

	<p style="text-align: center;">64th MEETING OF THE PIOB TECHNICAL COMMITTEE 28-30 SEPTEMBER 2020 VIRTUAL MEETING</p>	<p style="text-align: center;">Agenda Item 5.4</p>
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To: The Public Interest Oversight Board
From: James Dalkin, IAASB CAG Chair
Date: August 24, 2020
Re: Report of the IAASB CAG Chair, *Period Ending August 31, 2020*

Dear PIOB members,

I submit the following report related to the IAASB CAG activities for the period, April 15 – August 31, 2020. I draw your attention to the following matters:

IAASB Teleconference – August 11, 2020

I attended the IAASB Board conference call meeting on the date referenced above.

The IAASB meeting included the following topic for discussion and presentation:

- Fraud and Going Concern

The purpose of the call was to discuss a draft discussion paper highlighting the differences between public perceptions and the role of the auditor. In our March CAG meeting, members expressed strong support to explore the fraud and going concern issue in light of recent failures.

IAASB Teleconference – July 22, 2020

I attended the IAASB Board conference call meeting on the date referenced above.

The IAASB meeting included the following topic for discussion and presentation:

- Public Interest Entities

The issue of Public Interest Entities has not been significantly discussed within the CAG. There has been support for aligning the definitions between the two standard setting boards. However, determining the entities that fall within the definition has not yet been discussed. I believe that the current inconsistency should receive priority to resolve and demonstrate effective coordination between the Boards.

PIOB Meeting – Virtual – June 25, 2020

- I prepared for and virtually attended the meeting of the PIOB Board Meeting. Various topics were discussed including the CAG’s input to the Board.

IAASB Board Meeting – Virtual – June 15 - 19, 2020

I attended the IAASB Board meeting on the dates referenced above.

The IAASB meeting included the following topics for discussion and presentation:

- COVID-19 Response
- Technology
- Audits of Less Complex Entities
- ISQM 1
- ISA 220
- Audit Evidence
- QM2 Coordination

During the IAASB meeting the following significant CAG perspectives were provided:

- The CAG had previously expressed mixed reaction to the effective dates of QM standards. Several CAG members expressed concern on the length of time that would be required for audit organizations to update their internal policies.
- The CAG has been supportive of the LCE project with more members supporting one set of standards and then layering additional guidance for the more complex members rather than a separate set.
- The CAG has encouraged the LCE Task Force to focus on the principles and to determine why the ISAs have become a challenge for small firms to implement as a basis for moving forward.

Other Events and Notes

The next CAG meeting will be in September and will be held virtually. The IAASB meeting will follow a week later also virtual.

As CAG chair, I have been satisfied with the IAASB board's responsiveness to CAG feedback.

Respectfully submitted,

James Dalkin

James Dalkin
CAG Chair