

10 questions for audit committees



These questions will help audit committees focus their discussions with management of corporates on implementation of the new standards

Key decisions and interpretations

1. What are the **key accounting interpretations and judgements** and why are they appropriate?
2. What plans are in place to conclude on **key decisions**, including validating them with the external auditors to deliver high-quality implementation by 2018? Is there an audit trail of the analysis performed and the conclusions drawn?
3. How will **implementation decisions** be **monitored** to ensure they remain appropriate?

Specific impacts

- IFRS 9*
4. If any new **impairment and hedging methodologies** have been designed, have these been tested?
- IFRS 15*
5. Will the **timing or pattern of revenue recognition** change? If not, why not?

Transparency

6. How will the **IFRS disclosure requirements** be met and how will those disclosures facilitate **comparability**? What level of **assurance** will you expect your auditors to provide on the **adequacy** of the transition disclosures?
7. What is the plan for communicating **changes in KPIs** to users?

People

8. Is there **sufficient resource** to implement the changes? Have the affected members of the workforce received the **appropriate training**?

Systems and controls

9. Have all **changes to existing systems and processes** been identified, including data requirements and internal controls, to ensure they are appropriate for use under the new standards?
10. What steps are being taken to properly document and test any **reporting processes and controls** – both existing and new – particularly where systems and data sources have not previously been subject to audit?