



中国注册会计师协会
The Chinese Institute of Certified Public Accountants

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International Auditing and Assurance Standards Board
529 5th Avenue, 6th Floor, New York, NY 10017, USA

March 26, 2014

Re: Consultation Paper: the IAASB's Proposed Strategy for 2015-2019 and the IAASB's Proposed Work Program for 2015-2016

Dear Sir or Madam,

The Chinese Institute of Certified Public Accountants (CICPA) welcomes the opportunity to comment on Consultation Paper: the IAASB's Proposed Strategy for 2015-2019 and the IAASB's Proposed Work Program for 2015-2016. We commend the Board's effort to build on the existing strong base of standards and address new topics where there is a demonstrated public interest need.

In general, we believe the Board has responded appropriately to the most pertinent public interest issues in developing the IAASB's strategy and work program. The appendix to this letter provides our responses to the questions presented in the consultation paper.

We would be pleased to discuss in further detail our comments and any other matters with respect to this consultation paper.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Yugui Chen', is written over a faint, larger version of the same signature.

Yugui Chen
Secretary General
CICPA

Appendix

Responses to Questions in the Consultation Paper: the IAASB's Proposed Strategy for 2015-2019 and the IAASB's Proposed Work Program for 2015-2016

Proposed Strategy for 2015–2019

The IAASB is particularly interested in respondents' views on:

(a) Whether the strategic objectives identified are considered appropriate for the period 2015– 2019. If not, please explain.

The IAASB has invested much of resources since 2012 into the auditor reporting project as a big step towards furthering the communicative value of the auditor's report to users. Changing the auditor's report is recognized as one of a series of initiatives to respond to users' needs, particularly the needs of investors, with the aim of increasing the relevance of the audit in the capital markets.

Responding to investors' needs is given little attention in the IAASB's 2015-2019 strategy although the proposed Work Program includes monitoring implementation of the new auditor reporting proposals and considering whether further enhancements to auditor reporting are necessary. Consider if this needs to be clarified in the proposed strategy.

(b) Whether the factors included in Appendix 2 on page 19 represent a reasonable basis for the IAASB to use in developing its Work Programs beyond the Work Program for 2015–2016.

In general, we agree with the factors used in developing IAASB's Work Programs beyond the Work Program for 2015–2016.

Proposed Work Program for 2015–2016

The IAASB is particularly interested in respondents' views on:

(a) The approach taken to the development of the Work Program for 2015–2016, in particular the IAASB's decision to focus on fewer key projects towards the goal of their completion by 2017.

Considering the constraints of available resources and the need for due process to be applied in the development or revision of standards, we agree that it is appropriate to devote more resources to fewer topics in order to move forward more quickly on those most pertinent topics.

(b) The appropriateness of the topics chosen as the focus for the Work Program for 2015–2016 (see paragraph 4 of the Work Program and Table A on pages 26–29) in light of the strategic objectives set out in the IAASB's Strategy for 2015–2019.

In general, we agree with the proposed work program for 2015-2016.

(c) Whether there is an action(s) or project(s) that has not been included in the Work Program for 2015–2016 that you believe the IAASB should address during that period. For example, should any of the topics in Appendix 1 (on pages 39–41) be prioritized sooner? If so, which initiative(s) identified in Table A (on pages 26 - 29) do you believe

should be replaced by this action(s) or project(s). Please provide an explanation of your views.

ISA 600 (page 42)

- The proposed timing for revising ISA 600 is questionable on the basis that there have been concerns over the implementation of ISA 600 over the last three years from IFIAR, national standard setters and firms. Based on the project timetable, IAASB will spend the 2015 and 2016 gathering information, and then commence on the work in 2017. It seems the revised ISA 600 won't be effective until 2020.

Recognizing the Need to Remain Flexible (page 25)

- Broadly agree that the IAASB need to be flexible and be prepared to strategically reallocate resources, or reprioritize its project(s). However as an independent Board, this scope for flexibility need to be supported by transparency on the process by which the Board follows (including the factors considered in such circumstances) to: (i) identify when the need for such flexibility may arises, (ii) how the Board makes decisions to revise its Strategy/Work program which have been formulated on the basis of broad public consultations and (iii) How progress/lack of progress are reported externally.

(d) Whether there are alternative approaches for the IAASB to consider in order to enhance the IAASB's ability to address calls from stakeholders for IAASB efforts on a variety of important topics, in light of the constraints of available resources and the need for due process to be applied in the development or revision of standards.

No comment.