

Meeting: IESBA
Meeting Location: New York, USA
Meeting Date: June 18–20, 2018

Agenda Item

8

Technology

Objectives of Agenda Item

1. To receive:
 - (a) A brief update on the Working Group's preliminary discussions regarding approach to, and plans for, the Board's initiative relating to trends and developments in technology; and
 - (b) A presentation from Ms. Maggie McGhee, Director of Professional Insights, and Mr. Narayanan Vaidyanathan, Head of Business Insights, the Association of Chartered Certified Accountants (ACCA) regarding insights from ACCA's work on technology from an ethical perspective.

Working Group

2. Members:
 - Patricia Mulvaney, Chair, IESBA Member
 - Hironori Fukukawa, IESBA Member
 - Robert Juenemann, IESBA Member
 - Myriam Madden, IESBA Member

Background and Activities to Date

3. The IESBA's [2019-2023 Strategy and Work Plan](#) (SWP) consultation paper issued in April 2018 has identified understanding and responding to developments in technology and their transformative effects on the accounting, assurance and finance functions as a strategic imperative. These developments are already a major theme in conversations among stakeholders globally, and in anticipation of future action on the topic, the IESBA established the Technology Working Group in Q1 2018.
4. To prepare the grounds for possible Board responses to the developments and to facilitate gathering a common baseline understanding of the developing technologies and their ethical implications, the Board has received to date presentations on the topic from certain external speakers, including:
 - Ms. Jeanne Boillet, EY Global Assurance Innovation Leader, in March 2017.
 - Ms. Rebekah Brown, Manager of Membership Development and Engagement, Maryland Association of CPAs Business Learning Institute, in March 2018.

Similar briefings were also given to the IESBA CAG.

5. In addition:
 - At the June 2017 IESBA-National Standard Setters (NSS) meeting, participants received a presentation from Mr. David Powell, Global Brand Manager, Finance and Procurement, IBM Cognitive Process Transformation, regarding the transformative effects of trends and developments in technology on the accounting and finance functions. Participants also then discussed in breakout groups the ethical implications of those trends and developments on the global accountancy profession.
 - At the May 2018 joint IAASB-NSS and IESBA-NSS meeting, participants received presentations from NSS representatives from Germany and Japan on initiatives related to technology that they are undertaking in their jurisdictions, focusing in particular on data protection laws, cloud computing, critical infrastructure, blockchain, and virtual currency. Participants then exchanged views on areas of focus or matters that should be considered to inform the IAASB's and IESBA's formulation of their strategic responses to developments in technology. Highlights of this discussion are included in **Agenda Item 1-G**.
6. The Working Group will meet informally for the first time in Athens just prior to the June 2018 Board meeting for an initial planning discussion. The Working Group Chair will provide an oral update on the Working Group's discussion at the Board meeting.

Overview of ACCA Presentation

7. In addition to an overview of ACCA's work on the technology developments to date, the presentation will cover the following aspects, focusing on the ethical dimensions:
 - Changing finance functions and roles for both professional accountants in business and professional accountants in public practice in the context of ACCA's report, [*Race for relevance: technology opportunities for the finance function*](#).
 - Artificial intelligence and robotics process automation.

Material Presented

Pre-session Reading [*The Race for Relevance: Technology Opportunities for the Finance Function*](#)

Material [*Divided We Fall, Distributed We Stand: The Professional Accountant's Guide to Distributed Ledgers and Blockchain*](#) (Optional)

Action Requested

8. IESBA members are asked to:
 - (a) Familiarize themselves with the pre-session reading material; and
 - (b) Share any comments, questions or reactions in light of their pre-read and the presentation.