INTERNATIONAL AUDITING AND ASSURANCE STANDARDS BOARD
PROPOSED STRATEGY FOR 2020–2023 AND WORK PLAN FOR 2020–2021
Comments are requested by June 4, 2019

REQUEST FOR COMMENTS

This Consultation Paper was developed by the IAASB and informed by significant outreach efforts. Comments are welcome on whether:

1.   You agree with Our Goal, Keys to Success and Stakeholder Value Proposition (see page 6), as well as the Environmental Drivers.

Answer: We consider the Goal, the Keys to Success and Stakeholder Value Proposition, as well as the Environmental Drivers and the adaptation to the environment to meet the needs of the interested parties correct, placing the user as the center of interest, especially in the efforts dedicated to current challenges and risks. and future of our standards.
We think it is very important to complete the improvements in the quality of the audit and pay attention to the complexity with a focus on scalability and proportionality, with the intention of facilitating the application of the standards for small and medium-sized entities.
The challenge of facing the changes produced by technological innovations seems to us of fundamental importance. The continuous and accelerated change of technology and its growing influence on the methodology of business administration requires the development and adaptation of standards to this reality.

2.   You agree with Our Strategy and Focus and Our Strategic Actions for 2020–2023 (see pages 8 to 13).

Answer: We agree, some specific observations are added in our responses to this document.

3.   You agree with the IAASB's proposed Framework for Activities, and the possible nature of such activities (see pages 11 and 12), as set out in Appendix 2 (see pages 19 and 20).

Answer: In Theme D, a mechanism of interpretations is mentioned to inform the intentions of the Board; we suggest that it is considered that this implementation will make more difficult the continuous updating of the auditors of small dimension entities since it will probably require an update and training of the staff too often.

In promoting the adoption and effective implementation of the ISAs and other standards, we deem it convenient to place emphasis on the standards for audits of less complex entities and to provide timely participation to the member organizations of IFAC to send their opinions and comments .

We believe that a guide should be issued in final instances and covering high-impact issues for the financial statements and / or for the quality of the audits.

In our opinion, regulatory changes should be made only in situations whose importance merits it.

In accordance with what is stated in Appendix 2, it is recommended to consider the effects in the audits of small-sized entities by adequately developing the scalability

4.   You support the actions that have been identified in our detailed Work Plan for 2020–2021 (see pages 15 and 16). If not, what other actions do you believe the IAASB should prioritize?

Answer: We consider that the actions included in the detailed Work Plan for 2020-2021 respond to the established objectives and give early attention to issues of importance such as scalability and proportionality, in view of the need to facilitate the application of the standards in small and medium entities.

We believe that it should also be included in the action plan for the next 2020-2021
• Expectations of the role of auditors in relation to fraud and non-compliance with laws and regulations (for example, against money laundering) in audits of financial statements. As well as the responsibility of the auditors before the fraud report.

5.   There are 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. The IAASB has provided its views on tentative topics to be included in its 'information-gathering and research activities' (see page 10).

Answer: We believe that the IAASB should deepen the issue of "scalability and proportionality" of quality control standards (now called quality management). The ED of the ISQM 1 contains guidelines on the subject, although we think that there should be a more specific and detailed development.