
INDEPENDENT REGULATORY BOARD FOR AUDITORS

COMMITTEE FOR AUDITING STANDARDS

AN OVERVIEW OF THE LATEST COMMUNICATIONS FROM THE IAASB

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In the past three months, there has been several important communications that the International Auditing and Assurance Standards Board (IAASB) has released, to give guidance and/or answer pertinent questions that will help further enhance audit quality. These publications are outlined below, with a brief summary on what each covers.

IAASB Issues New Frequently Asked Questions for Reporting Going Concern Matters in the Auditor's Report

On 1 August 2022, the IAASB issued a [non-authoritative publication](#) to address some of the common questions related to reporting going concern matters in the auditor's report. Specifically, the publication focuses on the use of and the interrelationship between the Material Uncertainty Related to Going Concern and Key Audit Matters sections, on the one hand, and the Emphasis of Matter paragraphs in an auditor's report prepared in accordance with the International Standards on Auditing (ISAs).

This publication does not amend or override ISAs, the texts of which alone are authoritative. Reading the publication is also not a substitute for reading the ISAs.

New Implementation Guide Available for Identifying and Assessing the Risks of Material Misstatement in an Audit of Financial Statements

Released on 27 July 2022, the [First-Time Implementation Guide for ISA 315 \(Revised 2019\), Identifying and Assessing the Risks of Material Misstatement](#) focuses on the more substantial changes that were made to ISA 315 (Revised 2019). It will also help stakeholders understand and apply the revised standard as intended.

ISA 315 (Revised 2019) is effective for audits of financial statements for periods beginning on or after 15 December 2021. This publication does not amend or override ISA 315 (Revised 2019), the text of which alone is authoritative. Reading it is not a substitute for reading the standard.

IAASB's Public Report

On 19 July 2022, the IAASB published its [Public Report](#), detailing its support for the public interest for the year ended 31 December 2021. During this 12-month period, it approved the final [revised standard on group audits](#); agreed its [Work Plan for 2022-2023](#) that included a dedicated workstream on enhanced sustainability assurance standards; as well as developed and implemented its [Framework for Activities](#), among other actions.

The year 2021 also included the transformational milestone of launching its first fully digital handbook, in collaboration with the International Federation of Accountants. The new online

platform, [e-International Standards](#), highlights the IAASB's commitment to improving the usability of, and access to, its standards by harnessing technology.

IAASB Digital Technology Market Scan: Natural Language Processing

The fourth market scan from the Disruptive Technology team was released on 22 June 2022. Building on its previous work, the IAASB issues a market scan approximately every two to three months. These scans consist of exciting trends, including new developments, corporate and start-up innovation, noteworthy investments and what it all might mean for the IAASB.

In this latest market scan, the IAASB explores natural language processing (NLP), a technology that has applications within Accessing Information & Data (NLP and Computer Vision for Digitising Documents) and within Assessing Internal Controls (Optical Character Recognition, NLP and Machine Learning for Intelligent Document and Voice Analysis). This technology has the potential to impact many areas of the audit, enhancing the way auditors work and providing opportunities for greater insight.

In addition to the topics that the market scans often cover, in this one it also explores what natural language processing is and why it is important.

The market scan can be accessed on the [IAASB website](#).

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About the IRBA

The objective of the IRBA is to endeavour to protect the financial interests of the South African public and international investors in South Africa through the effective and appropriate regulation of audits conducted by registered auditors, in accordance with internationally recognised standards and processes.

The statutory responsibility of the Committee for Auditing Standards is to assist the IRBA to develop, maintain, adopt, issue or prescribe auditing pronouncements; consider relevant international changes by monitoring developments by other auditing standard-setting bodies and sharing information where requested; and promote and ensure the relevance of auditing pronouncements.