

LIA Technical Newsletter 1st Quarter 2022



AUDIT AND ASSURANCE

A new standard on audit of less complex entities

Smaller, less complex entities (LCEs) make crucial contributions to the world economy and account for the great majority of entities globally. At the same time, increasingly complex structures and transactions need to be addressed in the International Standards on Auditing (ISAs). This complexity in the ISAs can pose challenges for audits of less complex entities.

Based on the feedback from a discussion paper and outreach, the IAASB has developed a draft standard that is proportionate to the typical nature and circumstance of an audit of a less complex entity and is responsive to those stakeholders challenges and is a global solution.

Follow the link below to access the exposure draft.

<https://www.ifac.org/system/files/publications/files/IAASB-Exposure-Draft-Audits-Less-Complex-Entities.pdf>

International Standard on Quality Management (ISMQ 1)

ISQM 1 strengthens firms' systems of quality management through a robust, proactive and effective approach to quality management. The standard encourages firms to design a system of quality management that is tailored to the nature and circumstances of the firm and engagements it performs. ISQM 1 applies to all firms that perform engagements under the IAASB's international standards. ISQM 1 replaces ISQC 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements*.

Firms are required to have systems of quality management designed and implemented in accordance with ISQM 1 by December 15, 2022.

<https://www.iaasb.org/publications/international-standard-quality-management-isqm-1-quality-management-firms-perform-audits-or-reviews>

Webinar on ISQM

https://teams.microsoft.com/registration/nOnG0hqibku-hRH2zLPX4A,b85r1FLbjE6KE1YxQnNuDw,Qtbus2SJXEGy4ZDz24dMAg,qgkCzk8MuE-0LxohS1S5rg,ALLDaZarX0WBpzqoPuES_A,ZVnGB9CQTKwfQBBTumW9vw?mode=read&tenantId=d2c6e99c-a21a-4b6e-be85-11f6ccb3d7e0&skipauthstrap=1

PREPARING A FUTURE READY PROFESSION

A vision for CFO & Finance Function

The CFO and finance function agenda is changing. With more demanding customers and society, achieving sustainable, long-term growth and value creation has never been more challenging. This report provides a vision to develop an effective finance function in the context of evolving mandates driven by digital transformation and multicapital thinking. The vision represents a shift from accounting for the balance sheet to accounting for the business and value creation.

<https://www.ifac.org/system/files/publications/files/IFAC-Future-Fit-Accountant-VISION-Report-V6-Singles.pdf>

How Chartered Accountants can reboot their skills for digital era

From big data to cloud computing, the evolution of accountancy and technology are interwoven. Technical and ethical skills remain at the core of the CA's role, but are supported by digital skills that are increasingly essential to a career in finance.

<https://charteredaccountantsworldwide.com/cas-can-reboot-skills-digital-era/>

Rethinking Public Financial Management

Governments must invest in their PFM systems now so that they are flexible and resilient enough to deal with crises in the future.

<https://www.accaglobal.com/gb/en/professional-insights/global-profession/rethinking-public-financial-management.html>

CONTINUOUS PROFESSIONAL DEVELOPMENT

Accountants need continuous professional development to help with their skills in 4IR and understand how it impacts their work and ecosystems. Below are two courses that you can access for free to enhance your knowledge.

Elements of AI

<https://www.elementsofai.com>