

Agenda ISA 315 ED roundtable

9:00 am - 11:00 am Thursday 30 August 2018

XRB offices, Level 7, 50 Manners Street, Wellington

Est Time	Item	Topic
9:00 am	1	<u>Welcome and Introduction</u>
	2	<u>Discussion Questions</u>
9.05 am	Q1	Has ED-315 been appropriately restructured, clarified and modernized to promote a more consistent and robust process for the identification and assessment of the risk of material misstatement (ROMM)?
9.15 am	Q2	Are the requirements and application material of ED-315 sufficiently scalable, including the ability to apply ED-315 to the audits of entities with a wide range of sizes, complexities and circumstances? <ul style="list-style-type: none"> • Smaller and less complex? (Para. 13) • Appendix 1, Explanatory memo (page 31-33)
9.25 am	Q5a	Do the proposals relating to the auditor's understanding of the entity's system of internal control assist with understanding the nature and extent of the work effort required? Have the requirements related to the auditor's understanding of each component of the entity's system of internal control been appropriately enhanced and clarified? Is it clear why the understanding is obtained and how this information informs the risk identification and assessment process? (Para. 25-44 and A89-A200)
9.40 am	Q5b	Is it clear how controls relevant to the audit are identified, particularly for audits of smaller and less complex entities? (Para 39-40)
9.55 am	Q6a	Do you support separate assessments of inherent risk and control risk? (Para. 45-50 and A201-A235)
10:00 am	Q6b	Do you support the concept and definition of "inherent risk factors"? (Para. 16(f), A5-A6 and A83-A88)
10.15 am	Q6c	Will the introduction of the spectrum of risk assist in achieving greater consistency in the identification and assessment of ROMM?
10:25 am	Q6e	Do you support the revised definition and related material on the determination of significant risks? What are your views on para 57 of the Explanatory memo relating to how significant risks are determined on the spectrum of inherent risk? (Para. 16(k), A10, A229-A231)
10.40 am	Q8	What are your views about the proposed stand-back requirement in paragraph 52 of ED-315 and revisions proposed to paragraph 18 of ISA 330? Should either or both be retained? Why or why not?
11:00 am	3	<u>Closing</u>