

IAASB Meeting Highlights and Decisions

March 2021

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This summary of decisions of the International Auditing and Assurance Standards Board (IAASB) has been prepared for information purposes only. Except for approval of documents for public exposure and issuance of final Standards, decisions reported are tentative, reflect only the current status of discussions on projects, and may change after further deliberation by the IAASB.

Due to the ongoing effects of the COVID-19 pandemic, the IAASB hosted the March 2021 IAASB meeting virtually by videoconference, over the period March 15–19, 2021.

For more detailed information about IAASB projects, please refer to the project summaries under [Current Projects](#).

Audit Evidence

The Board provided direction on the initial proposals of the Audit Evidence Task Force (AETF) on the definition of audit evidence and the meaning of audit procedures. The Board also discussed the meaning of sufficient appropriate audit evidence, including the factors the auditor would think about when considering whether sufficient appropriate audit evidence has been obtained. The Board considered the AETF's further proposals to incorporate a principles-based approach in considering the relevance and reliability of information intended to be used as audit evidence.

The AETF will present further proposals on these issues and other issues related to this project at the June 2021 IAASB meeting.

Extended External Reporting (EER) Assurance

After final changes to the Non-Authoritative Guidance on EER Assurance Engagements the Board unanimously approved the guidance for issue. On publication, the Guidance may be used with immediate effect (guidance issued by the IAASB does not have an 'effective date').

Audits of Less Complex Entities (LCEs)

The Board discussed the full draft of the separate standard for audits of financial statements of less complex entities. Significant concerns were expressed about the applicability of the separate standard as it had been presented, and it was agreed that this needed to be further considered. There were mixed views expressed about whether the standard should be issued as an exposure draft after the June 2021 IAASB meeting, however some Board members strongly emphasized the need for consultation on the standard to obtain views of the IAASB's stakeholders about whether the standard could and would be used.

Further discussions about the name and detailed content of the standard indicated that there are mixed views about some of the matters presented in the draft, which would require further consideration by the LCE Task Force.

The LCE Task Force will continue to progress the draft with the intent to consult on the draft after the June 2021 IAASB meeting.

Group Audits

The Board discussed proposed changes based on respondents' comments on the Exposure Draft of proposed ISA 600 (Revised) (ED-600)¹ and the Board's discussion in December 2020. In addition, the Board discussed respondents' comments on ED-600 related to materiality and documentation, as well as the ISA 600 Task Force's views and recommendations on the way forward.

The ISA 600 Task Force will continue to address respondents' comments on ED-600, and progress changes to proposed ISA 600 (Revised) as appropriate. The Task Force will present further proposed changes at the June 2021 IAASB meeting.

Next Meeting

Video conferences have been scheduled for [April 21–22](#) and [May 10–11](#), 2021. The next IAASB meeting is scheduled for June 14–18, 2021 and will be held virtually via videoconference. Details of this meeting will be released on the [IAASB Meetings webpage](#) in due course.

¹ Proposed ISA 600 (Revised), *Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)*