and influence others”.
3. Recommendations to the International Panel on Accountancy Education:
 - a) Demonstrating how LOs support the skills needed when faced with specific technologies
 - ~~a) Guidance on the skills needed for specific technologies~~
 - ~~b) Development of examples in the application of more commonly used terms in a variety of situations~~



“Easy with that computer, Martha.
It senses fear.”

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