

7. SECTION III: ABOUT THE RESPONDENT

1. From which perspective are you providing this feedback:

The view of an organization.

Please Indicate:

2. Please complete

Name of Organization: : ACCA

Name or Person submitting Survey on behalf of the organization: : Andrew Gambier

3. Select from the following options that describe your organization:

IFAC Member Body or Other Professional Organization

Is this a/an:

Is this response on behalf of the global network?

Is this response on behalf of a regional or national firm?

Other Firm?

4. IFAC Member Body or Other Professional Organization

IFAC Member Body, Affiliate or Regional Organization

National auditing standards same as, or based on, the IAASB’s current International Standards on Auditing

Please specify which standards are used:

Other national standards same as, or based on, IAASB’s other standards (i.e., assurance, related services and reviews)

Please specify which standards are used:

Are you a listed or non-listed entity?

Small or Medium-Sized The concept of ‘smaller or less complex entities’ varies country by country, but ordinarily exhibits one or more of the following characteristics:Concentration of ownership and management in a small number of individuals.One or more of the following:Straightforward or uncomplicated transactions.Simple record keeping;Few lines of business and few products within business lines;Few formal internal controls; Few levels of management with responsibility for a broad range of controls; orFew personnel, many having a wide range of duties.

.Entity?

Please Indicate:

Do you apply International Standards of Supreme Audit Institutions (ISSAIs) for financial audits

Those Charged with Governance

Private Sector

Please specify in the box below.

Are you any of the following?

5. Please select the geographical region where you are based:

Europe

8. SECTION IV - QUESTIONS FOR RESPONDENTS ABOUT THE IAASB'S STRATEGY FOR 2020-2023

6. 1. In your view, will the strategic environment affecting the needs of the IAASB's stakeholders look like in 2020 onward and what will be the impact on the IAASB's International Standards (for example, will the audit market change significantly; will other services dominate stakeholders needs – including what the needs may be for different types of evolving services; how evolving technologies, such as cryptocurrency, artificial intelligence or blockchain , will impact the environment in which the IAASB's stakeholders operate, etc.).

The IAASB is right to be alert to the changes brought in by new technology. Technological change has transformed many of the processes of audit already and the rate of change of new technologies is rapid. In most cases, the IAASB will want to ensure that standards continue to be principles-based and capable of enabling the use of new technologies as they emerge.

The profession is currently under great scrutiny and this pressure may not have relented by 2020. In addition to the ongoing Monitoring Group consultation process, there may be new calls for action to address specific identified concerns.

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7. 2. Section II. Describes the additional challenges and opportunities that the IAASB has identified relating to its people, processes and technology, including possible changes that may arise from the MG consultation. In your view, as the IAASB develops its Strategy for 2020–2023, what are the:

- (a) Key challenges and other factors that may impact the IAASB's activities and focus; and**
- (b) Main opportunities for changing the way it undertakes its activities.**

Your response may include views about the matters identified by the IAASB as set out in Section III, but any views about matters that have not been mentioned are particularly welcome.

The pressure on IAASB due to staff numbers is likely to remain an constraining factor. The public remains suspicious over secondments from large firms to support the standard-setting process. The experience of the EER project shows that grant-funding may be one possibility. In addition, the IAASB could look to other offers to help, such as via the National Standard Setters, university researchers or professional bodies. The IAASB could consider ways of communicating its upcoming research areas so that interested parties can participate.

The IAASB remains under pressure - from the Monitoring Group and others - to speed up its standard-setting process. As such, we urge the IAASB to remain open to ways in which the standard-setting process can be simplified and streamlined, without compromising the quality of standards. Simplifying some of the language used in current standards may be one way of making standards easier to understand and therefore easier to discuss and update later in board meetings. In addition, there is scope to further streamline the board agenda process by using more direct and much shorter agenda papers that identify the specific matters under discussion.

8. 3. Are there specific initiatives within the stakeholder group to which you belong, or of which you are aware, that you believe the IAASB should actively monitor in light of their potential to inform the IAASB's future agenda? If so, what are they, and why do you think they are relevant to the IAASB?

We have nothing to add in this section beyond the issues already raised.

9. THE FOCUS OF THE IAASB'S ACTIVITIES IN 2020–2023

9. 4. Section II illustrates that the IAASB has, and will continue to, focus a significant part of its efforts in 2015–2019 on revising and developing standards addressing the audit of historical financial information and quality control. With respect to new standard-setting projects for the period 2020–2023, in light of where you believe IAASB actions are needed and to continue to serve the public interest, in your view what proportion of effort should the IAASB allocate to each of the following? (Allocation should total 100%)

Quality control : 20%

Audits and reviews of historical financial information : 50%

Other assurance- [EER](#)Emerging Forms of External Reporting (EER) refers to emerging forms of external reporting by entities that increasingly provide non-financial information that goes beyond the traditional (financial statement) focus on the entity's financial position, financial; performance and impact on its financial resources. engagements : 15%

Other assurance (and [related services](#)Related services pronouncements include:ISRS 4400, Engagements to Perform Agreed-Upon Procedures Regarding Financial Information (currently being revised); ISRS 4410 (Revised), Compilation Engagements.) - other than EER engagements : 15%

Total : 100%

Comments: The issues of professional scepticism and the audits of smaller and less complex entities are both important crossover topics which we would envisage would be addressed within other projects as appropriate. Therefore we have marked their percentages as zero in the table above.

10. Please provide relative %; for each option by category to total 100%

	(i) Developing new or revised standards	(ii) Undertaking implementation activities	(iii) Apply efforts to both
Quality control	20%	80%	
Audits and reviews of historical financial information	60%	40%	
Other assurance – EER engagements	75%	25%	
Other assurance (other than EER engagements) and related services Related services pronouncements include:ISRS 4400, Engagements to Perform Agreed-Upon Procedures Regarding Financial Information (currently being revised); ISRS 4410 (Revised), Compilation Engagements.	75%	25%	

Comments: With the significant changes to auditing standards as a result of the IAASB's ongoing public interest reforms (540, 315, QC, etc), we would expect a gradual shift towards greater implementation activities to support auditors. However, some new standard-setting is still likely. As noted above, we urge the IAASB to consider the extent to which the needs of auditors of less complex entities can be supported by the standard-setting process. In part, this could include whether simpler language can contribute to a more streamlined approval process.

11. 6. In relation to the development of new, or the revision of extant, standards as noted in Question 5, and in keeping an open mind as to the impact of the evolving environment and the challenges and opportunities for the IAASB in 2020–2023, should the IAASB, in your view:

- (a) Focus first on a strategic review of extant standards (for example, consider how the standards could be better structured or presented in light of evolving technologies) before prioritizing projects on new topics. Please provide an explanation for your view.
- (b) Prioritize projects on new topics (as determined by the consultation on the IAASB's future strategy and priorities). Please provide an explanation for your view.
- (c) During implementation of the current standards under revision (i.e., those standards that currently have a committed project plan in place), consider a moratorium on developing new or other revised standards? If so, how long should such a moratorium last? Please provide an explanation for your view.
- (d) Undertake other actions related to the development of new, or revision of extant, standards, and/or implementation support. Please describe what these actions should be and provide an explanation for your view.

The biggest priority for IAASB is completing its existing programme of standard-setting.

Beyond that, to the extent that there is no urgent pressure to create or reform specific standards, the IAASB should consider work to improve the accessibility of standards. This could include both language used in the standards themselves and also the methods by which those standards are communicated to and accessed by practitioners.

12. 7. If there was a specific topic(s) that, in your view, should be the IAASB's priority(ies) when developing new, or revising existing, standards or related guidance for the period 2020—2023, what would it be, and why?

Where applicable, kindly indicate whether in your view the topic(s) (you have indicated) has particular relevance mainly for engagements for listed entities, small- and medium-sized entities (SMEs), or for entities of all sizes. Views in relation to matters of relevance to developing nations and the public sector are also encouraged.

Our biggest priority would be to simplify the language used in standards. This would benefit auditors of all types of entity, but would significantly help auditors of less complex entities.

13. 8. Are there any other topics of interest or matters of relevance that you feel the IAASB should consider when conducting its strategic review, including those related to its the way that the IAASB undertakes its activities (e.g., changes to address matters highlighted in the MG review)?

Nothing else to add.