

### IAASB-IESBA Coordination

IAASB  
International Auditing  
and Assurance  
Standards Board

IESBA  
International  
Ethics Standards  
Board for Accountants<sup>®</sup>



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IESBA Board Liaison to IAASB, IESBA Member

IESBA Meeting  
31 March 2021  
Virtual

# Objective of Session

To receive a brief update on recent IAASB-IESBA coordination activities relating to:

- Current projects/initiatives with ongoing coordination
- Current projects/initiatives with potential coordination
- Completed projects



# Coordination activities in Q1 2021

## IAASB & IESBA liaison meeting

- Stocktake of projects/initiatives

## IAASB & IESBA staff meeting

- Fraud and Going Concern



# An overview of some current IAASB Projects and Initiatives as of March 2021

IAASB Projects/Initiatives	Status
Group Audit – ISA	Post-ED discussions
Audit Evidence	Project proposal approved in Dec 2020
Audit of Less Complex Entities (LCE)	Project proposal approved in Dec 2020
Complexity Understandability Scalability Proportionality (CUSP)	Information gathering
Auditor Reporting Implementation	Ongoing discussions
Fraud	Information gathering
Going Concern	Information gathering
Conforming Amendments to Other Standards from QM Standards	ED released, comments due May 24
Technology	Ongoing

# The following projects/initiatives have ongoing coordination and are managed by those projects



# The following IAASB initiatives may require coordination going forward

## Fraud and Going Concern

- Information gathering stage – IAASB reviewing comments to Discussion Paper
- Project proposals anticipated Sept 2021 (Fraud) and Oct 2021 (Going Concern)
- Initial staff discussion identified possible matters of mutual interest, eg:
  - ❖ Enhancements to PS and interaction with the Code’s inquiring mind concept
  - ❖ Definition of fraud
  - ❖ Presentation and preparation of information
  - ❖ Expertise when determining appropriateness of management’s going concern assessment

### FRAUD AND GOING CONCERN IN AN AUDIT OF FINANCIAL STATEMENTS:

Exploring the Differences Between Public Perceptions  
About the Role of the Auditor and the Auditor’s  
Responsibilities in a Financial Statement Audit

DISCUSSION PAPER  
COMMENTS DUE: JANUARY 12, 2021

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# The following IAASB/IESBA projects have been completed

## IAASB

### EER Assurance

- Guidance approved by IAASB in March 2021
- IESBA comments have been addressed and accepted accordingly
- No further coordination required

### ISQM (ISQM 1, ISQM 2 & ISA 220(Revised))

- Final pronouncements released in Dec 2020
- IESBA to make conforming amendments to the Code. E.g., changes to the Glossary:
  - As additions, the definitions of “engagement quality review” and “engagement quality reviewer” from the approved ISQM 1
  - The deletion of the term “engagement quality control review”

## IESBA

### NAS and Fees

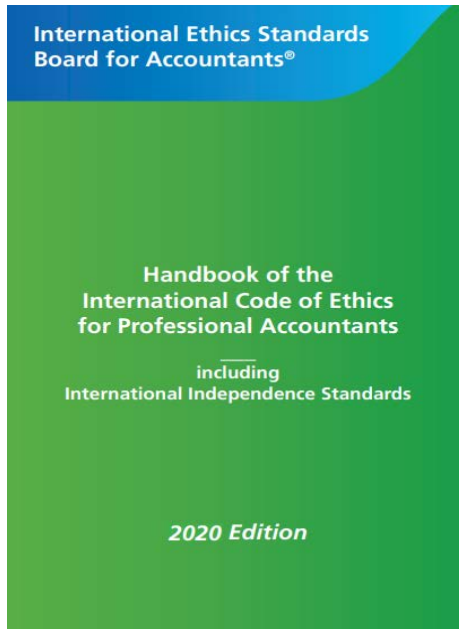
- Final revisions approved by IESBA in Dec 2020
- IAASB will consider if revisions to ISA 260 (Revised) are warranted in light of revisions to the Code with respect to communications with TCWG

**Comment or question?**

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question?**







# The Ethics Board

[www.ethicsboard.org](http://www.ethicsboard.org)

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