International Auditing and Assurance Standards

Call for Proposals

ACCA (Association of Chartered Certified Accountants) and the International Association for Accounting Education and Research (IAAER) are pleased to invite research proposals to support the work of the International Auditing and Assurance Standards Board (IAASB).

The programme supports academic research directed at informing the IAASB's standard setting activities. Funded projects will be showcased at three events involving representatives from the IAASB as well as renowned researchers specialising in the area of audit and assurance.

ACCA, IAASB and IAAER plan to publish a practice-focused briefing report summarising the primary research findings of the programme. Research teams may publish an academic report of their individual findings in the outlet of their choice.

Funding for this programme is provided by ACCA.

The deadline for submission of preliminary proposals is 15 September 2009.

Programme Objective

The call promotes and supports research directed at developing theory and evidence to inform the IAASB's decision process.

Proposals addressing:

(i)   the implications of financial reporting and other trends and developments on auditing,

(ii) conceptual aspects of assurance standards, or

(iii) international adoption and implementation of International Standards on Auditing (ISAs)

are especially welcome.[1]

A selection of topics of interest within these three broad issues are given here, but please note that this is not intended as an exhaustive list.

1. Please consult the IAASB 2009–2011 Strategy and Work Programme (http://www.ifac.org/Members/DownLoads/IAASB_Strategy_and_Work_Programme_2009-2011.pdf) when drafting proposals. A key consideration of the Project Advisory Committee will be whether a project that relates to a current IAASB initiative can be completed in a time frame that coincides with the IAASB's deliberation of the issue.

TRENDS AND DEVELOPMENTS

What factors influence auditors' decisions about whether sufficient appropriate audit evidence has been obtained when evaluating management judgments on fair value estimates (and related disclosures) that are not determined based on observable inputs? For such fair value estimates, how do the efforts of management, auditors, and those charged with governance differ with respect to determining the 'right number' versus evaluating the reasonableness of the process followed in developing the estimate?

What are users' perceptions of the reliability of financial information elements filed in XBRL format? How are these perceptions affected by users' assumptions about the nature of auditor involvement with that information? What are users' longer-term expectations regarding the nature of assurance that will attach to XBRL data?

What is the current state globally of mandatory or voluntary requirements (regulatory or otherwise) for reporting on the effectiveness of internal control, including the criteria to be used for assessing the effectiveness of internal control and reporting deficiencies? How do differences in these criteria affect what is communicated to management, those charged with governance, regulators and users of the financial statements?

CONCEPTUAL ASPECTS

What implications for international auditing and assurance standard setting can be drawn from academic research on the subject of professional judgment and on the subject of audit quality?

What are users' perceptions with respect to the inclusion (or not) of an Emphasis of Matter paragraph or Other Matter paragraph in the auditor's report?

How does the perceived degree of assurance, if any, by management/those charged with governance and users of financial statements vary across agreed-upon procedures, compilation, review, and audit engagements, particularly in the context of smaller entities?

INTERNATIONAL ADOPTION AND IMPLEMENTATION

What factors, such as cultural, economic, or regulatory differences, significantly enhance or impede adoption of, or convergence with, ISAs across different jurisdictions? How do these factors affect perceptions of adoption or convergence being in the public interest?

What are the major challenges faced in connection with implementation of ISAs? How do these challenges differ according to factors such as size of firm, size of clients serviced, and whether the auditor practices in a developed versus developing nation environment?

What are the implications of international adoption of, or convergence with, ISAs on audit quality?

Programme Funding

Up to five research grants of GB£20,000 equivalent, funded by ACCA, will be awarded under the programme. The grants will be paid in three instalments and may be applied to cover travel costs associated with attending programme events and/or direct costs associated with the research.

Proposals are welcome from research teams domiciled anywhere in the world. Additionally, proposals are encouraged from research teams whose members are from different regions of the world.

All research approaches and paradigms are welcome, whether qualitative or quantitative, including modelling, archival, experimental, surveys, interviews, case studies and field analyses. Funding decisions will be based on the potential of the research to provide valuable input to the IAASB.

Members of the Proposal Review Committee will review proposals and make preliminary recommendations to the Programme Advisory Committee. Final funding decisions will be made by the Programme Advisory Committee.

PROJECT DELIVERABLES

Prior to 15 January 2010, contracts will be signed by research teams. Each contract will specify interim milestones, deliverables, and expected delivery dates. Key dates to be agreed to in the contract include:

25 June 2010
Research designs and preliminary results will be presented at a by-invitation ACCA/IAAER mini-conference held in conjunction with the 16th annual International Symposium on Audit Research (ISAR) in Singapore. Teams will be required to submit interim results, an executive summary of interim results, and presentation slides to the Programme Coordinator two weeks prior to the conference. The first grant instalment of GB£6000 will be dispersed upon completion of the first research phase, including timely submission of required deliverables and presentation at the mini-conference. The Programme Advisory Committee will supply each team with feedback and recommendations no later than 31 July 2010.

March / April 2011
Research teams will present interim research findings in North America either at IAASB's March 2011 public meeting or IAASB's annual meeting with national standard setters in April. Teams will be required to submit interim results, an executive summary of interim results, presentation slides, and a summary of how the team is responding to the recommendations of the Programme Advisory Committee to the Programme Coordinator two weeks prior to the meeting. Adequately addressing recommendations of the Committee is a pre-requisite for presentation. The second grant instalment of GB£6000 will be dispersed upon completion of the second research phase, including timely submission of required deliverables and presentation at the meeting. The Programme Advisory Committee will supply each team with feedback and recommendations within 30 days of the meeting.

October 2011
Final results will be presented at a mini-conference held in Europe (venue to be advised). The final deliverables will focus on highlighting the significance of the findings to standard setters. Representatives of the IAASB will be in attendance. Teams will be required to submit final results, an executive summary of the final results, presentation slides, and a summary of how the team responded to the recommendations of the Programme Advisory Committee to the Programme Coordinator two weeks prior to the min-conference. Adequately addressing recommendations of the Programme Advisory Committee is a pre-requisite for presentation. The third grant instalment of GB£8000 will be dispersed upon completion of the final research phase, including timely submission of required deliverables and presentation at the mini-conference.

Research Proposal Format

First round research proposals are due **15 September 2009** and should be concise, not exceeding 10 pages (1.5 spacing and 12 font). All proposals should be in English.

Proposals should contain the following information:

*   Clear and concise definitions and description of the:
    1. Research question
    2. Research objectives
    3. Research method to be employed

*   Description of the proposed research activities

*   References to leading studies on the topic (attach a reference list not exceeding two pages)

*   Indication of how the proposed research will inform the IAASB decision process in one of the three areas noted on page 3.

Each proposal should additionally:

*   Designate a Principal Investigator who will have primary contractual responsibility for the research project

*   Include a curriculum vitae for each member of the research team

All proposals are to be submitted electronically to the Programme Coordinator, at the following email address:

donna.street@notes.udayton.edu

Proposal text and supporting materials should be in a single electronic file in either Word or PDF format.

Questions about the programme or proposal process should be directed to Donna Street at

donna.street@notes.udayton.edu

The Programme Advisory Committee will provide feedback to those researchers addressing issues of particular interest to the IAASB.

Revised proposals will be submitted to the Programme Advisory Committee by **15 November 2009**.

Grant winners will be announced no later than **5 January 2010**.

Programme Advisory Committee

Members of the Programme Advisory Committee include:

IAASB

Arnold Schilder, Chair
Jon Grant, Member
Susan Jones, Member
Bill Kinney, Member
James Gunn, Technical Director

IAAER

Martin Hoogendoorn, VP Practice
Donna L. Street, President

ACCA

Barry Cooper, Council Member and Chair, ACCA Research Committee
David York, Head of Auditing Practise
Caroline Oades, Head of Research