



# Standard Setting Board Coordination

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**IAASB**

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## Building an Inventory of Matters of Mutual Interest

- Simple, effective mechanism to inventory and monitor
  - What is underway now, what is coming up and when, where are the gaps?
- Used by Staff and also useful for periodic review by Chairs and Board updates
- How does this help?
  - More effective identification and monitoring of coordination matters, including prioritization
  - Upfront thinking about how the issue could potentially impact other SSBs
  - More timely identification of coordination actions needed, including SSB resources needed to address matters (Staff / TF or WG / involvement of Board members)
  - Better planning of immediate next steps and long-term planning in the context of SSB's work plans

## Future Work

- But the inventory and resulting actions are not the only actions – future work:
  - Opportunity for more relationship building across the SSBs and involvement of CAG
  - Based on experience, better define expectations and roles and responsibilities
  - Explore how to facilitate resolution of differences of opinion, as needed

# Preliminary Identification of Issues

- Professional skepticism
- Quality control
  - E.g., quality management (IESBA & IAESB), networks, leadership responsibility related to independence, EQC reviews, governance (IESBA & IAESB), competencies (IESBA & IAESB), safeguards, long association, NOCLAR
- AUP
  - E.g., applicability of independence to AUP
- Data analytics
  - E.g., confidentiality, competence (IAESB)

## Preliminary Identification of Issues

- Other (no counterpart on IAASB project)
  - E.g., aspects of safeguards and long association, applicability of Part C, audit fees, preparation and presentation of information and pressure to breach the fundamental principles, inducements, restructure of the IESBA Code
  - Plenary exchanges on matters of strategic or thematic relevance
  
- Areas where no counterpart on IESBA
  - E.g., networks, competencies, governance, impact of QMA (i.e., terminology and policies and procedures related to ethics and independence), EQCR, data analytics, AUP

## Next Steps

- Further develop inventory and refine analysis and observations
- Matters requiring attention by IAASB Staff or Task Forces
  - “Conforming” amendments to IAASB Standards in relation to safeguards (effective June 2019) and long association (effective Dec 2018)
  - Applicability of Part C of the Code (IESBA ED currently on exposure)
  - Matters related to quality control
- Appoint SSB Joint Coordination Chairs for IAASB and IAESB (IESBA already appointed) and review in detail the matters of mutual interest
- Flag matters of mutual interest with Task Forces affected

## Next Steps

- Resource and capacity planning and timetable considerations
  - Including how the “unallocated” issues will be monitored, and if necessary, progressed
- Report back to the Steering Committee
- Next update in June, and CAG in September



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