



# IAASB Update

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## Key Recent News/Releases - 2021

- Help Shape the Future – survey on Work Plan 2022-2023
  - Revised Detailed Work Plan for Remainder of 2021
  - Issued Framework for Activities
  - Quality Management implementation Considerations – Video
  - Quality Management implementation guidance
  - Stakeholder feedback on Auditor’s Reporting Standard
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# IAASB Significant Projects

Topic	Status	Main Objective
<b>Audits of Less Complex Entities (LCE)*</b>	Approved ED June 2021	Develop a separate standard for financial statement audits of LCEs to address issues and challenges related to complexity, understandability, scalability and proportionality
<b>Group Audits*</b>	Discussing responses to ED. Final Approval expected December 2021	Revise Extant ISA 600 to: <ol style="list-style-type: none"> <li>1) strengthen approach to planning and performance of a group audit</li> <li>2) clarify interaction with other ISAs</li> <li>3) propose conforming amendments</li> <li>4) issue non authority guidance</li> </ol>
<b>Audit Evidence**</b>	Working toward ED in March of 2022	Revise Extant ISA 500 to: <ol style="list-style-type: none"> <li>1) modernize standards to recognize IT,</li> <li>2) address the sufficiency appropriateness of audit evidence, and address professional skepticism</li> </ol>
<b>CUSP</b>	Information Gathering Activities	Address the complexity, understandability, scalability, and proportionality of the ISAs by developing drafting principles and guidelines
<b>Fraud*</b>	Information Gathering Activities	To address expectation gap
<b>Going Concern</b>	Information Gathering Activities	To address expectation gap

## Audits of Less Complex Entities

- Maintenance of the ISA for LCE
  - Transition
  - Authority (or applicability)– excludes group audits and listed entities
  - Linkage to other ISAs
  - Definitions
  - QM standards
  - Reporting
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## Group Audits

- Major topics discussed
    - Risk based approach
    - Documentation
  - Final standard expected December 2021
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## Audit Evidence

- Major topics discussed
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- 



# CUSP

- Drafting principles and guidelines to address
    - complexity
    - understandability
    - scalability
    - proportionality
  - In the ISAs
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# Fraud

## – Major Topics Discussed

- Linkage to ISA 240
  - Inherent limitations of an audit
  - Use of forensic specialists
  - Definition of fraud
  - Suspicious mindset
  - Rebuttable presumption of risks of fraud in revenue recognition
  - External confirmations
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## Other Activities

- Monitoring Group
  - Conforming Amendments to QM Standards
  - Professional Skepticism
  - Technology
  - Post Implementation Review, Auditor Reporting
  - Handbook Changes and Digitization
  - New work stream – Implications of IESBA project – definitions of PIE and Listed Entity
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