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Willie Botha  
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International Auditing and Assurance Standards Board  
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On-line submission

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Dear Willie

### **Submission on Proposed IAASB Strategy for 2020-2023 and Work Plan 2020-2021**

CPA Australia represents the diverse interests of more than 164,000 members working in 150 countries and regions around the world. We make this submission on behalf of our members and in the broader public interest.

Overall, CPA Australia supports the IAASB's proposed strategy and work plan. We consider that it clearly reflects the outreach conducted, particularly through the Strategy Survey. In our response to the Strategy Survey, CPA Australia identified two issues which we considered would have greatest impact on stakeholders from 2020. These issues are data analytics and technological developments, and extended external reporting. The development of guidance on extended external reporting is already well-advanced and its finalisation is reflected in the strategy and work plan. However, we suggest that the impacts of technology need greater emphasis as the IAASB's work is arguably falling behind practice and technological advances.

**1. Do you agree with Our Goal, Keys to Success and Stakeholder Value Proposition (see page 6), as well as the Environmental Drivers (see page 7)?**

Yes, we agree that the Goal, Keys to Success, Stakeholder Value Proposition and the Environmental Drivers are sound.

**2. Do you agree with Our Strategy and Focus and Our Strategic Actions for 2020–2023 (see pages 8 to 13)?**

Yes, we agree with the Strategy and Focus and the Strategic Actions, with the exception of the approach to evolving technologies and automated tools under Theme B. We are concerned that greater emphasis is needed on addressing technology in the audit as we consider that the existing standards do present some impediment to innovation in technology. We suggest that technology needs to be more highly prioritised in the strategic actions and not limited to the current strategic action: to identify and prioritize future actions through our research activities. Given that the project on "Technology" has been underway since 2015, we hope that this information gathering phase may soon come to an end and more direct action taken under the new strategy.

**3. Do you agree with the IAASB's proposed Framework for Activities, and the possible nature of such activities (see pages 11 and 12), as set out in Appendix 2 (see pages 19 and 20)?**

Yes, we agree with the proposed framework to categorise standard-setting activities.

**4. Do you support the actions that have been identified in our detailed Work Plan for 2020–2021 (see pages 15 and 16)? If not, what other actions do you believe the IAASB should prioritize?**

Yes, although, as outlined above we are concerned that greater emphasis is needed on addressing technology in the audit. Although evolving technologies and automated tools are addressed to under Theme B, we are concerned that the work plan reflects this as being still in the research phase under the “Audit Evidence” project; at least up until the end of the 1<sup>st</sup> quarter 2020. The description of the audit evidence project is then open-ended. We would like to see greater priority given to this project so that outcomes may be achieved in a more defined timeframe. As submitted in our response to the IAASB’s strategy survey, clarifying how both data analytics methods and new evidence sources can meet evidence requirements in the ISAs will be critical in ensuring that these technologies result in improved efficiency and effectiveness of the audit; rather than duplicated work effort.

**5. Are there any other topics that should be considered by the IAASB when determining its ‘information gathering and research activities’ in accordance with the new Framework for Activities? The IAASB has provided its views on tentative topics to be included in its ‘information-gathering and research activities’ (see page 10).**

No further topics identified.

If you require further information on the views expressed in this submission, please contact Claire Grayston, Policy Adviser – Audit & Assurance, on +61 3 9606 5183 or at [claire.grayston@cpaaustralia.com.au](mailto:claire.grayston@cpaaustralia.com.au).

Yours sincerely



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