



## CEAOB INTERNATIONAL AUDITING STANDARDS SUB-GROUP

### Work Plan 2019

The recurring activities of the International Auditing Standards Sub-group (“the sub-group”) include:

- Exchanging information and experience on standard related issues, including on questions regarding the application or implementation of Regulation 537/2014 and Directive 2006/43/CE
- Discussing and sharing views on standard setting projects of relevance to the members, prepare views/comment letters for approval at CEOB level
- Technical examination of ISAs, including the processes for their elaboration
- Dialogue with international standard setters (IAASB and IESBA) and oversight body (Public Interest Oversight Board)
- Exchanges with other CEOB sub-groups where appropriate
- Contribution to CEOB report

The table below sets out the proposed timings for CEOB International Auditing Standards sub-group projects in 2019. Further detail on each project is provided below the table.

	Q1 2019	Q2 2019	Q3 2019	Q4 2019
<b>Cooperation and consistency regarding standards</b>				
Discuss relevant standards related issues regarding the application of EU regulations and directives on auditing matters				
Discuss impact of differences identified between ISAs and EU or national provisions applicable in the EU				
Discuss developments in current IAASB projects and determine whether and when the CEOB should engage on selected issues				
Analyse the CEOB database inspection findings pointing to deficiencies in ISAs				
Examine the Monitoring Group’s proposals on reform of the process for elaboration of ISAs				
<b>Outreach and dialogue with standards setters</b>				
Meeting with IAASB leadership				
Meeting with IESBA leadership				
Meeting with PIOB leadership				
<b>Interaction with other sub-groups</b>				
Dialogue with CEOB Inspection sub-group				
<b>Other matters</b>				
Input into annual CEOB report				

*Discuss relevant standards related issues regarding the application/implementation of EU regulations and directives on auditing matters*

The sub-group will discuss questions arising regarding the application/implementation of the audit reform in Europe (*EU Regulation 537/2014 and Directive 2006/43/CE*) which are specifically related to standards. Depending on the topics, exchanges of views will be organised with a perspective to enhance awareness and consistency in responses envisaged by CEAOB members, or to draft responses to relevant questions, where appropriate. The sub-group might also provide technical expertise on other audit related topics relevant in the EU, in particular, the sub-group will discuss potential impacts of the new European Single Electronic Format (reporting format in which issuers on EU regulated markets shall prepare their annual financial reports from 1 January 2020).

*Discuss impact of differences identified between ISAs and EU/national provisions applicable in the EU*

Based on the analysis performed of the current differences between ISA and national provisions applicable to the statutory auditor's work in the EU, the sub-group will deepen the common understanding of the differences and their impact on ISA adoption at national and/or EU level. To enhance consistency within Europe, a further discussion will be led on national add-ons. In addition, the differences will provide substance for the dialogue with standards setters, in view of enhancing the ISAs.

*Discuss developments in current IAASB projects and determine whether the CEAOB should engage on selected issues*

Various projects are currently led by the IAASB on important standards related matters, including ISQCs, ISA 220, ISA 600, ISA 500 and data analytics. The sub-group will evaluate whether and how to monitor the current IAASB projects, and whether the CEAOB should engage on some of the topics during the development of the proposals by the IAASB. This will include preparing written responses to relevant consultations issued.

*Analyse CEAOB database inspection findings pointing to deficiencies in ISAs*

The CEAOB Inspection sub-group maintains a database on findings related to audit firms inspected in the EU. The participants who populate the data are requested to identify those findings which causes stem from deficiencies in the audit standards. The International Auditing Standards sub-group will annually analyse those inspection findings with a perspective to discuss the causal factors with the standards setters. The input from the CEAOB Inspection sub-group and from the Colleges of regulators will be of particular value on this work stream.

*Examine the Monitoring Group proposals on reform of the processes for elaboration of ISAs*

Adoption of ISAs at European level is subject to several conditions set by the Audit Directive (2006/43/EC). One of the conditions for adoption is related to the appropriateness of the process for elaboration of ISAs. The Monitoring Group is currently exploring means to strengthen the governance and oversight of standards setting boards. The sub-group will continue to examine the proposals with a view to provide advice on this matter to the European Commission.

*Dialogue with standard setters and their oversight body leadership*

The leadership of international standards setters (IAASB, IESBA) will be invited to discuss improvements of the standards and responsiveness to audit regulators expectations. Dialogue with the PIOB leadership will also be organised, taking into consideration the reform project led by Monitoring Group.

*Interaction with other CEOB sub-groups*

The sub-group will liaise in particular with the Inspections sub-group to discuss the Findings Database. A joint meeting with the International Auditing Standards sub-group and Inspections sub-group will be held to share and discuss inspection findings relevant for consideration by the standard setters and to meet with them.