

IESBA[®]

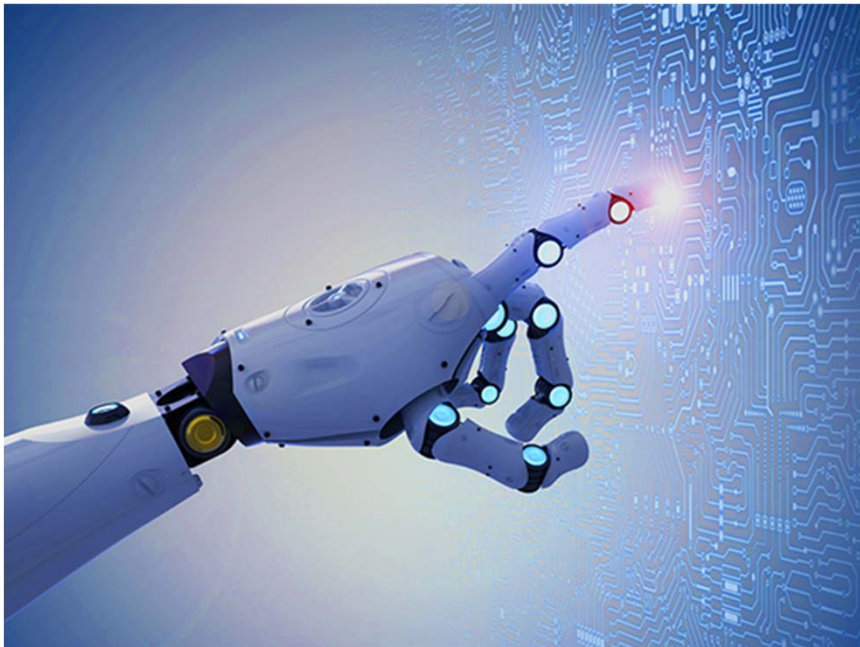
Agenda Item 4-A

Technology Working Group Update

Brian Friedrich, IESBA Member
Chair, Technology Working Group

IESBA Virtual meeting | June 9-11, 14 and 25, 2021

Agenda



- Update on:
 - (1) non-authoritative material
 - (2) fact-finding
- Receive presentations on the topic of blockchain
- Update on IAASB technology work-streams

Recap: NAM Possible Formats

Purpose of NAM

- Guidance and other resource material to help in applying the Code

Possible formats of NAM include:

- Publications / Articles showcasing thought-leadership and/or best practices
- Webinars, pre-recorded audio or video, or other multimedia educational presentations
- Staff Q&As or FAQs

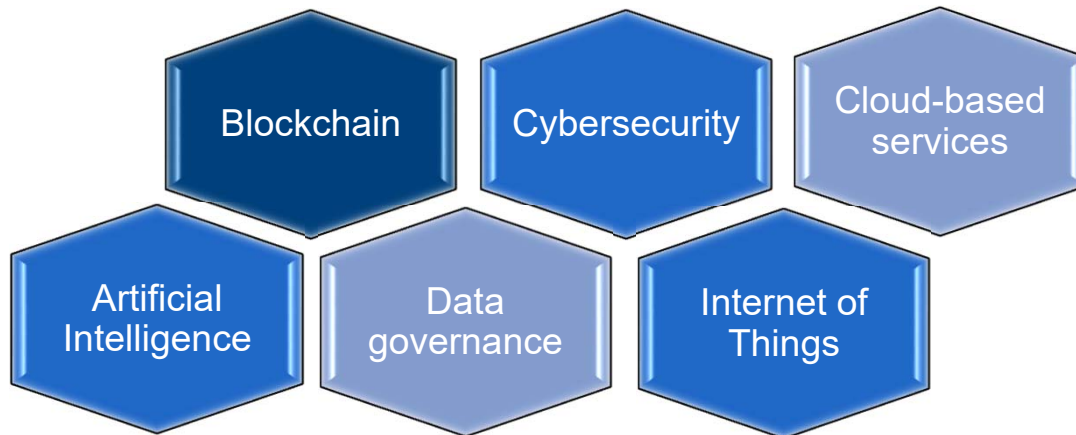


NAM Tentative Pipeline

- Series of thought-leadership papers informed by Feb 2021 [virtual workshop](#)
 - raise awareness and re-orient thinking of PAs
 - highlight stakeholder views on ethics and technology-related issues
- Topic-specific guidance on technology in collaboration with others
 - e.g. permissibility of NAS that are automated vs routine or mechanical in nature
- Additional installments of [Exploring the IESBA Code](#)
 - highlight key aspects of the Code when considering technology
- Report to highlight outcome of IESBA's global technology [surveys](#)
 - impact of technology on auditor independence
 - technology and complexity in the professional environment

Information Gathering

Continues...



Inform:
(1) principles-based changes to the Code
(2) NAM topics and content

Outreach Status and Plans

- Briefing note for outreach participants
- Submission from CICPA on Technology Surveys (key themes referred to Task Force)
- Additional outreach being planned for Q3 and Q4

Key Outreach Events

1. IFAC's Virtual Knowledge Sharing Event
2. Joint Workshop by ICAS, CPA Canada and IFAC
3. Meeting with CEAOB - Int'l Auditing Standards Subgroup
4. IESBA-NSS Liaison Meeting
5. Regional event to be hosted by SOCPA

Blockchain: Insights from TWG Desk Research

Observations to date

- Growing commercial use
 - Broader than just Cryptocurrencies
 - Products launched by accounting & consulting firms
- Evolving regulatory landscape
 - Emerging Central Bank Currencies, DeFi and Smart Contracts, NFT, etc. ...
- Sustainability implications

Blockchain: A public ledger that is distributed and secure. No central authority or intermediary involved.



External Presentations on Blockchain:

- Use of Blockchain in Corporate and Financial Reporting, and Regulatory Implications | June 9
- Blockchain and Internal Control – Relevant Insights and Perspectives | June 10

Use of Blockchain in Corporate and Financial Reporting, and Regulatory Implications



Dr. Kathleen Bakarich
*Assistant Professor of Accounting,
Taxation, and Legal Studies in Business*

Hofstra University



Dr. John Castonguay
*Assistant Professor of Accounting,
Taxation, and Legal Studies in Business*

Hofstra University

Blockchain and Internal Control – Relevant Insights and Perspectives



Dr. Sri Ramamoorti
Assistant Professor, Accounting

University of Dayton



Eric E. Cohen
Owner

Cohen Computer Consulting



Presentation from IAASB Representative | June 10

Update on the IAASB technology work-streams



Brett James

Deputy Director

IAASB

Next steps:

- TWG will continue progressing its work
- An update will be provided to IESBA in September

Questions?





The Ethics Board

www.ethicsboard.org
