

Future Strategy & Work Plan

Dr. Stavros Thomadakis, IESBA Chairman

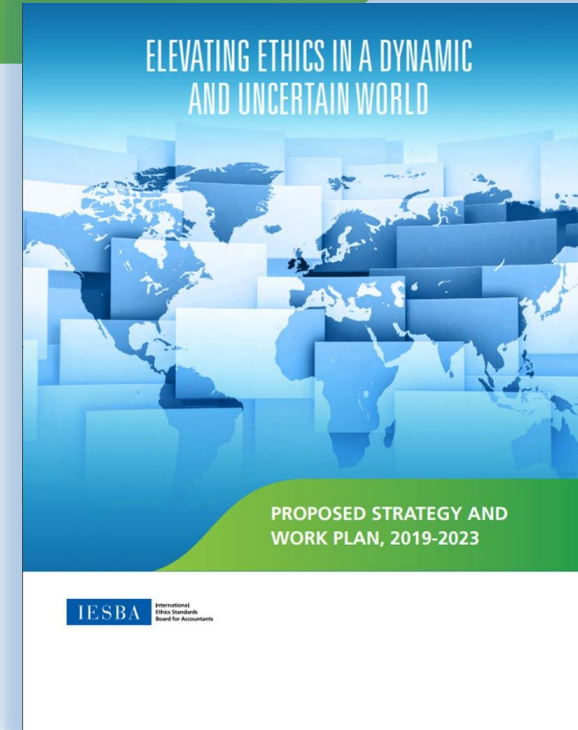
IAAER World Congress

Sydney

9 November 2018

IESBA Strategy and Work Plan 2019-2023

- Revised and restructured Code issued Apr 2018
 - More user-friendly and easier to apply and enforce
 - Packages all substantive advances in ethics and independence over last four years
 - Effective June 15, 2019
- New SWP: fulfilling distinct but broad goals
 - Relevance and applicability in a world of changing technologies, business methods and public expectations
 - Strengthening both public interest objectives and trust in the accountancy profession as an integral whole



Strategic Priorities

- Pre-commitments
 - Role & Mindset | NAS | Fees | E-Code
- Pervasive strategic subject
 - Technology (and service delivery models)
- Additional top priorities
 - Tax planning and related services | Definition of PIE and listed entity | Materiality
 - Post-implementation reviews: NOCLAR | Long Association | Revised and Restructured Code
- Finalize SWP Dec 2018



Technology & Service Delivery Models



Exponential, disruptive technology (e.g. Emergent AI, big data, cloud computing, mobile, social networks, blockchain)



Emerging or newer models of work and service delivery (e.g. contingent workforce; managed and outsourced services)

- Profession and others recognizing pressing need to understand and address transformative effects
 - Strategic imperatives?
 - Impact on business models?
 - Threats and opportunities?
- Ethical implications for the Code?
- Technology WG formed Q1 2018

Role & Mindset (formerly Professional Skepticism)

- How best to meet public expectations re exercise of “professional skepticism” by all PAs?
- [Consultation paper](#) issued May 2018
- Global roundtables held in Jun-Jul 2018
 - Washington DC, Paris, Tokyo, Melbourne
- Project approved Sept 2018 with new title
 - *Promoting the Role and Mindset Expected of Professional Accountants*
- ED anticipated Q4 2019



Non-assurance Services

- How best to delineate boundaries of NAS that firms may provide to audit clients?
- Global roundtables held in Jun-Jul 2018
- Project approved Sept 2018
- Addressing a number of issues
 - Self-review threat | Materiality | PIE vs. non-PIE |
New and emerging services | Communication with
TCWG | NAS disclosure requirements
- ED anticipated Q4 2019



Fees

- Project approved Sept 2018
 - Based on June 2018 final Working Group [report](#)
- Scope – provisions addressing:
 - Level of fees for individual audit engagements
 - Fee dependency at the firm, office and partner level
 - Fee-related safeguards
- Outside scope:
 - Ratio of NAS to audit fees, and audit firm business model
- ED anticipated Q4 2019





The Ethics Board

www.ethicsboard.org

 @Ethics_Board