
IAASB, IAESB, IESBA issue new paper on professional scepticism and standard-setting developments

In August a joint working group from the three global standard-setters* published an observations report, [Toward Enhanced Professional Skepticism](#). In light of an increasingly complex business environment, the working group's primary aim was to see how the three Board's and their standards could further strengthen the understanding and application of the concept of professional scepticism in the context of the audit. In the report the working group outline their observations on the current environment and actions the global standard-setting boards plan to take, as well as the role that other stakeholders could play, in enhancing professional scepticism in the near and long term.

PwC commentary

The report is primarily an update on what the ethics, audit and education boards are doing to respond to stakeholders' interest in enhancing professional scepticism. We believe it is positive that the three boards are collaborating on this, as professional scepticism is pervasive to our behaviour as auditors and professional accountants, and not something that can be addressed by a change in ethical or audit/assurance standards requirements alone. Perhaps the most important message is that it is appropriate that scepticism is top of mind in every project. Given stakeholders' interest in the topic, this paper usefully demonstrates the standard setting boards attention to it, but does not -- and cannot -- offer quick fixes.

* International Auditing and Assurance Standards Board (IAASB), International Accounting Education Standards Board (IAESB), International Ethics Standards Board for Accountants (IESBA)

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