

Meeting: IESBA

Meeting Location: New York, USA

Meeting Date: September 16-19, 2019

Agenda Item

6

Technology

Objectives of Agenda Item

1. To receive the preliminary report from the Technology Working Group (TWG) based on its information gathering and analysis to date under Phase 1 of the IESBA's technology initiative.
2. To consider specific matters identified by the TWG and provide feedback to inform the TWG's work in Q4 2019 and its Phase 1 Final Report due in December 2019.

Working Group

3. Members:
 - Patricia Mulvaney, Chair, IESBA Member
 - Gregory Driscoll, IESBA Technical Advisor
 - Brian Friedrich, IESBA Member
 - Hironori Fukukawa, IESBA Member
 - Myriam Madden, IESBA Member
 - Melissa Bonsall, IAASB Technical Advisor (IAASB Correspondent Member)

Activities since Last IESBA Discussion

4. The TWG met in person and via teleconference in Q3 to continue its analysis of information collected and to develop its Phase 1 preliminary report.
5. The TWG Chair provided a status update to the IFAC Small and Medium Practices Committee at its June 2019 meeting. The TWG has also circulated its preliminary report to the IFAC Professional Accountants in Business (PAIB) Committee and will consider its members' feedback in Q4.
6. Mr. Friedrich participated in a series of short videos in July 2019 that will form part of a new Association of Chartered Certified Accountants (ACCA) online learning module on the topic of machine learning. These short videos will inform the module participants about, amongst other things, the role of IESBA, how IESBA is adapting to the digital age (including the launch of eCode), as well as ethics and machine learning.
7. The TWG Chair and staff will provide an update of its activities and share knowledge with IFAC Technology Advisory Group at its September 2019 meeting and will provide a report-back to the Board.

8. The TWG Chair will present the preliminary report at the September 2019 IESBA CAG meeting and will brief the Board on the CAG's feedback.
9. See Appendix for a list of the stakeholder outreach activities conducted to date. Further information about the TWG's activities and history of the work stream is available on the TWG's [project webpage](#).

Action Requested

10. IESBA members are asked to provide feedback to the following questions:
 - (a) Does the preliminary report clearly explain the TWG's findings and recommendations?
 - (b) Are there any other substantive matters that should be included or require further discussion in the preliminary report?
 - (c) Are there any other topics for non-authoritative material in addition to those highlighted in the preliminary report that should be considered by the TWG?
 - (d) Are there any other general or specific comments relating to the preliminary report?

Next Steps

11. As mentioned in the preliminary report, the TWG will meet in Q4 to discuss any outstanding comments and issues and will finalize its Phase 1 report, taking into consideration feedback received from the CAG and the IESBA during their September 2019 meetings, as well as any feedback from the IFAC PAIB Committee. The final report will include recommendations to the IESBA on how to further progress the technology work stream beyond this phase. The TWG will present its final report for Phase 1 at the December 2019 Board meeting.
12. Subject to IESBA members' views, the TWG aims to release a staff publication in Q4 2019 to inform stakeholders of developments pertaining to this work stream, including the TWG's remit, fact finding activities and key observations to date. The paper will also draw stakeholders' attention to the upcoming Phase 1 Final Report.

Materials Presented

For Discussion

Agenda Item 6A Technology Initiative Phase 1 Preliminary Report – September 2019

List of Stakeholders and Outreach Events Conducted to Date

Stakeholders/Events	MB	PAIBs	Firms	NSS	Reg	Academics	Vendor	Others	Region	Date
Association of Chartered Certified Accountants (ACCA)	•								Europe	Jan 2019
Chartered Institute of Management Accountants (CIMA)	•	•							Global	Jan 2019
Inflo (audit and accounting software vendor)							•		Europe	Jan 2019
Institute of Business Ethics (IBE)								•	Europe	Jan 2019
Institute of Chartered Accountants in England and Wales (ICAEW)	•								Europe	Jan 2019
Chartered Professional Accountants of Canada (CPA Canada)	•			•					North America	Jan 2019
University of Waterloo Centre for Accounting Ethics– 4 th Ethics Symposium	•		•			•			North America	Apr 2019
IESBA National Standard Settlers (NSS) 2019 Meeting				•					Global	May 2019
Accountancy Europe (AE) ¹	•								Europe	May 2019

¹ Representative body of European IFAC member bodies

Technology
 IESBA Meeting (September 2019)

Stakeholders/Events	MB	PAIBs	Firms	NSS	Reg	Academics	Vendor	Others	Region	Date
European Commission (EC)					•				Europe	May 2019
Organization for Economic Co-operation and Development (OECD)								•	Global	May 2019
Luncheon with Paris-based Firms			•						Europe	May 2019
Cercle d’Ethique des Affaires (CEA)								•	Europe	May 2019
CPA Canada – Foresight Meeting	•		•		•	•			North America	Jun 2019