

Our Ref: STA/001

30 May 2019

International Auditing and Assurance Standards Board (IAASB)  
529 Fifth Avenue, 6th Floor,  
New York, NY 10017  
United States of America

Submitted via website: [www.iaasb.org](http://www.iaasb.org)

Dear Sir/Madam

**PROPOSED STRATEGY FOR 2020-2023 AND WORK PLAN FOR 2020- 2021**

The Institute of Certified Public Accountants of Uganda (ICPAU) appreciates the opportunity to respond to the **Proposed Strategy for 2020-2023 and Work plan for 2020-2021.**

We are supportive of the Board's proposed strategy and work plan.

Our comments are here in the attached.

We hope you will find our comments helpful.

Yours sincerely,



CPA Charles Lutimba  
**MANAGER, STANDARDS AND TECHNICAL SUPPORT**

Institute of Certified Public Accountants of Uganda

*Appendix: Comments to the Proposed Strategy for 2020-2023 and Work plan for 2020-2021*

EKI/....

# INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA

## COMMENTS ON THE PROPOSED STRATEGY FOR 2020- 2023 AND

### WORK PLAN FOR 2020- 2021

The International Auditing and Assurance Standards Board (IAASB) is in the process of moving into a new strategy period since the current one ends in 2019. The IAASB in this light published the Proposed Strategy for 2020-2023 and Work Plan for 2020-2021. Below are comments from the Institute of Certified Public Accountants of Uganda (ICPAU) in regards to the proposed strategy and work plan:

**Question 1:** Do you agree with the IAASB's Goal, Keys to Success and Stakeholder Value Proposition as well as the environmental drivers?

**COMMENT:**

ICPAU agrees with the IAASB's Goal of sustained public trust by delivering robust global standards capable of consistent and proper implementation.

ICPAU also agrees with the keys to success and stakeholder value proposition proposed by the IAASB.

ICPAU further believes that the proposals rightly identify the opportunities and challenges and environmental drivers that would affect the IAASB strategy.

ICPAU further believes that the following additional environmental drivers should be considered by the Board:

a) The challenge of continuous changes in regulation which will impact the profession both positively and negatively. These developments in regulations, driven largely by the high profile corporate failures, may create challenges in implementation of standards in certain jurisdictions and may drive action towards more jurisdictional requirements in the audit and assurance space. ICPAU certainly supports the Board's proposed focus on declining trust and confidence in the audit and strongly urges the Board, through strategic initiatives, to get involved in the discussion and be a part of the solution.

b) Given the significant advancements in technology, the skills required by the auditor of the future are an important consideration for the IAASB. ICPAU is cognizant that this discussion may be more directly within the realm of the IAESB or its successor body. ICPAU proposes close collaboration between the IAASB and IEASB on these activities. ICPAU believes that proper and consistent implementation of the IAASB standards requires specific skills, the acquisition of which the Board may have little control over. However the success of most of the Board's activities depends on whether the practitioners have or will acquire the desired skills for the future.

**Question 2:** Do you agree with the Strategy and Focus and Strategic Actions for 2020- 2023?

**COMMENT:**

ICPAU agrees with the Board's proposed strategy and focus of timely identification and resolution of issues that affect global standards as well as delivery of committed work which will require completion of the current projects.

However the IAASB should clearly identify the support and implementation of IAASB standards as a focus area. The IAASB standards require continuous monitoring in order for the Board to be informed about any challenges in the application of the standards. The provision of interpretation support is a way of reducing these challenges.

Support and implementation activities will require that the Board maintains close interaction with the National Standards Setters and Regulators so as to not only identify areas of noncompliance but the causes of such noncompliance.

**Question 3:** Do you agree with the IAASB's proposed Framework for Activities, and the possible nature of such activities?

**COMMENT:**

ICPAU agrees with the IAASB's proposed Framework for Activities but desires that the Board places significant emphasis on stakeholder engagements as this is the only way it can know their concerns. For example engagements with regulators can help the Board and the regulators to harmonize the standards as well as any other activities with their concerns.

ICPAU has considered whether a moratorium ("cool off period") on new standards ought to be considered by the IAASB. ICPAU believes that this would be unsustainable given the scale of developments in technology, regulation and stakeholder expectation. The IAASB would do well to seriously consider its own capabilities to be able to respond to these developments.

**Question 4:** Do you support the actions that have been identified in the detailed Work Plan for 2020- 2021? If not, what other actions do you believe the IAASB should prioritize?

**COMMENT:**

ICPAU supports the actions that have been identified in the detailed Work Plan for 2020- 2021. However ICPAU believes that the IAASB should reconsider the scale of its implementation activities beyond the projects identified in the Work Plan, with a view to broadening and deepening the scale of IAASB implementation support.

It is also not clear to ICPAU how Themes D and E have been fed into the 2020- 2021 work plan.

**Question 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?

**COMMENT:**

Yes, ICPAU desires that the Board also includes activities that will promote the value of audit and enhance the perception, trust and confidence in audit and the profession as a whole. Current trends such as corporate failures are making many people question the value of audit, with many holding the view that it is not meeting their expectations.

This is an existential threat to the IAASB standards themselves. The IAASB needs to explore stakeholder expectations in line with the value of audit and develop avenues for reducing expectation gap.