



**ISO/TC 295 "Audit data services"**

Secretariat: **SAC**

Committee Manager: **Wang Shurong Ms**



## **Minutes of the inaugural ceremony and 1st plenary meeting of ISO TC 295**

<b>Document type</b>	<b>Related content</b>	<b>Document date</b>	<b>Expected action</b>
Meeting / Minutes	Meeting: <a href="#">VIRTUAL 14 Dec 2020</a>	2021-02-26	<b>INFO</b>

# Minutes of the inaugural ceremony and

## 1<sup>st</sup> plenary meeting of ISO/TC 295

December 14-18, 2020

Zoom

### Participants

Full Name	Title	Country/Org.	Role
Stefan Marinkovic	Mr.	ISO	Technical Programme Manager
ZHOU Weipei	Mr.	ISO/TC 295	Chair
WANG Shurong	Ms.	ISO/TC 295	Committee Manager
WANG Wenyu	Ms.	ISO/TC 295/WG 1	Convenor
YANG Li	Ms.	China(P)	HoD
CHENG Sheng	Mr.	China(P)	Delegate
DING Hongchang	Mr.	China(P)	Delegate
JIN Jiwen	Mr.	China(P)	Delegate
LIU Zhibo	Mr.	China(P)	Delegate
LI Xiaoming	Mr.	China(P)	Delegate
LV Tianyang	Mr.	China(P)	Delegate
WANG Zhong	Mr.	China(P)	Delegate
YU Limei	Ms.	China(P)	Delegate
YU Xueqiang	Mr.	China(P)	Delegate
Elina Koskentalo	Ms.	Finland(P)	HoD
Tuomas Tahvanainen	Mr.	Finland(P)	Delegate
Jacques Bouchet	Mr.	France(O)	Delegate
Karine Naud	Ms.	France(O)	Delegate
Vinod Kashyap	Mr.	India(P)	HoD
Hans Raj Chugh	Mr.	India(P)	Delegate
Meghdoot Jajoo	Mr.	India(P)	Delegate
M.P.Vijay Kumar	Mr.	India(P)	Delegate
Praveen Kumar	Mr.	India(P)	Delegate
Sanjay Goswami	Mr.	India(P)	Delegate
Sanjeev Kumar Singhal	Dr.	India(P)	Delegate
Shikha Rana	Ms.	India(P)	Delegate
Nobuyuki Sambuichi	Mr.	Japan(P)	HoD
Akinori Kimura	Mr.	Japan(P)	Delegate
Robert Stamsnijder	Mr.	Netherlands(P)	HoD
A.M. Roza	Dhr.	Netherlands(P)	Delegate
Frans Van Basten	Dhr.	Netherlands(P)	Delegate
J.G. Mekelenkamp	Dhr.	Netherlands(P)	Delegate
L. Alewijnse	Dhr.	Netherlands(P)	Delegate
R. Van 't Hof	Dhr.	Netherlands(P)	Delegate

W. Visscher	Dhr.	Netherlands(P)	Delegate
Henk van Maenen		Netherlands(P)	Temporarily replace W. Visscher for Dec 14's meeting
Jan Vrijenhoek		Netherlands(P)	Temporarily replace Frans Van Basten for Dec 14's meeting
Mihai Razvan Sanda	Mr.	Romania(P)	HoD
Amanda-Ramona Vladu-Bosovcki	Mrs.	Romania(P)	Delegate
Alexey Maksakov	Mr.	Russian Federation(P)	HoD
Wanwarang Tipmanee	Mrs.	Thailand(P)	HoD
Kanjana Imyim	Ms.	Thailand(P)	Delegate
Eric E Cohen	Mr.	ISO/TC 307(Liaison)	Delegate
Michael Miller	Mr.	Oracle	Guest
Joel Pinkus	Mr.	KPMG	Guest
Alan Jiang	Mr.	KPMG	Guest
Carol Cheng	Ms.	KPMG	Guest
ZOU Lulu	Ms.	KPMG	Guest

- Inaugural ceremony on Dec 14, 2020

### 1. Welcome address

The meeting began by welcome addresses from Mr. WANG Wenbin, the Deputy Auditor General of China National Audit Office, Mr. Tian Shihong, the Administrator of SAC, Mr. Marinkov Stefan, ISO Technical Programme Manager, and Mr. Arno Kooij, the Director of Enforcement Policy and International Affairs, and the Deputy Director General of the Customs Administration of the Netherlands.

### 2. Announcement of establishment of TC 295

The chair Mr. ZHOU Weipei presented the Technical Management Board Resolution 76/2019 and announced the establishment of TC 295.

- 1<sup>st</sup> Plenary meeting on Dec 14, 2020

### 3. Roll call of delegates

The committee manager Ms. WANG Shurong did the roll call. All participants gave brief self-introductions.

### 4. Adoption of the agenda

TC 295 adopted the agenda N213 as presented at the meeting.

### 5. ISO Code of Conduct

The committee manager Ms. WANG Shurong briefly introduced the main content of ISO Code of

Conduct.

#### **6. Appointment of resolution team**

The resolution team was established, including Mr. Nobuyuki Sambuichi (JISC), Ms. Wang Wenyu (Convenor), Ms. Wang Shurong (Committee Manager), Mr. Vinod Kashyap (BIS), Mr. Richard van't Hof (NEN) and Ms. YU Limei (SAC).

#### **7. Report of the secretariat**

The committee manager Ms. WANG Shurong presented the work progress and the work plan of TC 295 for near future (See N204).

#### **8. Chair's renomination**

The chair Mr. ZHOU Weipei shortly introduced the background of this agenda item. The committee manager Ms. WANG Shurong introduced ISO rules regarding the chair's term and nomination. Then she introduced the contributions of Mr. ZHOU in the current term, and proposed to re-nominate Mr. ZHOU as the chair with a 3-year extension. TC 295 adopted the renomination.

#### **9. Review the ballot results of TC 295's title and scope**

The chair Mr. ZHOU Weipei reviewed the ballot results of TC 295's title and scope. The committee manager Ms. WANG Shurong announced the title and scope to all participants. TC 295 agreed with the title and scope.

➤ 1<sup>st</sup> Plenary meeting on Dec 16, 2020

#### **10. Discuss the result and comments of ballot on SBP**

The committee manager Ms. WANG Shurong gave a concise presentation of SBP's main content and work progress. Then TC 295 had a deep discussion on the comments collected from SBP's ballot, as well as the observations given by the secretariat. All participants agreed with the observations (N218). As for comments 002, 003, 004 and 008, some experts expressed additional ideas.

Regarding comment 002, Mr. Nobuyuki Sambuichi suggested to select one or some existing formats such as XBRL, UBL and UN/CEFACT to map with the term or concept specified by TC 295, not to focus on defining new data format. Dr. LV Tianyang held the view that it is difficult to decide which formats are proper to be used by TC 295 at the very beginning stage, as more attentions are paid to specify the data elements for meeting audit requirements so far. He also added that some vendors preferred to use XML while Dutch experts proposed to use JSON. Besides, XBRL is also widely used, and it is always encouraged to propose a new work item proposal related with XBRL format in TC 295. Ms. WANG Wenyu advised Mr. Nobuyuki Sambuichi to propose a specific project proposal, if he had high interest in some exchange formats. Ms. WANG Shurong introduced the procedure to submit a new work item proposal and the ballot for the proposal. Mr. Robert Stamsnijder also shared their willingness to specify the unified data format which could be beneficial to the work of accountants, supervisors and so on.

Regarding comment 003, Mr. Nobuyuki Sambuichi stressed that XBRL has been widely used for financial reporting, and financial markets in Japan are mandated to use XBRL. He disagreed to include financial reporting regulatory agencies as TC 295 stakeholder. Mr. Jacques Bouchet shared that there are various dimensions for financial reports to different users, thus it will be important to clarify the requirements before carrying out relevant work. Dr. LV Tianyang pointed out that as the consensus reached at PC 295's Bangkok meeting, the financial reports included in TC 295 will not replace any existing efforts such as XBRL. Mr. Joel Pinkus and Ms. WANG Wenyu emphasized that the comment just refers to list TC 295 stakeholders other than specifying the concrete data elements and formats for financial reports.

Regarding comment 004, many experts presented the importance to include small and medium sized enterprises (SMEs) as key stakeholder in the process of standard making. And all experts need to bear in mind the idea during future work. Mr. Jacques Bouchet also added that some existing efforts have not yet targeted for SMEs, for example, XBRL is only applicable for financial reporting of listed companies. Mr. Joel Pinkus proposed another idea that to define the size and type of company is also important when developing the standards. Mr. Vinod Kashyap expressed that the usability of standards is larger for big companies than SMEs, because the data volume is larger and the system used by big companies is more complex. But Ms. Elina Koskentalo said that the efforts made by auditors to collect data depend on using which way to collect other than the auditee's size. Thus, she think it is equally important for auditors to obtain data from big companies and SMEs by a standardized way.

Regarding comment 008, Ms. Elina Koskentalo explained that the European Single Electronic Format (ESEF) is widely used in EU's financial reporting. If TC 295 developed standards on financial reports, it would be better to take into consideration of ESEF. Mr. Jacques Bouchet also shared that ESEF could help to make XBRL contents more readable. Meanwhile, some experts suggested to clarify the contents covered in financial reports and the way to express the report when proceeding with the standards for financial reporting.

## **11. Discussion on TC 295 structure**

Ms. WANG Shurong gave a brief presentation on the current structure, followed by discussion on a) confirming the name and scope of WG 1, and b) how to manage the project "Audit Data Collection – Customs and Indirect Taxes Extension Audit Data Collection - Customs and Indirect Taxes Extension".

Firstly, Ms. WANG Wenyu presented a draft of the WG 1's name and scope. Mr. Arnold Roza suggested adding the definition of non financial enterprises. Through discussion, the definition is decided to be the same as the one documented in SBP. As there are no more comments and suggestions, the resolution regarding the name and scope of the WG 1 was made.

As for the second topic, Mr. Arnold Roza gave a concise presentation of the project "Audit Data Collection – Customs and Indirect Taxes Extension", and the different options to manage the project.

Ms. WANG Shurong showed the preference to create a new WG for the project concerning the long

run of TC 295. Mr. Vinod Kashyap agreed to create a separate WG for an exclusive area. Mr. Eric Cohen gave some suggestions to broaden the membership and participation. Mr. Nobuyuki Sambuichi said that both ways are fine. Mr. Robert Stamsnijder preferred to remain the project under WG 1. According to the discussion, the Chair Mr. ZHOU Weipei finally concluded that the project is managed under WG 1, which will be more beneficial at the beginning stage.

Moreover, project leaders of three ongoing projects under WG 1 were nominated and agreed by TC 295 as presented in the resolution 07/2020 of N216.

In addition, the chair Mr. ZHOU Weipei proposed to invite some volunteers as supporting forces to assist the convenor Ms. WANG Wenyu. Upon the agreement of all participants, Mr. Jacques Bouchet was nominated as the temporary secretary and Ms. LU Jing was chosen to be the secretary of WG 1.

## **12. Presentation from Mr. Vinod Kashyap**

Mr. Vinod Kashyap gave a presentation “Impact of Dematerialization of Transferable Records on Audit Data Collection Standards” (see N209), inspiring TC295 to consider the standardization of audit data using Blockchain.

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## **13. Discussion on TC 295 liaisons**

At first, Ms. WANG Shurong introduced ISO rules on establishing the liaison with other ISO/IEC technical committees and external organizations, and reviewed the existing liaisons of TC 295. Mr. Stefan Marinkovic provided additional clarifications of the process to build the relationship with external organizations.

Then all participants had a deep discussion and proposed several technical committees/organizations to establish liaison relationship. Please see the resolution 08/2020 in N216 for details.

## **14. Report from WG 1 convenor**

The Convenor Ms. WANG Wenyu gave a detailed report of all work done by WG 1, focusing on the current progress and the work plan of three ongoing projects, namely, a) ISO/WD 5405 Audit Data Collection Extension: Government Regulated Financial Reports and Payroll, b) ISO/WD TS 5409 Exchange formats for the Audit Data Collection: XML and JSON, and c) ISO/WD 5401 Audit Data Collection – Customs and Indirect Taxes Extension.

## **15. Date and location for next plenary meeting**

The committee manager Ms. WANG Shurong proposed to hold next plenary meeting in November 2021, concerning all under-developing projects and other work might step into new stages. Whether to hold meeting virtually or face-to-face will depend on the COVID-19 situation and ISO policies.

If face-to-face meeting will be allowed, CNAO could be the sponsor, expressed by the head of Chinese Delegation Ms. YANG Li.

**16. TC resolutions**

TC 295 reviewed the resolutions drafted by the resolution team. The resolutions were adopted by TC 295 at the meeting. Please see N216 for the resolutions.

**17. Closure of the meeting**

The Chair Mr. ZHOU Weipei presented the closing address, extending appreciation to all participants for their contribution and participation, and then closed the meeting.

(Meeting was closed at 12:30 (UTC), December 18, 2020)