

Meeting: Stakeholder Advisory Council (SAC)

Meeting Location: New York

Meeting Date: October 20–21, 2026

Agenda Item

3

Other Assurance Engagements

A. Background and Purpose of Information Gathering

1. The objectives of the SAC discussion in October 2026 are to:
 - (a) Provide the SAC with an overview of the rationale for establishing this workstream and initial findings from information-gathering activities undertaken to date on other subject matter-specific assurance engagements (“other assurance”).
 - (b) Obtain the SAC’s insights on the four themes identified for other assurance engagements being conducted or emerging and the Board’s initial direction at the IAASB September 2026 meeting relating to the IAASB’s potential role and prioritization of action with respect to these themes.
2. This paper focuses on assurance engagements other than sustainability assurance engagements¹ and other than audits and reviews of financial statements. Therefore, assurance engagements under the ISAE² suite of standards.
3. At the IAASB March 2026 meeting, noting a growing focus on different types of other assurance engagements being undertaken or evolving, the Board expressed support for further information-gathering activities with the objectives of:
 - Better understanding “other” subject matter-specific assurance engagements being undertaken or evolving in regions and jurisdictions, and their possible global relevance.
 - Identifying the standards in accordance with which these engagements are undertaken, including existing jurisdictional standards or guidance for such engagements.
4. This paper summarizes the information-gathering activities undertaken to date, the input received about the demand for and nature of other assurance engagements and the IAASB’s initial direction relating to its potential role and prioritization of action with respect to other assurance engagements as identified under various themes.
5. Further information-gathering activities are being undertaking to augment the input received to date, to provide the basis for a final report, including recommendations regarding possible further actions,

¹ At the IAASB March 2026 meeting, regarding International Standard on Sustainability Assurance™ (ISSA) 5000 *General Requirements for Sustainability Assurance Engagements*, the Board confirmed that the most appropriate course of action in the current environment is to allow the market time to adopt and implement ISSA 5000 before contemplating any further standard-setting action, while standing ready to respond to any significant or urgent issues that may come up and require action to meet the public interest.

² International Standards on Assurance Engagements

for the IAASB's consideration at its December 2026 meeting. The IAASB's further information gathering includes the discussion with SAC at its meeting in October 2026.

6. The remainder of the paper is structured as follows:
 - B. Information-Gathering Activities Undertaken to Date and in Progress
 - C. Four Themes Identified and Initial Findings
 - D. Summary Views and Board's Initial Direction on the Four Themes Identified
 - E. Other Feedback Received on Forward Looking Information

B. Information-Gathering Activities Undertaken to Date and in Progress

7. The information-gathering activities undertaken to date included:
 - Review of:
 - Input from the 2026 IAASB-IESBA Joint Stakeholder Survey to inform the Boards' development of their consultation papers for their next strategy period, 2028-2031 (2026 Joint SWP Survey).
 - Responses to requests for information on the nature of other assurance engagements being undertaken or evolving, standards applied and guidance available in jurisdictions, from:
 - The IAASB Jurisdictional Auditing and Assurance Standard Setters Liaison Group (JSS),³ representing 21 jurisdictions.
 - Regional accounting bodies, by gathering information from their members bodies.
 - Outreach with key stakeholders:
 - Standard Setters: Discussion with the JSS at the April 2026 IAASB-JSS meeting.
 - Regulators: IOSCO Committee 1,⁴ to understand other assurance engagements on which regulators consider IAASB action may be needed.
 - Assurance Practitioners:
 - IFAC Small and Medium Practices Advisory Group (SMPAG) to understand other assurance engagements conducted in small to medium practices and for small to medium entities.
 - Forum of Firms (FoF) to understand large and mid-tier global network firms' views on possible priorities for IAASB actions on other assurance engagements.
 - Users: IAASB-IESBA User Advisory Group (UAG) to understand investors and other users' demand for and perspectives relating to other assurance engagements.

³ The role of the JSS and the member bodies it comprises are listed on the [About IAASB](#) webpage under IAASB-JSS.

⁴ International Organization of Securities Regulators' Committee on Issuer Accounting, Audit and Disclosure

- Initial desk-top research of jurisdictional standards, regulatory requirements, relevant publications, and assurance services being offered by firms.
8. Further information gathering is in progress to build on the input received thus far and to gain deeper insight into the engagements being undertaken and evolving under the four themes identified. This includes:
- Review of responses to requests for information from regulators and regional accounting bodies.
 - Review of academic papers.
 - Outreach with targeted assurance practitioners, global and regional accounting bodies, IFAC's Professional Accountants in Business (PAIB) Advisory Group, and the IAASB Technology Consultation Group (TCG).
 - Desk-top research to follow up on resources and information that had been highlighted in outreach with and responses to requests for information.

C. Four Themes Identified and Initial Findings

9. The most prominent themes identified from input received and outreach with stakeholders are:
- Theme 1: Assurance engagements on systems and controls
 - Theme 2: Assurance engagements on controls at a service organization
 - Theme 3: Assurance engagements to provide a one-to-many report
 - Theme 4: Assurance engagements on various types of other subject matters under ISAE 3000 (Revised)
10. The nature of assurance engagements for each theme is set out in the tables below, followed by a summary of the feedback received. The nature of assurance engagements for each theme covers:
- The underlying subject matter;
 - The criteria or framework against which the subject matter is measured or evaluated;
 - The subject matter information resulting from such measurement or evaluation; and
 - Types of assurance engagements being conducted in terms of reasonable or limited assurance, mandatory or voluntary engagements and, if applicable, the matters covered by the practitioner's conclusion.

Theme 1: Assurance Engagements on Systems and Controls

Nature of Assurance Engagements on Systems and Controls			
Underlying Subject Matter	Criteria/ Framework	Subject Matter Information	Type of Assurance Engagement
Systems, processes, internal controls or a combination. For example, the system of internal control, one or more of the component(s) of the system⁵ or specific controls identified over: - Financial reporting, sustainability reporting or other external reporting; or - Operations or compliance, such as risk management or technology, for example: - AI - IT Risks, including cybersecurity	Entity-developed control objectives or framework criteria. Examples: System of internal control: - COSO⁶ - SOX⁷ US legislative requirements IT controls: - COBIT⁸ - NIST⁹ AI Risk Management Framework (AI RMF 1.0) - NIST Cybersecurity Framework (CSF 2.0) - ISOs on management	Management's assertions about the system of internal control, component(s) of the system or specific controls. Internal or external report on a component(s) of the system or specific controls, for example: - Internal: Management report on AI Risk Management under NIST. - External: IT annual report prepared in accordance with IDRS on Governance of IT.	Engagements may be: - Mandatory or voluntary. - Reasonable or limited assurance Engagements may encompass specific aspects of the system or a component(s) or identified controls. For example, the engagement may conclude on: - The fair presentation of the description of the controls as designed and implemented, as at a date or throughout the period. - Suitability of the design of the

⁵ For the purposes of IAASB Standards the system of internal control comprises 5 inter-related components:

1. Control environment;
2. The entity's risk assessment process;
3. The entity's process to monitor the system of internal control;
4. The information system and communication; and
5. Control activities.

⁶ The Committee of Sponsoring Organizations of the Treadway Commission Internal Control—Integrated Framework (COSO).

⁷ Sarbanes-Oxley Act (2002) (US legislation) requirements for a reasonable assurance engagement on the design and operating effectiveness of the system of internal controls over financial reporting.

⁸ Control Objectives for Information and Related Technologies (COBIT).

⁹ National Institute of Standards and Technology (NIST)

Nature of Assurance Engagements on Systems and Controls			
Underlying Subject Matter	Criteria/Framework	Subject Matter Information	Type of Assurance Engagement
and data privacy	systems, such as ISO/IEC 42001¹⁰ for AI; and ISO/IEC 27001¹¹ for Information security • General Data Protection Regulation (GDPR) (EU) 2016/679 • The EU AI Act • IDRS on Governance of IT¹²		controls to meet the control objectives, as at a date or throughout the period. • Implementation of the controls as designed as at a date. • Operating effectiveness of the controls to provide reasonable assurance that the control objectives stated in the description were achieved throughout the period.

Overall Feedback on Assurance Engagements on Systems and Controls

11. In India, Japan and the US assurance on management's assessment of the effectiveness of internal control over financial reporting ("the audit of internal control over financial reporting") that is integrated with an audit of the financial statements, is mandatory for publicly traded or listed companies and their wholly owned subsidiaries. In Canada similar reporting on management's assessment of controls is mandatory in annual reports for most publicly traded companies, however assurance is not required.
12. Although in the EU and UK, corporate governance statements describing the main features of internal control and risk management systems regarding financial reporting are mandatory for listed and large companies, there is no requirement for external audit or assurance on those statements.

¹⁰ ISO/IEC 42001:2023 Information technology — Artificial intelligence — Management system.

¹¹ ISO/IEC 27001 Information security, cybersecurity and privacy protection — Information security management systems — Requirements.

¹² The International Digital Reporting Standards (IDRS) on Governance of IT (September 2025).

13. The JSS in Australia, New Zealand, Germany and the US reported that assurance engagements on systems and controls are being conducted in their jurisdictions under jurisdictional standards.
14. Additional feedback from outreach with stakeholders regarding possible IAASB action on assurance engagements on systems and controls (see also paragraphs 15-20 that provide more information about the focus on technology, including AI) included:
 - Strong support by some practitioners and JSS for a new standard for assurance engagements on controls in the ISAE suite of standards, due to widespread demand and applicability across jurisdictions.
 - Members of the UAG indicated that the priority should not only be on the reliability of the underlying information itself, but also the robustness of the governance, controls and methodologies supporting its production. In particular, they identified a growing relevance of assurance engagements on systems and controls over AI, and digital reporting processes.
 - 13 respondents (12%) to the 2026 Joint SWP Survey,¹³ including standard setters, regional and jurisdictional accounting bodies, accounting firms, and a user, elaborated on their comments relating to assurance on technology, discussed further below (see paragraphs 15-20), as part of their input on the importance of the digital transformation trend for the IAASB, and other key trends impacting the IAASB's work. The main points raised were:
 - A core area of focus should be the entity's use of technology in financial and non-financial reporting and related processes.
 - Increased demand was observed for assurance engagements on:
 - IT governance.
 - IT risk management.
 - AI systems and controls for governance, model risk management, inputs, outputs, and decision logic.
 - Cybersecurity and digital resilience, including program and control assessments, regulatory readiness and assurance, and incident response simulations.
 - Data privacy.
 - Most respondents that commented on this trend called for guidance on implementing ISAE 3000 (Revised) owing to the rapid pace of some developments and to allow flexibility in addressing emerging trends. In addition, they noted the importance of ISAE 3000 (Revised) remaining flexible to permit performance across a broad range of subject matters, although some saw guidance as a prelude to future standard setting.
 - Many of the subject matters identified involve controls not related to financial reporting or service organizations, suggesting that non-authoritative material for the application of

¹³ Board members should note that the joint survey did not specifically ask stakeholders to identify potential work plan topics for the IAASB and IESBA, separately. However, many respondents to the joint survey did highlight topics or areas for consideration by the IAASB specifically (or IESBA specifically) as part of elaborating on their comments relating to the Boards' strategic positioning, key trends impacting their environment and areas for joint action.

ISAE 3000 to assurance engagements on controls that are not in the scope of ISAE 3402 is especially needed in practice.

Feedback on Technology-Related Matters

15. Desktop research indicates that AI regulations¹⁴ are in place in 84 jurisdictions worldwide and nearly twice that number of jurisdictions have privacy and data protection laws¹⁵. Accordingly, assurance engagements on technology, including AI and cybersecurity, are increasingly being offered by practitioners.
16. In the outreach conducted and information gathered to date, the growing need and strong demand for assurance on technology relating to AI, cybersecurity or data governance was raised, by practitioners, regional and jurisdictional accountancy bodies, standard setters and users (see also paragraph 14). However, it is not always clear the nature of the assurance engagements that are being referred to. There are a wide range of aspects of AI and IT risks, including cybersecurity and data security, that may be subject to assurance. For example, AI assurance may cover source data (inputs), models (decision logic), outputs, governance or management systems, and IT risks may cover governance, processes, and controls.
17. Desktop research confirms that there is a wide range of frameworks, including laws and regulations, that may provide suitable criteria for assurance engagements on technology-related matters across the organization or for specific topics or aspects of those topics. For example:
 - IT governance and management: COBIT, IDRS
 - AI risk management: NIST AI RMF; ISO/IEC 42001, EU AI Act
 - Cybersecurity risk management: NIST CSF, ISO/IEC 27001
 - Data privacy: GDPR
18. Frameworks for reporting on IT are evolving. For example, IDRS was developed in the Netherlands in 2025 as a framework for voluntary reporting on governance over IT and is available to entities for preparation of “IT annual reports”. The standard addresses six material IT sub-topics: digital transformation, data & AI, third party management, cybersecurity, IT continuity, and privacy. The framework is still in the early stages of uptake for voluntary adoption. The Netherlands government is in the process of considering whether they will adopt it for government and private companies.
19. The IAASB [Technology Catalog](#) notes that technological developments are raising questions about whether there is a need for new or evolving forms of assurance engagements in relation to AI, including assurance over an entity’s AI system or its AI governance framework in accordance with suitable criteria. [Closing the AI trust gap: The role of the CPA in AI](#) found that there is a critical need for assurance on AI management systems and controls over performance, accuracy and integrity of these AI systems, to maintain trust in AI systems as they evolve. The paper also noted that “Governments and regulatory bodies worldwide are formulating new laws and guidelines to govern AI development and operation. Assurance engagements are being identified as a way for developers and deployers of AI systems to respond to regulators.” The paper identified that the most common

¹⁴ See [VerityWise AI Tracker](#)

¹⁵ See the UN Trade and Development’s (UNCTAD) [Global Cyberlaw Tracker](#) (updated June 24, 2026)

aspects of AI systems that may be subject to assurance services are the AI management system (AIMS) and the AI system's functionality.

20. The initial information gathering indicates that the key elements common to the IT frameworks identified are governance and management systems. Therefore, the IAASB has included assurance on IT, (e.g., AI, and IT risks, including cybersecurity and data privacy) under Theme 1 Assurance engagements on systems and controls. Assurance engagements may also address the outputs of AI or other IT systems, but arise much less frequently in the information gathering undertaken so far.

Theme 2: Assurance Engagements on Controls at a Service Organization

Nature of Assurance Engagements under ISAE 3402 or in the Context of Controls Relevant to Reporting Other than Financial Reporting			
Underlying Subject Matter	Criteria/ Framework	Subject Matter Information	Type of Assurance Engagement
Controls at a service organization relevant to user entities' internal control as it relates to financial reporting. Or, in the context of a broader scope, controls at a service organization relevant to user entities': - Internal controls related to non-financial reporting. - Compliance. - Operations.	Entity developed control objectives relevant to user entities' controls related to their financial or non-financial reporting; or Framework criteria.	Management of the service organization's assertions regarding: - The fair presentation of the description of the service organization's system as designed and implemented; - The suitability of the design of the controls; and - If applicable, the operating effectiveness of the controls.	Engagements may be: - Mandatory or voluntary - Reasonable assurance only¹⁶ The assurance conclusion addresses management of the service organization's assertions.

21. ISAE 3402 was issued in December 2009 and became effective for service auditors' assurance reports covering periods ending on or after June 15, 2011, with only minor conforming amendments since. It is being applied for reasonable assurance engagements on controls at a service organization directly or under jurisdictional equivalent standards, including in Australia, Brazil, Canada, Germany,

¹⁶ ISAE 3402 and all equivalent jurisdictional standards identified only allow for reasonable assurance engagements on controls at a service organization.

Japan, and New Zealand. Jurisdictional specific standards on controls at a service organization are also applied in the USA and Japan.

22. Feedback from information-gathering activities undertaken to date indicates some demand for possible IAASB action related to ISAE 3402 (among accounting firms, JSS and professional accountancy organizations). Key messages to note:
- An emerging need for an assurance engagement to provide a report for use by user entities and their sustainability assurance practitioners on the controls at a service organization that are likely to be relevant to their sustainability reporting and demand for ISAE 3402-type assurance reports beyond controls relevant to reporting.
 - Actions suggested:
 - Developing a new assurance standard or expanding ISAE 3402 to cover controls at a service organization more broadly.
 - Updating ISAE 3402 to address the effect of AI on systems and organization controls, especially given increased demands for assurance on subject matters such as AI, controls and cybersecurity, as well as regulations relating to these areas.
 - Modernization of ISAE 3402 to incorporate relevant concepts and other enhancements from the development of ISSA 5000 (see also **Theme 4** that addresses similar feedback in relation to ISAE 3000 (Revised)).
 - Developing non-authoritative material for application of ISAE 3402 to emerging subject matters, including AI and cybersecurity, in addition to covering controls not in the scope of ISAE 3402, such as sustainability reporting.

Theme 3: Assurance Engagements to Provide a One-to-Many Report

Nature of Assurance Engagements to Provide a One-to-many Report (this excludes instances where the subject matter is controls at an entity – see Theme 2)			
Underlying Subject Matter	Criteria/ Framework	Subject Matter Information	Type of Assurance Engagement
Potential wide range of subject matters on which an entity reports information relevant to the information or reporting needs of user entities and their assurance practitioners. For example: • Sustainability matters	Entity-developed or framework (or other established) criteria relevant to an entity's reporting responsibilities for the subject matter. Often is aligned with the reporting criteria under which user entities are likely to report (e.g., in preparing their	Targeted information about a subject matter relevant to the information or reporting needs of user entities and their assurance practitioners.	Reasonable assurance or limited assurance engagements. Most likely to be voluntary engagements to meet market demands (e.g., across value chains).

Nature of Assurance Engagements to Provide a One-to-many Report (this excludes instances where the subject matter is controls at an entity – see Theme 2)			
Underlying Subject Matter	Criteria/ Framework	Subject Matter Information	Type of Assurance Engagement
- Matters related to the cloud services environment - Matters in the blockchain environment	sustainability information).		

The Concept of a One-to-many Report

23. The IAASB coined the term “one-to-many report” during the development of ISSA 5000 where the concept is used in the context of the assurance practitioner intending to obtain evidence from using the work of another practitioner (defined in ISSA 5000) and such ‘another practitioner’ has issued an assurance report that has been designed for use by user entities and their assurance practitioners across a value chain.¹⁷
24. The IAASB introduced this concept in ISSA 5000 to address a practical challenge of using the work of another practitioner, particularly at value chain entities, in cases where the entity’s sustainability information is required to also include information from upstream or downstream value chain entities and neither the entity nor their assurance practitioner have access to those entities or their assurance practitioners.¹⁸ The IAASB expected (and some stakeholders predicted) that assurance engagements undertaken by practitioners to provide an assurance report designed for user entities and their assurance practitioners, similar to service organization assurance reports (i.e., under ISAE 3402), may evolve as a necessary solution to address reporting entities’ information needs when complying with relevant sustainability reporting requirements.¹⁹
25. Although the concept of a one-to-many report encapsulates a situation where an assurance practitioner intends to obtain evidence about the operating effectiveness of relevant controls at a service organization or, in the context of a sustainability assurance engagement, controls at a value chain entity, it is intended to be broader. This concept is envisaged to also apply to assurance reports about information reported by an entity (i.e., not the controls over reporting, but the information reported itself). That is, a situation where an entity engages an assurance practitioner to issue an assurance report on information reported by that entity, which is designed for use by user entities and their assurance practitioners. For example, in a sustainability assurance context, one-to-many reports

¹⁷ See ISSA 5000, paragraphs 50-52.

¹⁸ These value chain entities are value chain components for the purposes of ISSA 5000, being entities, from which information is included in the reporting entity’s sustainability information, that are part of the reporting entity’s upstream or downstream value chain but are not entities or business units required to be included in the reporting entity’s group financial statements (ISSA 5000 para. A17).

¹⁹ See ISSA 5000 Basis for Conclusions, paragraphs 86-88, and ISSA 5000 Implementation Guide, paragraphs 254-255.

may address an entity's scope 1 and 2 emissions disclosures that feed into the scope 3 disclosures for other entities in the value chain's sustainability reports.

26. The concept of one-to-many reports also has application other than in the context of sustainability information across a value chain.

Feedback from Information-Gathering Activities Undertaken to Date

27. To the IAASB's knowledge, the practice of value chain entities engaging assurance practitioners to issue one-to-many reports on their sustainability information for use by other entities and their assurance practitioners across the value chain has not yet evolved.²⁰ In ongoing outreach relating to the implementation of ISSA 5000, some practitioners have questioned whether and when one-to-many reports will be available as a source of evidence for sustainability assurance engagements. However, there also is a view that such reports are more likely to emerge as ISSA 5000 is implemented and sustainability reporting continues to evolve and demands for information from value chain entities to be used as evidence rise, resulting in those entities seeking more efficient solutions to meet those demands.
28. Feedback regarding IAASB action for assurance on one-to-many reports was received from some respondents to the 2026 Joint SWP survey, as part of their broader input on the strategic positioning and environmental trends for the IAASB, who shared the following insightful observations:
- One-to-many reports could help to resolve concerns arising from the increasing reliance on information from third parties, due to:
 - Limited availability, accessibility, and reliability of evidence from external parties.
 - Complex value chains, cloud and blockchain environments, and the use of external service providers that are creating growing dependencies and interconnections.
 - Lack of clear distinction between software and service providers.
 - Reliance on third party confirmations in the value chain.
 - Standard setting on one-to-many reports is not necessarily required, as the existing assurance standards could be applied, but non-authoritative guidance could provide practical solutions, including use cases and examples, to support consistent application in practice.

²⁰ The IAASB has some anecdotal evidence about these types of engagements starting to be offered, but this would need to be explored further.

Theme 4: Assurance Engagements on Various Types of Other Subject Matters Under ISAE 3000 (Revised)

Nature of Assurance Engagements under ISAE 3000 (Revised) (specific to attestation engagements)			
Underlying Subject Matter	Criteria/ Framework	Subject Matter Information	Type of Assurance Engagement
Potential wide range of subject matters other than financial position, financial performance or sustainability matters (i.e., other than subject matters, the measurement or evaluation of which result in historical financial information or sustainability information)	Entity-developed criteria. Established criteria, including requirements in law or regulation, or framework criteria.	Reported information, other than historical financial information or sustainability information, about a subject matter	Limited assurance or reasonable assurance engagements, whether mandatory or voluntary

29. An overarching observation from the information-gathering activities undertaken is that ISAE 3000 (Revised) is widely used globally across a broad range of assurance engagements. Although exact statistics on adoption are not available, the IAASB understands that it is adopted across the majority of jurisdictions that adopt IAASB auditing standards. JSS noted that the standard also continues to be a leading standard applied for new and emerging assurance engagements. However, some JSS have noted that a number of stakeholders are querying whether it remains fit-for-purpose or needs to be modernized to ensure it continues to support high-quality assurance engagements.
30. Specific feedback regarding IAASB action to modernize ISAE 3000 (Revised) is:
- Recommendations for the IAASB to focus on the modernization of ISAE 3000 (in addition to modernization of ISAE 3402 covered in **Theme 2**) to understand whether it is still fit-for-purpose as a global baseline assurance standard or if revisions are needed.
 - Although ISSA 5000 was developed to address the specific needs of sustainability assurance engagements, certain areas that were addressed in ISSA 5000 or that reflect an updated approach may be relevant to all assurance engagements and warrant consideration for possible revisions to ISAE 3000 (Revised). These include:
 - Quality management and relevant ethical requirements;
 - Estimates and forward-looking information (see also paragraph 39-40);
 - Use of experts; and
 - Reporting.

- Others have cautioned against reopening ISAE 3000 (Revised) to maintain its flexibility as an umbrella standard and have suggested instead to supplement it by developing non-authoritative material to address application of the standard to emerging subject matters or to meet demands to focus on specific subject matters that would serve to illustrate the subject matters to which it can be applied.²¹
31. Submissions to Request for Input from JSS members highlighted assurance engagements on specific subject matters, which either require application of ISAE 3000 (Revised) or local equivalent of ISAE 3000 (Revised) together with subject matter specific local standards, or use of a specific local standard that has been developed based on or converged with ISAE 3000 (Revised) or local equivalent, including for the following engagements:
- Compliance engagements: Australia, along with extensive guidance, Germany on income tax information (country-by-country) reporting under development, Japan on segregated management of client assets by financial instruments firms and green bonds use of proceeds reports, New Zealand, and the USA.
 - Capital or fundraising, mergers and acquisitions: (see also paragraphs 39-40 in relation to forward-looking information): Australia, Finland, New Zealand and the USA, along with guidance in India and the USA.
 - Performance engagements: Australia.

D. Summary Views and Board's Initial Direction on the Four Themes Identified

Summary Views Originally Presented for the IAASB's Consideration in September 2026

32. The table below presents, in a visual format with some specific observations, summary views about the IAASB's potential role and prioritization of **Themes 1 to 4** related to other assurance engagements, based on the balance of input from the information-gathering activities undertaken to date. The analysis has applied a series of *qualifying criteria* from the [IAASB Framework for Activities](#) for determining whether further action may be needed and, if so, the nature of such action.
33. The color coding in the table reflects the relative strength of each qualifying criterion (see degree of shading for each criterion) as an indicator of whether each theme warrants specific IAASB attention.

²¹ Note that the IAASB developed and published [Non-Authoritative Guidance on Applying ISAE 3000 \(Revised\) to Sustainability and Other Extended External Reporting \(EER\) Assurance Engagements](#), in April 2021 (retitled in December 2021).

Potential topics or areas that may warrant specific IAASB attention	Qualifying Criteria				
	Public Interest	Alignment with remit	Prevalence globally	Engagement Quality	Urgency
Theme 1: Assurance engagements on systems and controls (paragraphs 11-20)	(i)	(ii)			(iii)
Theme 2: Assurance engagements on controls at a service organization (paragraphs 21-22)			(iv)		
Theme 3: Assurance engagements to provide a one-to-many report (paragraphs 23-28)	(v)	(vi)		(vii)	
Theme 4: Assurance engagements on various other subject matters under ISAE 3000 (Revised) (paragraphs 29-31)	(viii)			(ix)	

Some Specific Observations:

Theme 1 Assurance engagements on systems and controls

- (i) Public Interest: Beyond the information reported by entities, there is an increased interest in and focus on the systems and processes that support the preparation of, or that may have an impact on, the information, particularly with respect to technology-related matters. Noted also is the increasing regulation of controls over technology, including AI and cybersecurity, that indicate a public interest need in this area.
- (ii) Alignment with remit: General-purpose external reporting is underpinned by systems and processes, including internal controls, that provide a reasonable basis for an entity to report financial or non-financial information, as appropriate. In this context there is a strong link to the IAASB's remit; however, other aspects of "AI Assurance" may require further consideration.
- (iii) Urgency: Demand is increasing, with the interest in systems and controls by users and other stakeholders gaining prominence amid fast paced changes driven by emerging technologies.

Theme 2 Assurance engagements on controls at a service organization

- (iv) Prevalence globally: ISAE 3402 is a long-established standard and well recognized for its role within the financial reporting ecosystem in meeting the information needs of user entities and their auditors. However, this is limited to controls related to financial reporting. The demand for these types of assurance engagements and reports beyond financial reporting, for example, related to controls relevant to sustainability reporting or relevant to technology or technology-enabled systems and processes, has not been clearly established yet. However, demand is likely to rise considering the proximity between **Themes 1 and 2** relating to the focus on systems and controls more broadly.

Theme 3 Assurance engagements to provide a one-to-many report

- (v) Public Interest: The noted trend of increasing reliance on third-party information amid developments in the environment that impact availability and access to various parties across the external reporting value chain and that add complexity supports the need for reliability, trust, consistency and comparability in meeting the public interest.
- (vi) Alignment with remit: Although the concept of one-to-many reports, that does not relate to controls over reporting but to the information reported itself, is relatively new, it would in principle align with the IAASB's remit if the subject matter has proximity to general-purpose external reporting by entities (i.e., in satisfying the information needs of user entities and their assurance practitioners in that context). However, alignment with respect to other subject matters, for example, certain technology-related matters, may require further consideration.
- (vii) Engagement Quality: In the context of existing standards that recognize the unique relationship contemplated in these types of engagements between different entities and their assurance practitioners, extant ISAE 3402 is relevant, but it specifically applies to controls as the subject matter. In principle, there may be legitimate questions from an engagement quality perspective when the focus is on the information reported itself and used by other entities.

Theme 4 Assurance engagements on various types of other subject matters

- (viii) Public Interest: The broad range of subject matters covered by ISAE 3000 (Revised), that are not addressed in subject matter-specific standards, could potentially risk fragmentation as jurisdictions either develop their own subject-matter specific standards or local guidance relating to the application of ISAE 3000 (Revised). Fragmentation could raise questions about consistency and comparability of assurance engagements, specifically in the case of subject matters or subject matter information that have global relevance.
- (ix) Engagement Quality: Feedback received raises questions about the possible need to modernize ISAE 3000 (Revised) to reflect the Board's thinking from new or recently revised standards. Calls are also growing for guidance relating to the application of the principles of ISAE 3000 (Revised) to certain subject matter-specific assurance engagements.

Board's Initial Direction Regarding IAASB's Potential Role and Prioritization of Action

34. The IAASB will consider a final report with recommendations regarding possible further actions at its December 2026 meeting. Possible further action encompasses the full spectrum under the IAASB Framework for Activities, from no action, additional information gathering, development of non-authoritative materials, to standard setting or related activities that may involve others.
35. The Board's initial direction regarding Theme 1 – Assurance engagements on systems and controls:
- Support for action, noting a gap in the ISAE suite of standards because of distinct characteristics not covered in ISAE 3000 (Revised).
 - Explore whether engagements under Themes 1 and 2 could be addressed together, since they both relate to systems and controls.
36. The Board's initial direction regarding Theme 2 – Assurance engagements on controls at a service organization:
- Strong support for modernizing and broadening ISAE 3402, with suggestions to extend it beyond controls over financial reporting and to address technology given the expansion and evolution of third-party services, including cloud services.
 - Consider:
 - Revising ISAE 3000 (Revised) and ISAE 3402 in tandem, given their interdependence.
 - Addressing engagements under Themes 1 and 2 together (as noted under Theme 1 above).
37. The Board's initial direction regarding Theme 3 – Assurance engagements to provide a one-to-many report:
- Mixed views:
 - Some consider that it is too early for action, or that guidance may suffice.
 - Others view that the importance of one-to-many reports may be underestimated in the initial analysis of findings.
 - Address one-to-many reports on controls under ISAE 3402 given that both meet the needs of user entities (see Theme 2).
38. The Board's initial direction regarding Theme 4 – Assurance engagements on various types of other subject matters under ISAE 3000 (Revised):
- Agreement that the umbrella status of ISAE 3000 (Revised) must be preserved (i.e., caution that the standard cannot be too granular or introduce too much prescription).
 - Support for modernizing ISAE 3000 (Revised) but also caution to consider unintended consequences of opening a standard that appears to be working well.

Matters for SAC Members' Consideration:

1. SAC Members are asked to share their views on:
 - (a) *Whether Themes 1 to 4 resonate with their understanding of other assurance engagements being conducted or emerging, the nature of those engagements, and any additional matters for the IAASB to consider about the landscape of other assurance engagements.*
 - (b) *The Board's initial direction regarding the IAASB's potential role and prioritization of action with respect to these themes.*

E. Other Feedback Received on Forward Looking Information

39. In addition to the feedback related to the four themes discussed in **sections C**, feedback was received on the topic of forward-looking Information.
40. Forward-looking Information has been raised as an area for possible IAASB action. Specifically:
 - From the Request for Input submissions from JSS members, there was an observation about a rising demand for the preparation of forward-looking information and need for assurance on forward-looking financial and non-financial information, questioning whether ISAE 3400²² may require revision.
 - Members of the UAG noted the growing relevance in assurance over forward-looking information that may warrant consideration and also that the IAASB should prioritize areas where investor confidence and public trust are most at risk, including assurance over narrative and forward-looking information, and more generally, use of experts, group audits, and the management of conflicts of interest.
41. Forward-looking information is currently addressed in:
 - ISAE 3000 (Revised), which applies to all assurance engagements other than audits or reviews of historical financial information or sustainability assurance engagements. In explaining the wide range of potential subject matters covered by the standard, ISAE 3000 (Revised), highlights, among other matters, the importance of considering the degree to which information about subject matters is qualitative versus quantitative, objective versus subjective, historical versus prospective (or forward-looking), and relates to a point in time or covers a period.²³
 - ISAE 3400, which is a subject matter-specific standard that deals with assurance engagements on prospective financial information, including a forecast, a projection or a combination of both.²⁴

²² ISAE 3400, *The Examination of Prospective Financial Information*

²³ ISAE 3000 (Revised), paragraph A42.

²⁴ Note that ISAE 3400 was issued in June 2008 and is in pre-clarity format (the IAASB's [Clarity project](#) was completed at the end of 2008). The Clarity project reviewed the drafting conventions of the ISAs to identify ways to improve the clarity, and therefore the consistent application, of International Standards issued by the IAASB. ISRE 3400 has not been "clarified" and has not been subject to conforming and consequential amendments in recent projects of the IAASB to avoid giving the impression that it is up to date.

- ISSA 5000 includes requirements and application material specific to forward-looking information reported in sustainability information.

Matters for SAC Members' Consideration:

2. *SAC Members are asked to share their views on the landscape for and trends that may be relevant to the IAASB in considering its role or potential action with respect to assurance on forward-looking information.*

Material Presented

For Discussion

Agenda Item 3-A Presentation: Other Assurance Engagements