

**Meeting:** IESBA  
**Meeting Location:** Toronto  
**Meeting Date:** April 7-9, 2014

## Agenda Item 1-C

### Audit Quality

#### Objective of Agenda Item

1. To update the Board on the status of the International Auditing and Assurance Standards Board's (IAASB's) Audit Quality initiative.

#### Activities Since Last IESBA Discussion

2. In December 2013, the IAASB approved *A Framework for Audit Quality: Key Elements that Create an Environment for Audit Quality* (Framework). The Framework was published in February 2014 and can be found in a new "Focus on Audit Quality" section of the IAASB's website.<sup>1</sup> The website contains other documents as well, including an IAASB feedback statement providing background information on the Framework, suggesting areas for further exploration, and discussing next steps.
3. The IAASB Chair has identified audit quality as an area of principal attention by the IAASB and others. In 2014 and beyond, the IAASB plans to promote dialogue on audit quality and encourage organizations to use the Framework to help them improve audit quality. In the medium term, the IAASB intends to speak with key stakeholders to stimulate the preparation of user guides to facilitate usability of the Framework by different stakeholder groups, for example, audit committees and the public sector.
4. New and improved standards, and other standard-setters initiatives, may contribute to audit quality. In addition to its own standard setting, the IAASB plans to continue liaising with the IESBA on how the IESBA may address audit quality.

#### Next Steps

5. The IESBA Consultation Paper, *Proposed Strategy and Work Plan, 2014-2018*, includes audit quality as a topic for consideration when determining potential actions and their priorities in the 2014-2018 period. This will be discussed under Agenda Item 7.

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<sup>1</sup> See <https://www.ifac.org/auditing-assurance/focus-audit-quality>.