

Not lesser than..... Different

**Effective for audits of
financial statements of less
complex entities for periods
beginning on or after
December 15, 2025.**

International Standard on Auditing for Audits of Financial Statements of Less Complex Entities (ISA for LCE)

Issued - December 2023

Why ISA for LCE



Not all businesses are same – therefore, audit is also different

Increasing complexities in business and transactions have led to increasing requirements in ISA

- Posing challenge for audits of less complex entities

Obtain reasonable assurance while using a standard that is:

- Easy to understand with plain, simple language and follows the flow of an audit
- Clear, succinct and concise requirements and guidance
- Focused on matters applicable to LCEs

The point to understand here is that if the ISA for LCE is adopted, it would enable the practitioners to express the same level of assurance as that of an ISA audit

The IAASB's Journey



Expected Outcomes



**Maintain
confidence** in
financial reporting
of LCEs.

Be responsive to
stakeholder needs.



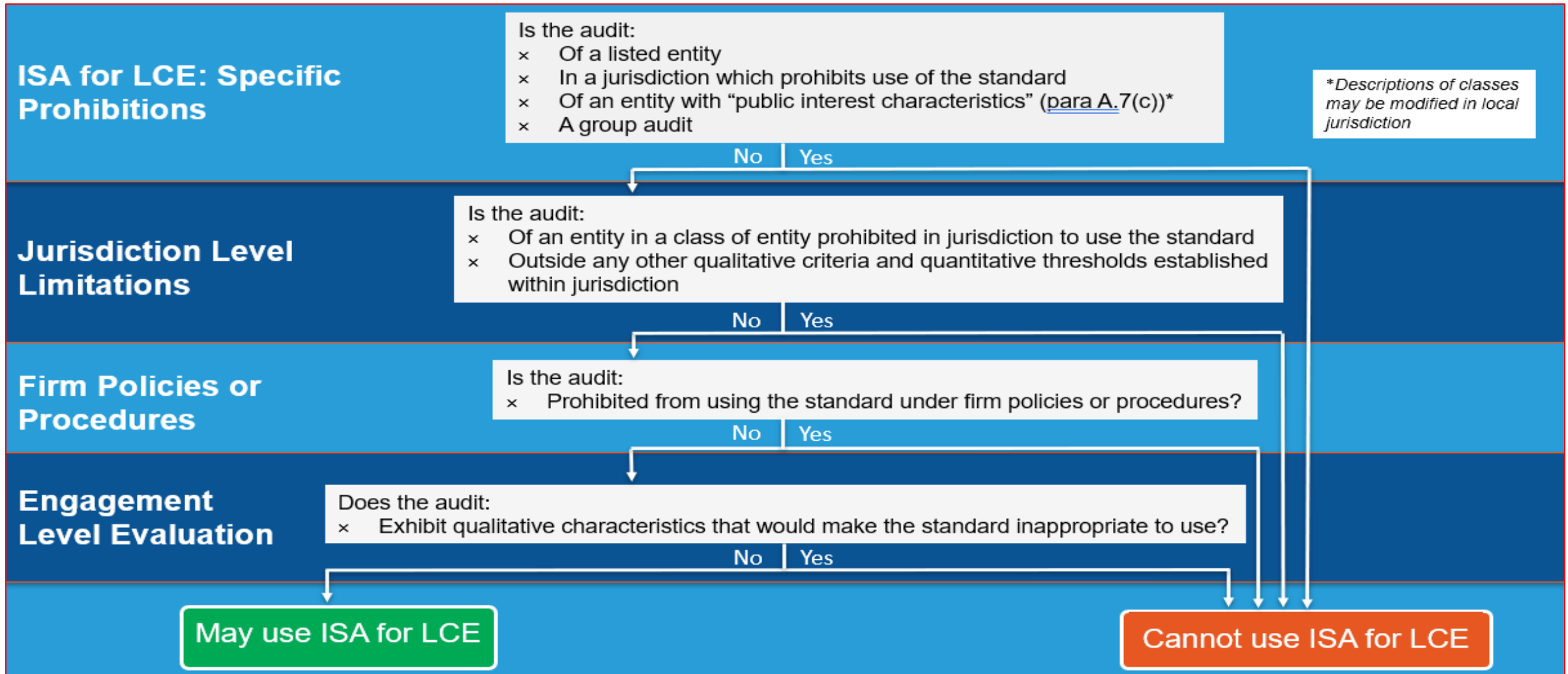
Help auditors of
less complex
entities deliver
**consistent and
effective high-
quality audits.**

**Promote
consistent
application** of the
auditing standards
to audits of LCEs



Authority, design, flow and layout

Authority of the Standard



Authority



1. Specific Prohibitions

- Listed Entities
- Entities with public interest characteristics
- Otherwise prohibited by jurisdictions

2. Qualitative Characteristics

- Business activities and model
- Organization and ownership structure
- Nature of finance function
- Information technology
- Financial reporting framework and accounting estimates

3. Quantitative Thresholds

- As defined by jurisdictions

Group Audit Considerations

- Use of component auditors, except for limited circumstances
- Group Structure
- Access to Information or People
- Consolidation Process

Other's Responsibilities for Using the Standard



Firms

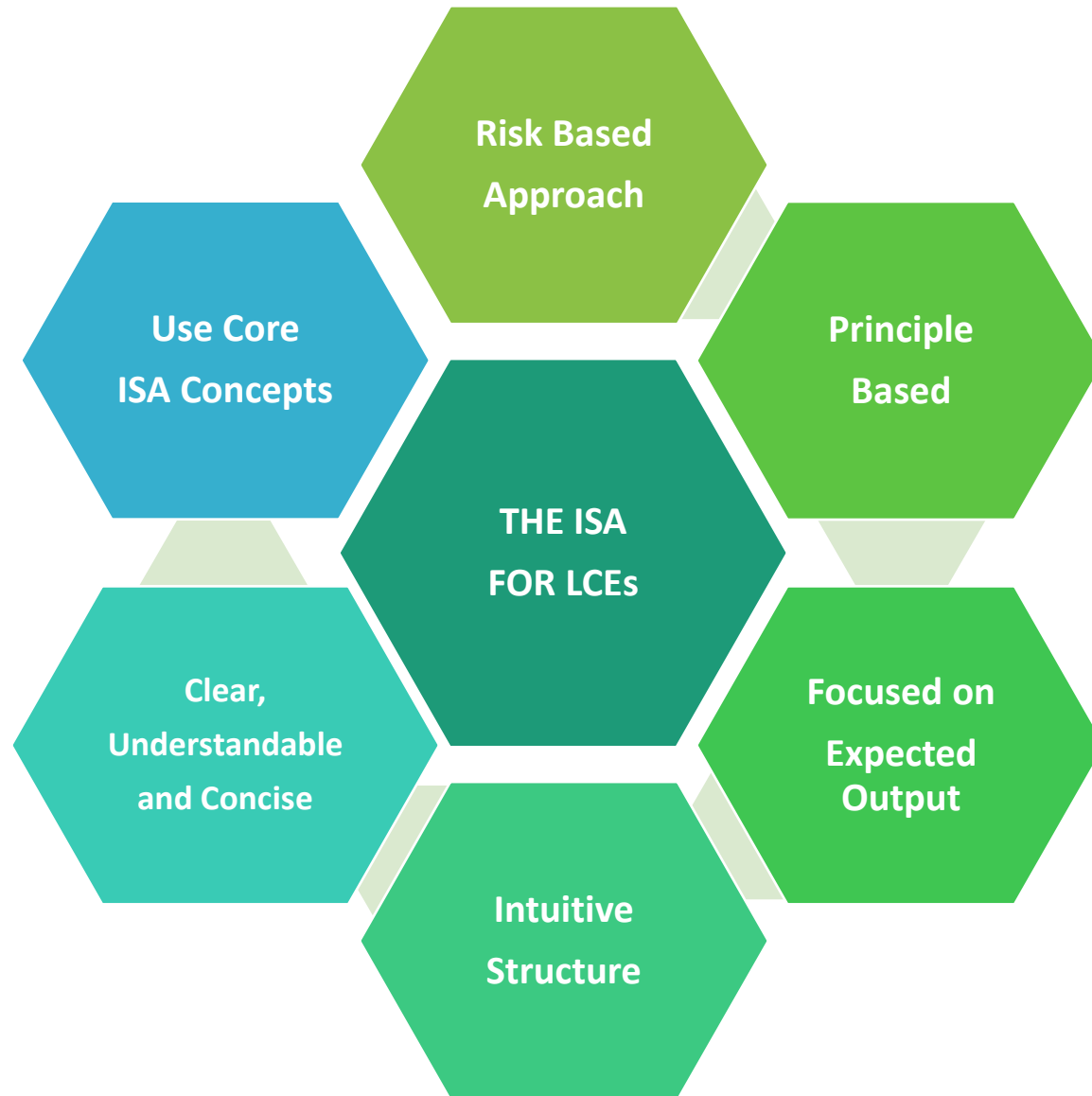
- Establishing policies or procedures for permitted use

Engagement Team

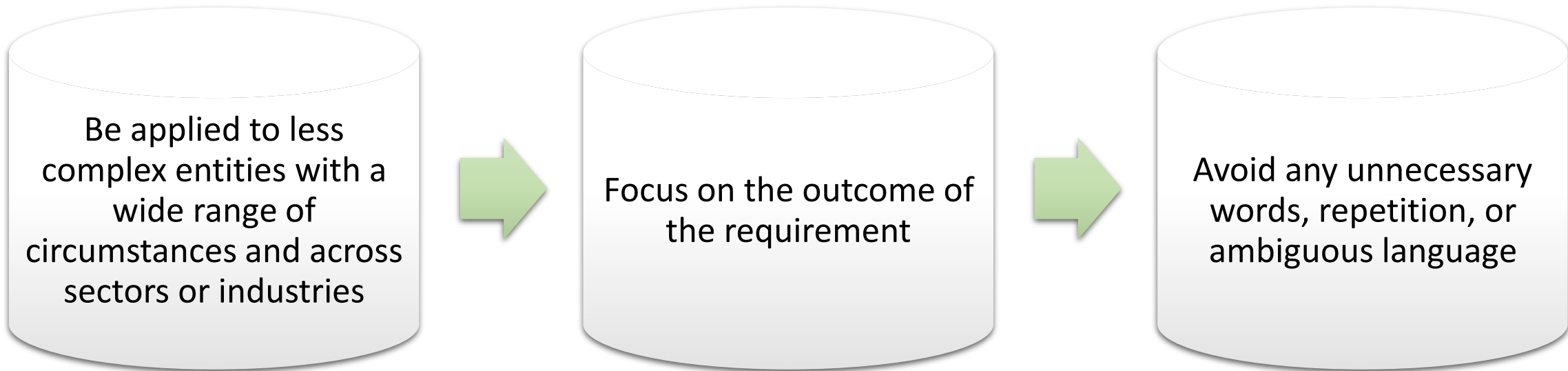
- Evaluate whether use is appropriate for a particular engagement
- Evaluate against qualitative characteristics
- Evaluate at client acceptance / continuance & throughout audit
- Stand back requirement

Cannot conflict or override prohibitions in the standard or jurisdictional determinations

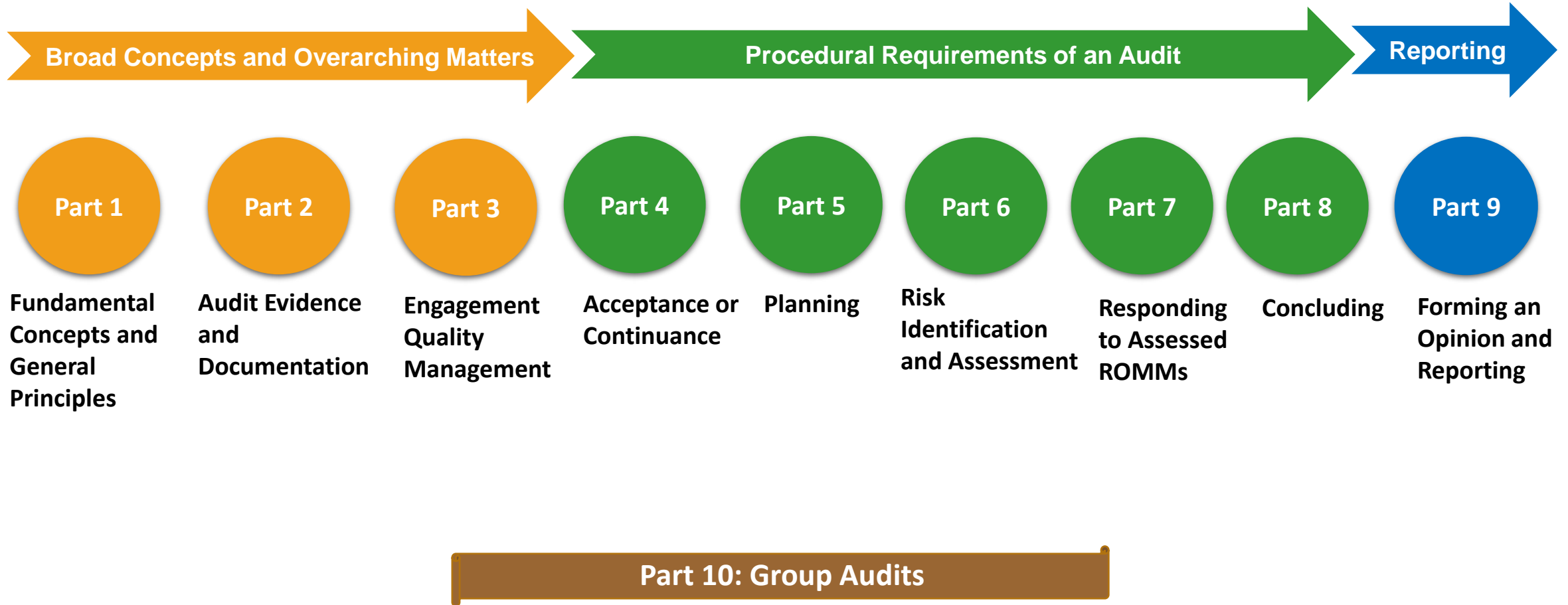
Design Principles



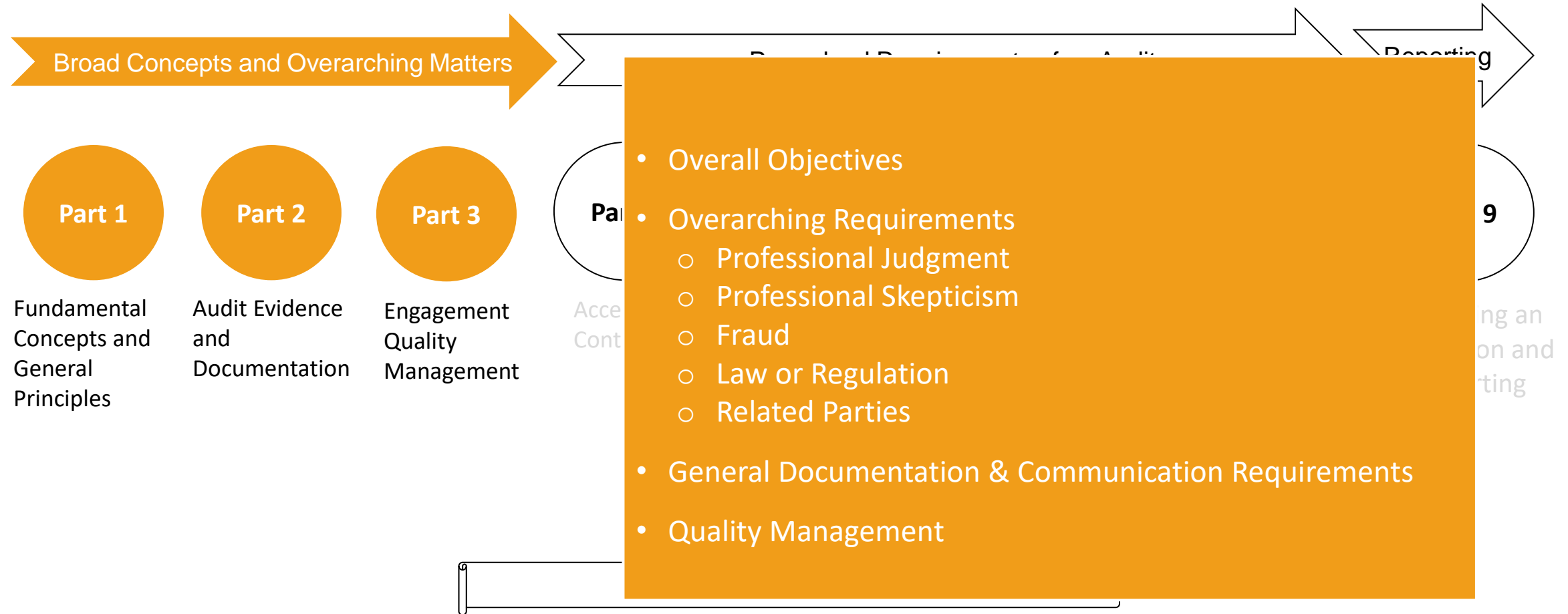
Design principles enable ISA for LCE to:



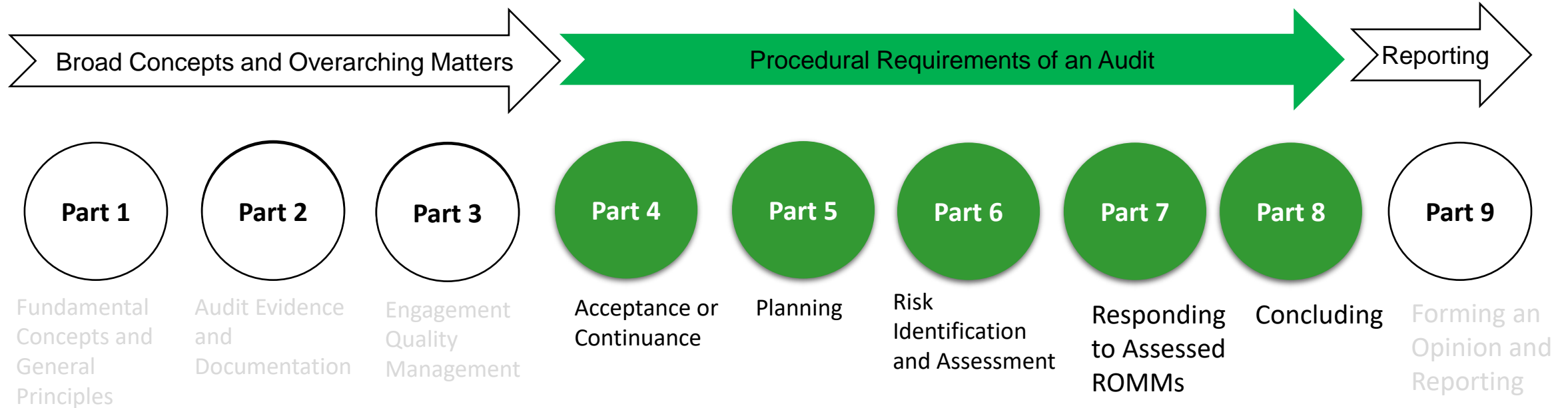
The Flow of the Standard



The Flow of the Standard



The Flow of the Standard



- Audit concepts are grouped based on the phase of the audit (e.g., Planning includes requirements around determining materiality, Concluding includes evaluation of subsequent events, etc.)
- Includes appendices to provide additional guidance

The Flow of the Standard



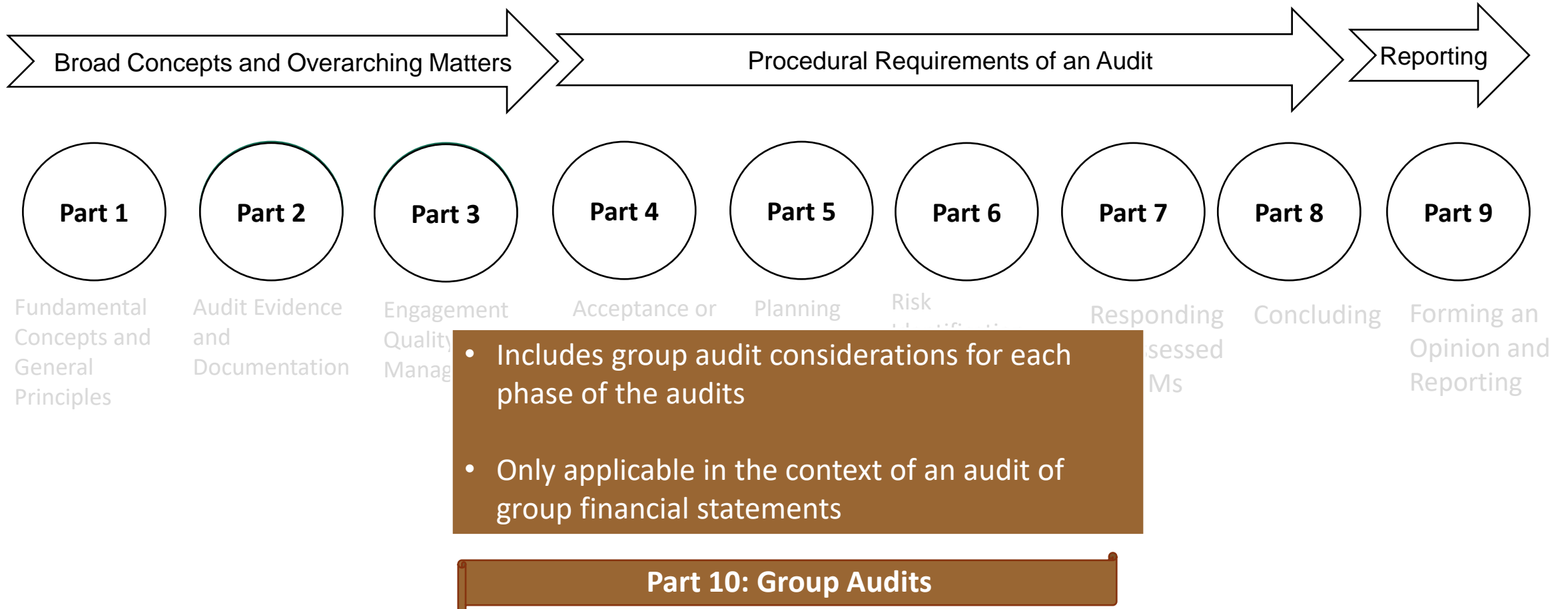
- Specified content and format for unmodified auditor's report
- Departures not permitted except for compliance with law or regulation
- Use of tables to present requirements related to modifications and Other Matter / Emphasis of Matter paragraphs
- Also covers Other Information & Comparative Information
- Supplemental Guidance: Auditor Reporting
 - Modifications
 - Other reporting guidance
 - Illustrative reports

Reporting

Part 9

Forming an
Opinion and
Reporting

The Flow of the Standard





IAASB Main Agenda (September 2023)

2. Audit Evidence and Documentation

Content of this Part

Part 2 sets out the requirements to be applied throughout the audit for:

- Audit evidence.
- Documentation. Within individual Parts there may also be additional specific documentation requirements.

Scope of this Part

The requirements in this Part apply throughout the audit engagement.

Objective

- Link the requirements of the Part and the overall objective of the audit

Introduction

- Summary of the content and scope of the Part

Requirements

- Designed to obtain sufficient appropriate audit evidence
- Auditors must comply with all relevant requirements

2.1. Objectives

2.1.1. The objectives of the auditor are to:

- (a) Design and perform audit procedures in such a way as to enable the auditor to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions on which to base the auditor's opinion; and
- (b) Prepare documentation that provides a sufficient and appropriate record of the basis for the auditor's report and provides evidence that the audit was planned and performed in accordance with the ISA for LCE and applicable law or regulation.

2.2. Sufficient Appropriate Audit Evidence

2.2.1. To obtain reasonable assurance, the auditor shall obtain sufficient appropriate audit evidence to reduce audit risk to an acceptably low level thereby enabling the auditor to draw reasonable conclusions on which to base the auditor's opinion.

2.2.2. The auditor shall design and perform audit procedures that are appropriate in the circumstances for the purpose of obtaining sufficient appropriate audit evidence.

Sufficiency is the measure of the quantity of audit evidence. It is affected by the auditor's assessment of the risks of material misstatement (the higher the assessed risks, the more audit evidence is likely to be required) and also the quality of the audit evidence (the higher the quality, the less may be required). Obtaining more audit evidence, however, may not compensate if it is of poor quality.

Appropriateness is the measure of the quality of the audit evidence, that is its relevance and reliability in providing support for the conclusions on which the auditor's opinion is based.

Most of the auditor's work in forming the auditor's opinion consists of obtaining and evaluating audit evidence. Whether sufficient appropriate audit evidence has been obtained to reduce audit risk to an acceptably low level, and thereby enable the auditor to draw reasonable conclusions on which to base the auditor's opinion, is a matter of professional judgment.

Essential Explanatory Material

- Limited guidance where essential to understanding or applying a requirement or a concept
- Does not impose a requirement or expand any requirement
- Located directly below the relevant requirement



Contents

Fundamental Principles of Financial Auditing



Summary of contents



Preface	Explains the design, intended use and format of the proposed standard, the responsibilities of management and the approach to future maintenance of the standard, as well as other relevant matters that do not form part of the standard.
Authority (Part A)	Sets out the circumstances for which the proposed standard is prohibited or otherwise limited (as explained above).
Parts 1–3	Sets out the broad concepts and overarching matters relevant to the audit performed using ISA for LCE, including the overarching objective of the audit.
Parts 4–9	Sets out the core requirements for an audit of an LCE following the typical flow of an audit.
Appendices	Appendices 1–6 set out certain specific considerations and matters for an audit of an LCE, and also illustrative documents. Appendices presented within the ISA for LCE have the same status as the EEM.

Contents of ISA for LCE



Part1: Fundamental Concepts, General Principles and Overarching Requirements	<p>Sets out the fundamental concepts, general principles and overarching principles to be applied throughout the audit, including:</p> <ul style="list-style-type: none">• Relevant ethical requirement and firm-level quality management• The overall objectives of the auditor• Use of professional judgment and the exercise of professional skepticism• Overarching requirements to be applied throughout the audit with regard to fraud, law or regulation and related parties.• General requirements for communications with those charged with governance and management. Specific communication requirements, where applicable, have been set out in each relevant Part.
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Contents of ISA for LCE



Part 2: Audit Evidence and Documentation	Sets out the general requirements for obtaining sufficient appropriate audit evidence and general documentation requirements
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Part 3: Engagement Quality Management	Sets out the auditor's and engagement partner's obligations and responsibilities for quality management in an audit of an LCE. The requirements in this Part are based on ISA 220 (Revised).
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Part 4: Acceptance or Continuance of an Audit Engagement and Initial Audit Engagements	Sets out the auditor's obligations for agreeing the terms of engagement, including establishing that the preconditions for an audit are present, and determining that the use of ISA for LCE is appropriate. This Part also addresses requirements for opening balances in initial audit engagements.
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Contents of ISA for LCE



Part 5: Planning	Sets out responsibilities for planning the audit, including the engagement team discussion, and the concept of materiality when planning and performing the audit
Part 6: Risk Identification and Assessment	Sets out requirements for understanding the entity and its environment, the applicable financial reporting framework and the entity's internal control system, identifying risks of material misstatement and assessing inherent risk and control risk. The requirements in this Part are based on ISA 315 (Revised 2019). (See paragraphs 113-118 below)
Part 7: Responding to Assessed Risks of Material Misstatement	Sets out requirements for the design and implementation of responses to assessed risks of material misstatement at the financial statement and assertion levels, including substantive procedures and tests of controls. This Part also sets out requirements for specific procedures on various topics within an audit.

Contents of ISA for LCE



Part 7: Responding to Assessed Risks of Material Misstatement	Sets out requirements for the design and implementation of responses to assessed risks of material misstatement at the financial statement and assertion levels, including substantive procedures and tests of controls. This Part also sets out requirements for specific procedures on various topics within an audit.
Part 8: Concluding	Sets out requirements for the evaluation of misstatements, concluding activities and evaluations (including going concern, subsequent events and analytical procedures), and obtaining written representations. This Part also covers the engagement partner's conclusions relating to quality management.
Part 9: Forming an Opinion and Reporting	Sets out the requirements for forming an opinion (including the types of audit opinions), the content of the auditor's report, other information and comparative information

Contents of ISA for LCE



Appendix 1: Glossary of Terms	Describes the meanings attributed to certain terms for the purpose of ISA for LCE.
Appendix 2: Flowchart for Identifying and Assessing the Risk of Material Misstatement	Graphical representation of the process to identify and assess the risks of material misstatement, described in Part 6 of ISA for LCE. This flowchart illustrates the iterative nature of the process.
Appendix 3: Fraud Risk Factors	Examples of fraud risk factors that may be relevant in an audit of an LCE.
Appendix 4: Assertions	Describes the categories of assertions to be considered in an audit of an LCE. The assertions are the same as presented in the ISAs.
Appendix 5: Illustrative Engagement Letter	An illustrative engagement letter that may be used to document the terms of engagement when using ISA for LCE.
Appendix 6: Illustrative Representation Letter	An illustrative representation letter that may be used when obtaining written representations from management when using ISA for LCE.

Part 1: Fundamental Concepts, General Principles and Overarching Requirements



Effective date of this standard

The relevant ethical requirements and obligations for firm-level quality management.

Overall objectives of the auditor: an objective for planning and performing the audit and provides a link between the requirements within that Part and the overall objectives of the auditor. This will assist the auditor to understand the intended outcomes of the procedures contained in that Part. Fundamental concepts, general principles and overarching requirements applicable to the engagement, including professional skepticism and professional judgment.

Overarching requirements in relation to fraud, law or regulation, related parties and communications with management and, where appropriate, those charged with governance. General communication requirements that apply to all Parts. Within individual Parts there may be additional specific communication requirements.

Part 2. Audit Evidence and Documentation



Part 2 sets out the requirements to be applied throughout the audit for:

- Audit evidence.
- Documentation (additional specific documentation requirements specified in other parts).

The objectives of the auditor are to:

- a. Design and perform audit procedures in such a way as to enable the auditor to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions on which to base the auditor's opinion; and
- b. Prepare documentation that provides a sufficient and appropriate record of the basis for the auditor's report and provides evidence that the audit was planned and performed in accordance with the ISA for LCE and applicable law or regulation.

Part 3. Engagement Quality Management



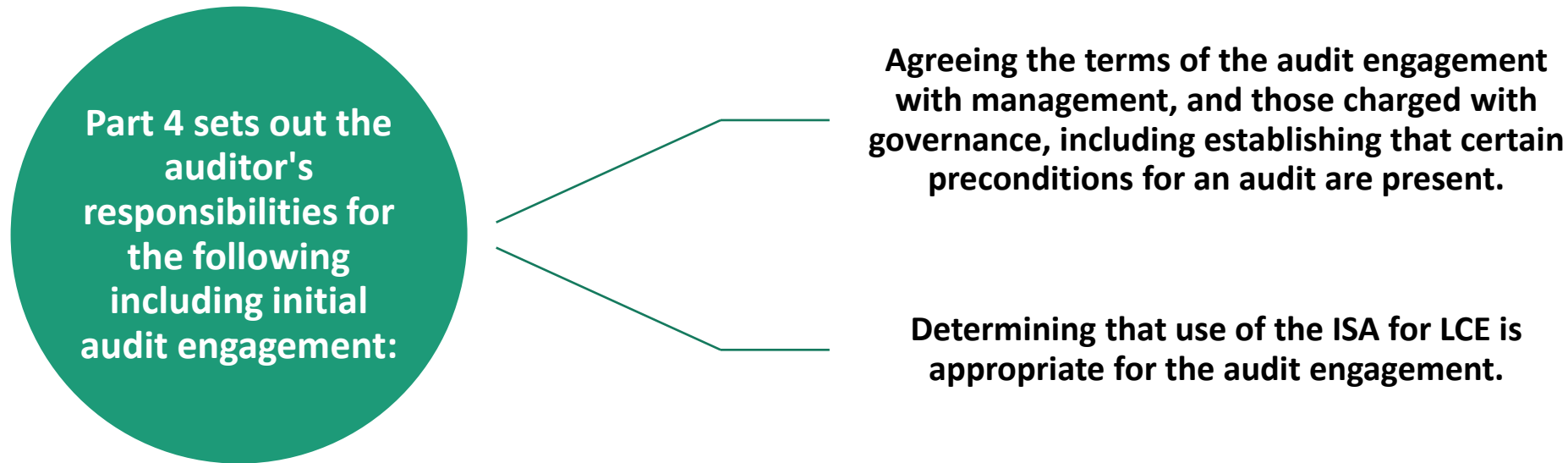
In accordance with ISQM 1, the firm is responsible for designing, implementing and operating a system of quality management for audits of financial statements, that provides the firm with reasonable assurance that

- the firm and its personnel fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and
- conduct engagements in accordance with such standards and requirements, and that engagement reports issued are appropriate in the circumstances.

The engagement partner is responsible for:

- Implementing the firm's responses to quality risks that are applicable to the audit engagement
- Determining whether additional responses are needed at the engagement level beyond; and
- Communicating information from the audit engagement to support the design, implementation and operation of the firm's system of quality management.

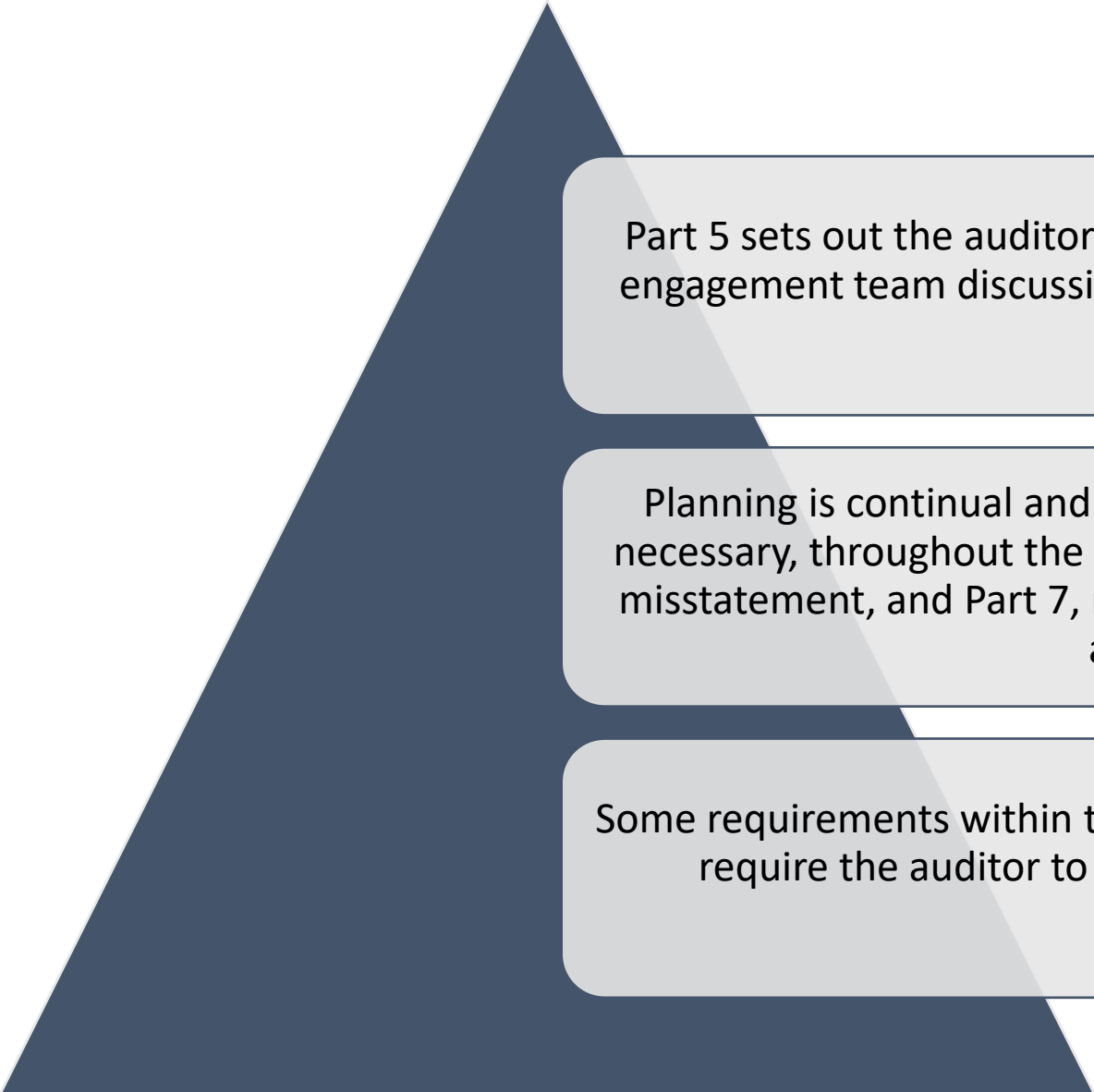
4. Acceptance or Continuance of an Audit Engagement and Initial Audit Engagements



The information and audit evidence gathered during client acceptance and continuance procedures is used to make the determination that the ISA for LCE is appropriate for the audit engagement and also informs the auditor's procedures when planning the audit and for risk identification and assessment.

Audit engagements may only be accepted when the auditor considers that relevant ethical requirements such as independence and professional competence and due care will be satisfied and the preconditions for an audit are present.

Part 5. Planning



Part 5 sets out the auditor's responsibility to plan the audit (including holding an engagement team discussion), and the concept of materiality when planning and performing the audit.

Planning is continual and is not a discrete phase of the audit but is iterative, as necessary, throughout the audit. Part 6, identifying and assessing risks of material misstatement, and Part 7, responding to assessed risks of material misstatement, are also relevant to this Part.

Some requirements within this Part are linked to procedures in other Parts and may require the auditor to execute on those procedures in order to meet the requirements in this Part.

Part 6. Risk Identification and Assessment



Requirements on the auditor's responsibility to perform procedures and related activities to:

Understand the entity and its environment, the applicable financial reporting framework, and the entity's system of internal control (the entity's internal control system);

Identify risks of material misstatement at the financial statement and assertion levels, whether due to fraud or error; and

Assess inherent risk and control risk.

This Part deals with the auditor's responsibility to identify and assess the risks of material misstatement in the financial statements, which provides the basis for the audit procedures undertaken to respond to assessed risks in Part 7.

Part 5 sets out the auditor's obligations for planning activities, including the requirements for the engagement team discussion.

Part 7. Responding to Assessed Risks of Material Misstatement



Part 7 contains content related to the design and implementation of:

- overall responses to assessed risks of material misstatement at the financial statement level;
- responses to the assessed risks of material misstatement at the assertion level (i.e., design and performance of further audit procedures). Further procedures include substantive procedures (tests of detail and substantive analytical procedures) and tests of controls (as appropriate), and is expanded on in this Part; and
- Procedures for specific topics when responding to assessed risks of material misstatement.

This Part also sets out the specific requirements for obtaining audit evidence through responding to assessed risks of material misstatement. In complying with the requirements in this Part, the auditor may find it useful to refer to the following that set out relevant matters:

- Fraud - see Part 1.5.
- Law or regulation - see Part 1.6.
- Related parties - see Part 1.7.
- Information to be used as audit evidence and procedures for obtaining audit evidence Part 2.3,2.4

Part 8. Concluding



Part 8 sets out the requirements for:

- Evaluating corrected and uncorrected misstatements identified during the audit.
- Subsequent events.
- Concluding activities, including the related evaluations.
- Concluding on going concern and related disclosures.
- Written representations and performing concluding analytical procedures.

The evaluations performed and the conclusions reached will form the basis for the auditor's opinion in Part 9.



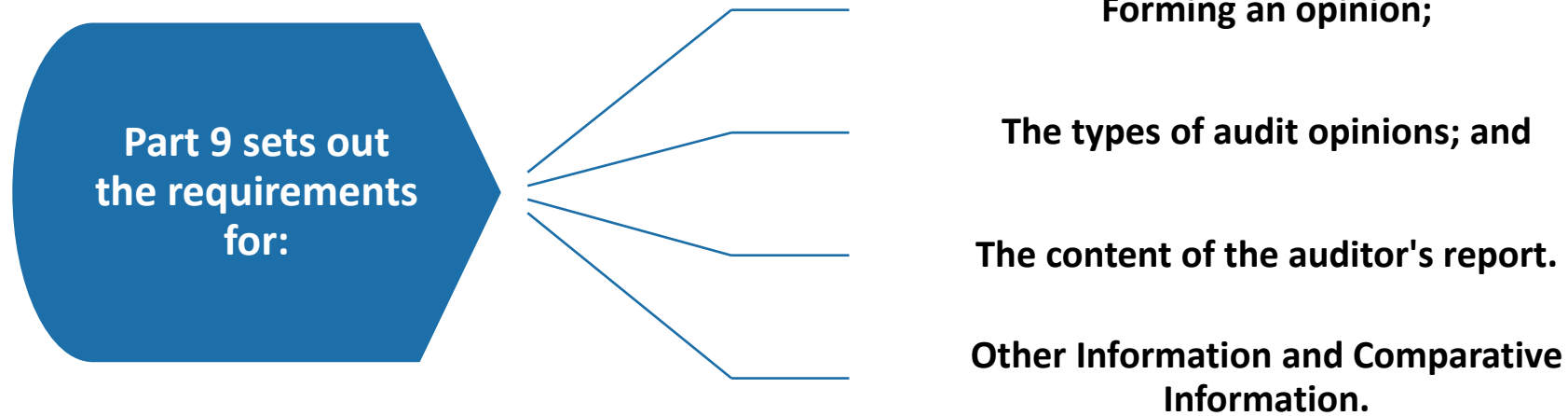
Part 8. Concluding Subsequent events

The auditor shall perform audit procedures designed to obtain sufficient appropriate audit evidence that all events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements have been identified.

The auditor shall perform those procedures for the period from the date of the financial statements to the date of the auditor's report, or as near as practicable thereto, including:

- a) Obtaining an understanding of any procedures management has established to ensure that subsequent events are identified.
- b) Inquiring of management, and where appropriate, those charged with governance, as to whether any subsequent events have occurred that may affect the financial statements.
- c) Reading minutes of meetings of the owners, those charged with governance and management held after the balance sheet date and inquiring about matters discussed at any such meetings for which minutes are not yet available.
- d) Reading the entity's monthly or quarterly information, if available.

Part 9. Forming an Opinion and Reporting

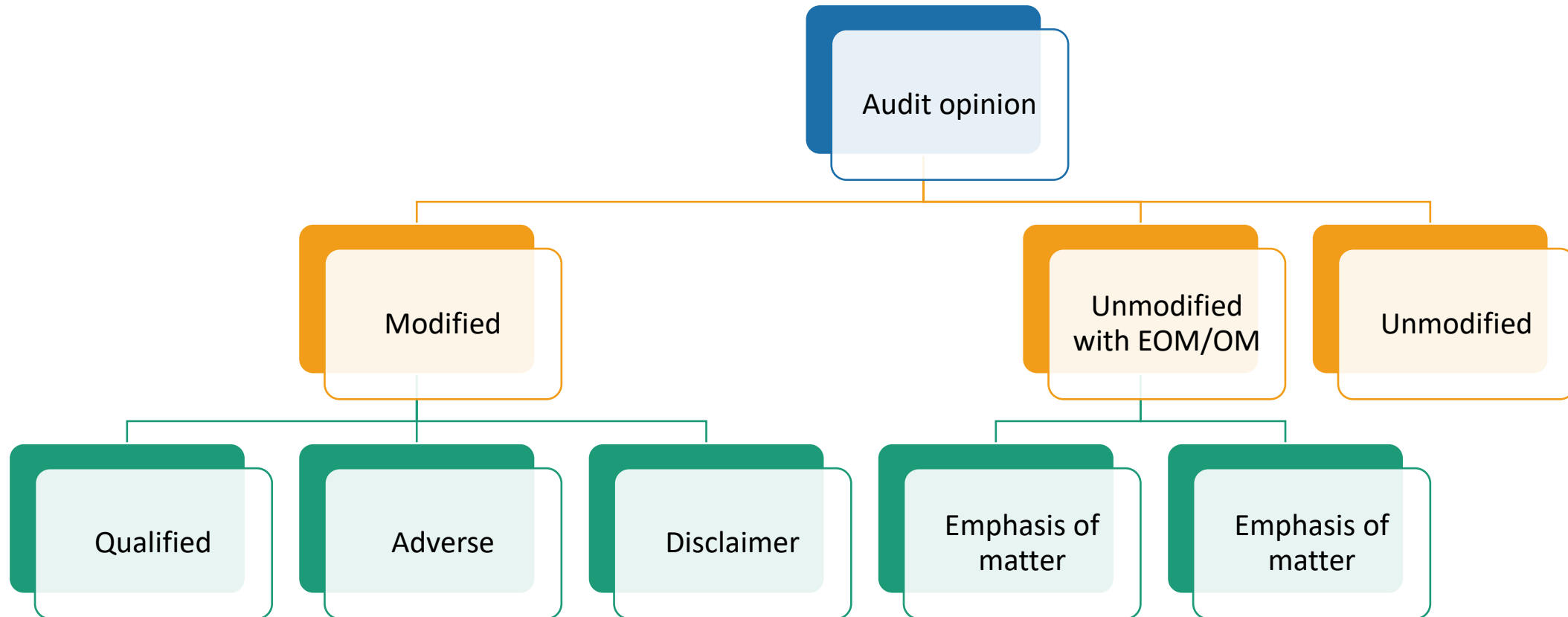


This Part explains the content of the auditor's report, and sets out the auditor's determination of modifications, as well as when other adjustments to the auditor's report are needed. It also sets out the auditor's required procedures in relation to corresponding figures and comparative financial statements, and other information (if applicable).

Examples of modified opinions, material uncertainty related to going concern, emphasis of matter and other matter paragraphs can be found in the *Auditor Reporting Supplemental Guide* (which can be found on the ISA for LCE Exposure Draft webpage).



Audit opinion has multiple classifications as mentioned below:





Types of Modified Opinions

ISA 705 establishes three types of modified opinions (e.g. Qualified opinion; Disclaimer opinion; and Adverse opinion.)

Nature of Matter Giving Auditor's Judgement about the pervasiveness of the Rise to the Modification Effects or Possible Effects on the Financial Statement

	Material but not pervasive	Material and Pervasive
Financial statements are materially misstated	Qualified opinion- except for disagreement	Adverse opinion
Inability to obtain sufficient and appropriates audit evidence	Qualified opinion- except for limitation of scope	Disclaimer of opinion

Adoption Status of ISA for LCE



FRC UK - Decided not to adopt

The FRC has concluded that there are insufficient grounds for adoption in the UK, as they don't move into a two-tier audit market since they have a resilient audit market. There is a risk that need to be managed regarding a perception around the use of LCE standard.

For them, ISAs are gold standard that delivers consistent high-quality work.

Canada - Decided not to adopt

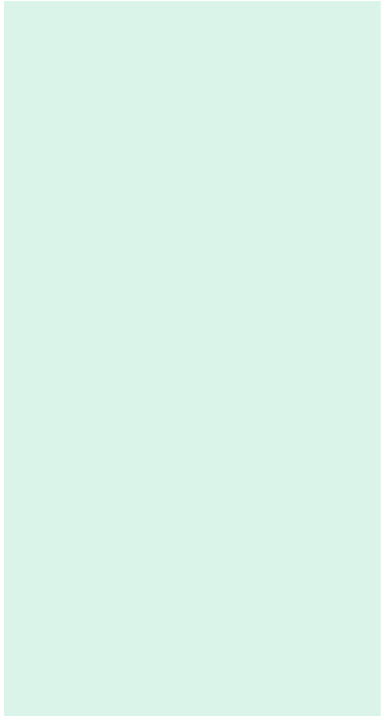
The Canada's Auditing and Assurance Standards Board (AASB) has decided not to adopt ISA for LCE as it believes the ISA for LCE would not adequately meet the needs of interested and affected parties in Canada nor serve the Canadian public interest. Concerns centered around the standard's lack of tailoring for Canadian LCE audits and the potential public interest implications of maintaining two sets of auditing standards.

The AASB will continue to discuss possible alternative options for addressing the unique challenges faced by SMEs and practitioners engaged in audits of LCEs.

Adoption Status of ISA for LCE



Ireland- Decided not to adopt



Australia - Decided not to adopt

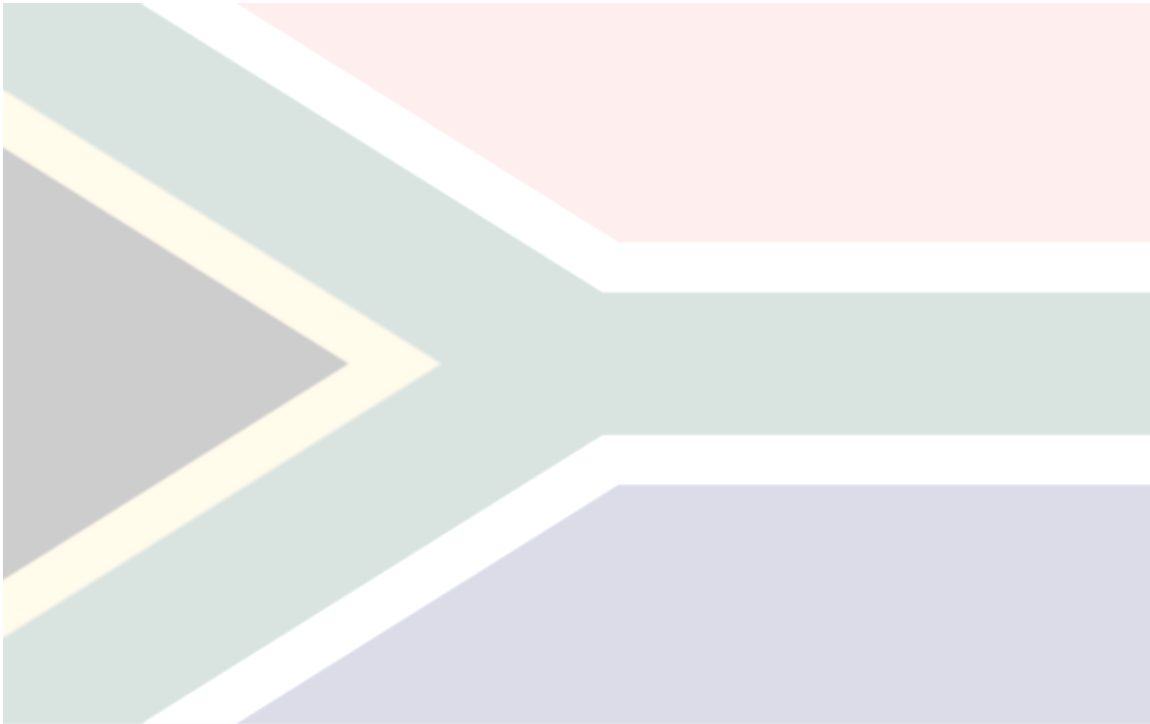
The main concerns expressed by the Australia's Auditing and Assurance Standards Board (AUASB) in its feedback statement, are as follows:

1. Australian auditors are well skilled in the use of the full suite of standards and consider them scalable;
2. Potentially create a two-tier profession if the profession splits into auditors who perform ISA audits and those who perform LCE audits. Auditors and staff who only perform LCE audits may find their capabilities to apply the full suite of standards is not developed or is diminished over time, impacting their business and career opportunities.
3. A perception that the new standard involves a lesser quality;
4. Practitioners would need to train partners and staff in two sets of standards potentially creating a two-tier profession;
5. The standard does not reduce audit effort - because same level of reasonable assurance would be given. This would not necessarily correspond to an expected reduced audit fees;
6. Limited essential explanatory materials in the ISA for LCE standard creates a risk that the standard may be incorrectly or inconsistently applied in practice, reducing audit quality; and
7. A perception that regulators may not accept the use of the proposed standard on audits which are required by local statutory or regulatory requirements.

Adoption Status of ISA for LCE



South Africa- The Independent Regulatory Board for Auditors (IRBA) has not yet adopted.



Belgium - Decided not to adopt

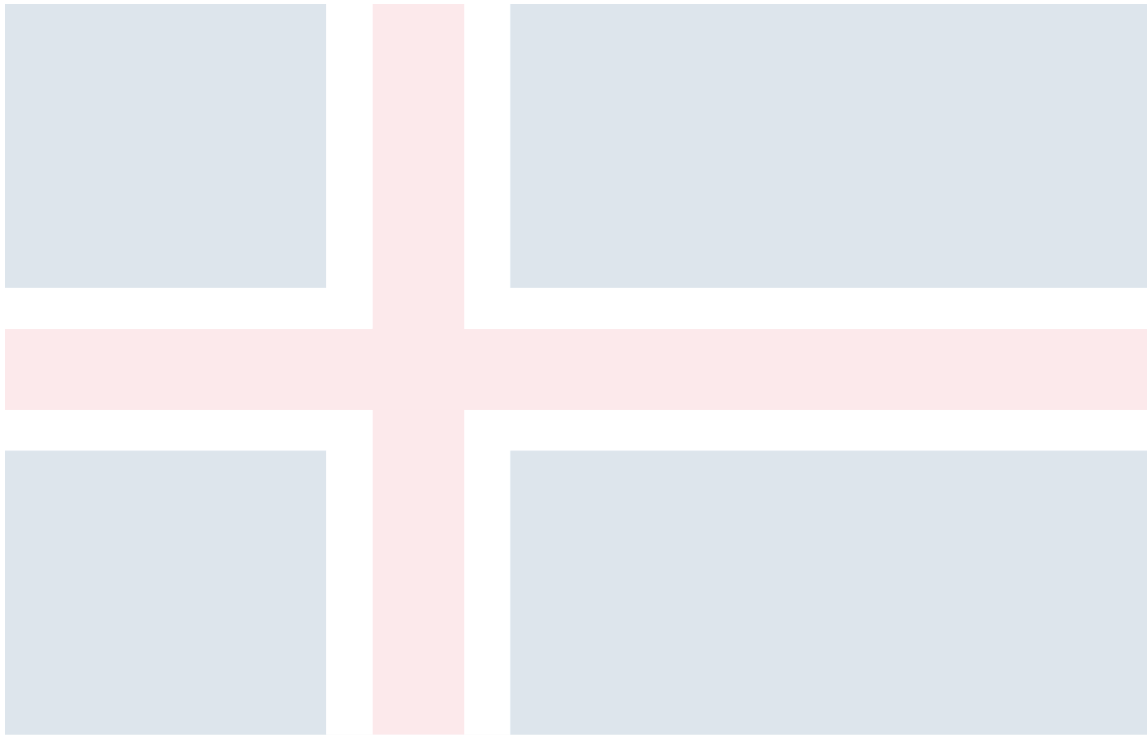
There is a specific standard applicable to the non-statutory audit of SMEs since 2019, introduced because there was a growing demand for 'scalability of the ISAs.

They are now making a comparison between the ISAs and ISA for LCE, and have conducted a SWOT-analysis to understand the application of ISA for LCE in Belgium.

Adoption Status of ISA for LCE



Iceland- Can be applied in Iceland as from this year



Denmark - Decided not to adopt

As there are two audit thresholds among which you can chose between having an audit or an extended review, so there is not the same urge to focus on ISA for LCE.



Adoption Status of ISA for LCE

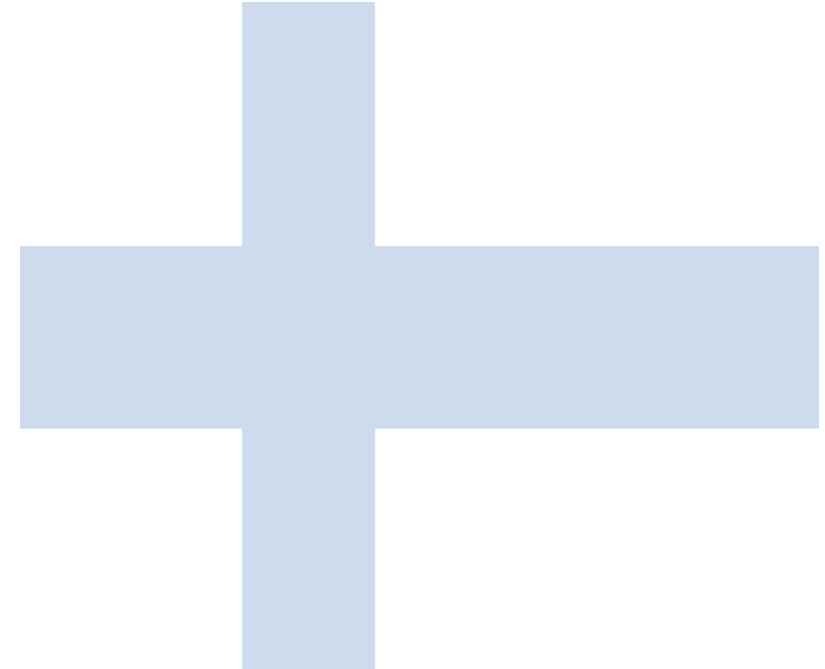
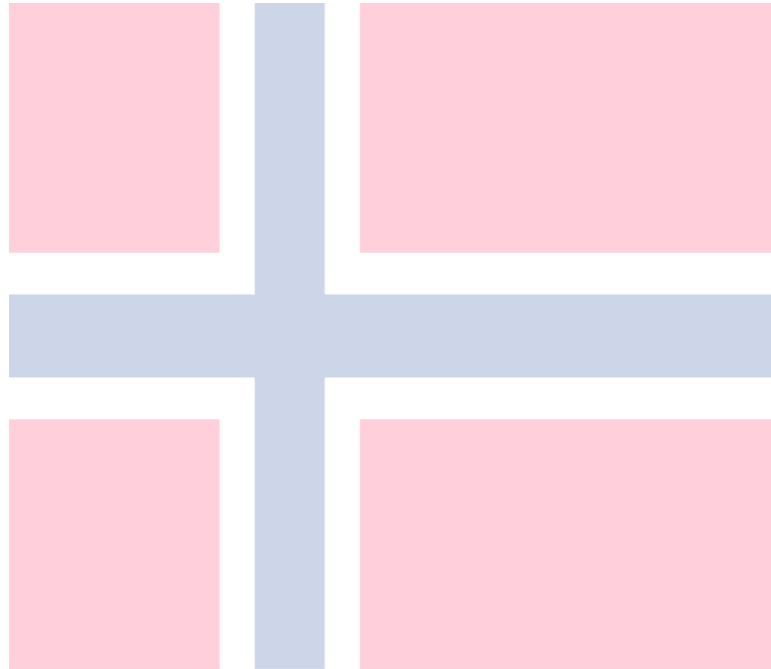
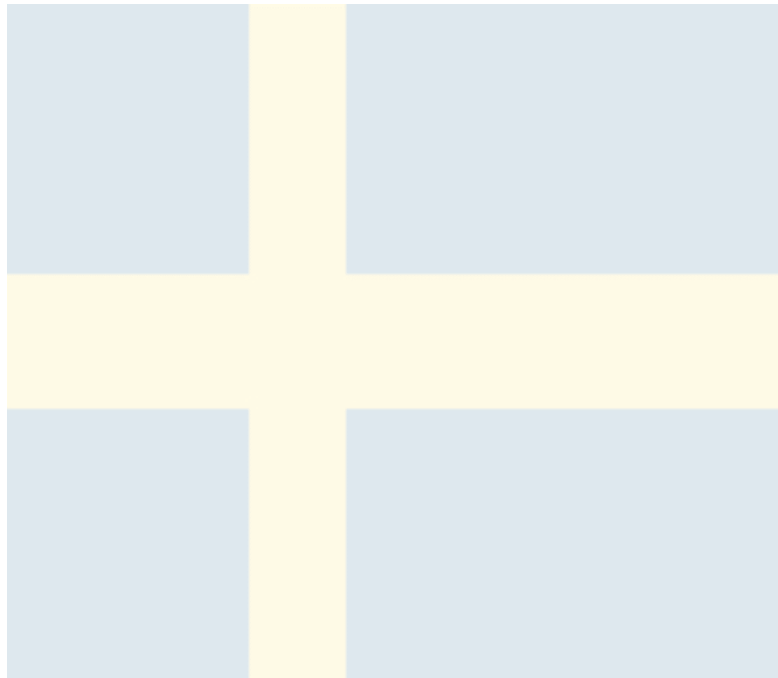


Sweden

Norway

Finland

In Sweden, Norway, and Finland the regulators are all very supportive but didn't get accurate details about the adoption of ISA for LCE in these jurisdictions



Source: <https://www.ifac.org/knowledge-gateway/discussion/journey-towards-adoption-implementation-isa-lce-requires-clear-communication-and-all-stakeholders>

Adoption Status of ISA for LCE



Srilanka - Adopted by CA Srilanka, with same effective date as IAASB



Bangladesh - In ICAB, all international Standards are automatically adopted/applicable for Bangladesh when it is issued globally.





Thank You



This publication contains information for the purpose of the proposal only. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this publication, and nor the Firm, its employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this publication.

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When can it be used?



Specific Prohibitions

- Listed entities
- Audits of Group Financial Statements
- Classes of Entities with Public Interest Characteristics*
- Otherwise Prohibited or Restricted by Jurisdiction or the Firm

Qualitative Characteristics of Complexity

- Accounting Estimates
- Business Activities, Business Model or Industry
- Ownership, Oversight or Organisational Structure
- IT Environment & Systems
- Transactions & Information Processing



**Descriptions of classes may be modified in local jurisdiction*

Part 2: Sufficient Appropriate Audit Evidence



Sufficiency is the measure of the quantity of audit evidence, and is affected by the auditor's assessment of the risks of material misstatement (the higher the assessed risks, the more audit evidence is likely to be required) and also the quality of the audit evidence (the higher the quality, the less may be required).



Appropriateness is the measure of the quality of the audit evidence, that is its relevance and reliability in providing support for the conclusions on which the auditor's opinion is based.



Automated Tools and Techniques (ATT)



ATT, are IT-enabled processes that involve the automation of methods and procedures, for example the analysis of data using modelling and visualization, or drone technology to observe or inspect assets. An auditor may design and perform audit procedures manually or through the use of ATT, and either technique can be effective.

Audit procedures for various types of audit evidence



Various types of audit techniques that may be used by the auditor to obtain audit evidence include:



INTERNATIONAL STANDARD ON QUALITY MANAGEMENT (ISQM 1 and 2)



INTERNATIONAL STANDARD ON QUALITY MANAGEMENT 1 (ISQM 1) QUALITY MANAGEMENT FOR FIRMS THAT PERFORM AUDITS OR REVIEWS OF FINANCIAL STATEMENTS, OR OTHER ASSURANCE OR RELATED SERVICES ENGAGEMENTS



ISQM 1 deals with a firm's responsibilities to design, implement and operate a system of quality management for audits or reviews of financial statements, or other assurance or related services.

A system of quality management operates in a continual and iterative manner and is responsive to changes in the nature and circumstances of the firm and its engagements. For the purposes of this ISQM, a system of quality management addresses the following eight components:

- The firm's risk assessment process;
- governance and leadership;
- Relevant ethical requirements;
- Acceptance and continuance of client relationships and specific engagements;
- Engagement performance;
- Resources;
- Information and communication; and
- The monitoring and remediation process

International Standard on Quality Management 2



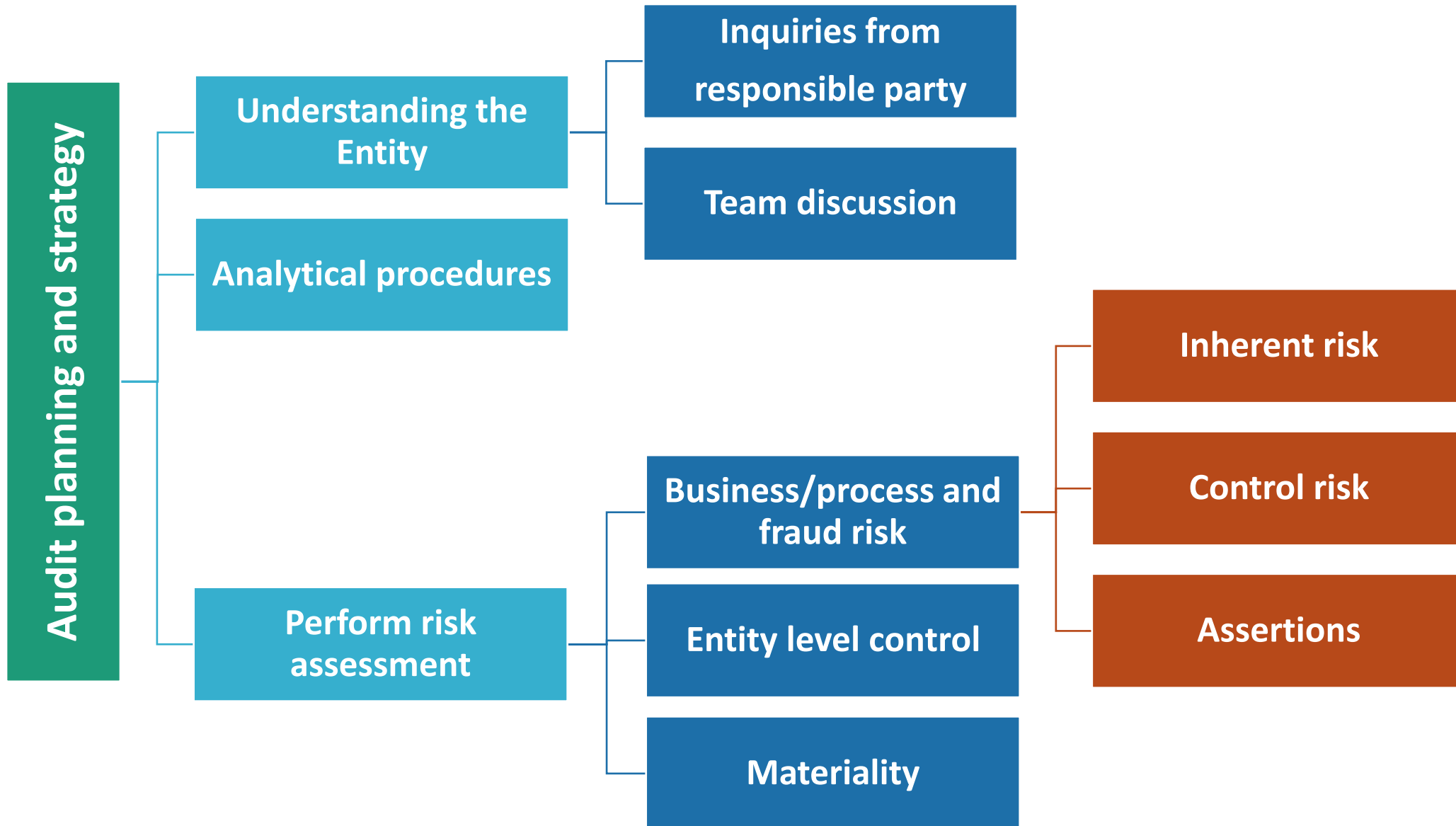
Engagement Quality Reviews

This ISQM deals with the firm's responsibility to establish policies or procedures addressing engagements that are required to be subject to engagement quality reviews.

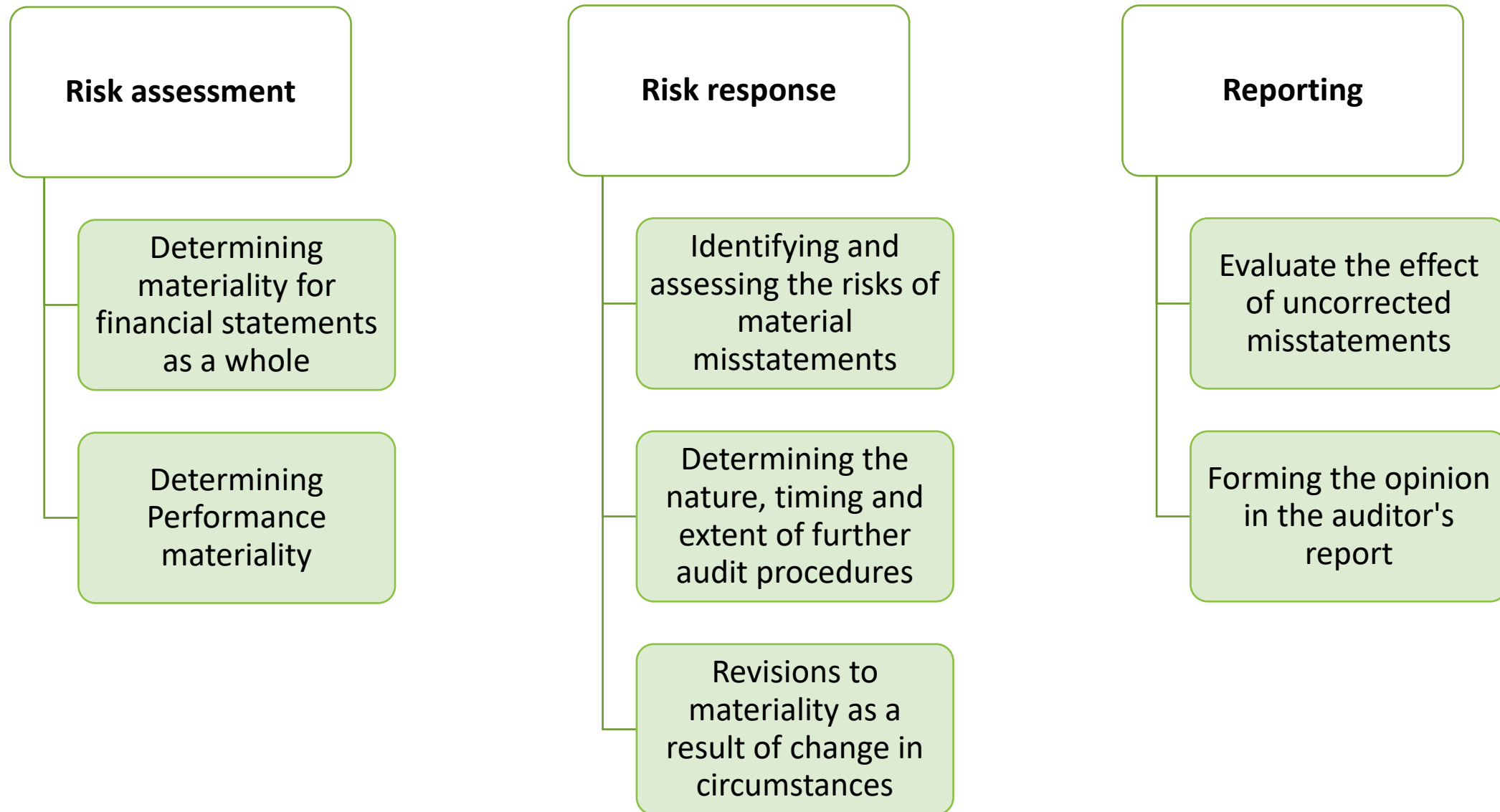
ISQM 2 deals with the appointment and eligibility of the engagement quality reviewer, and the performance and documentation of the engagement quality review.

Other pronouncements of the International Auditing and Assurance Standards Board (IAASB) are premised on the basis that the firm is subject to the ISQMs or to national requirements and include requirements for engagement partners and other engagement team members regarding quality management at the engagement level. For example, ISA 220 (Revised) deals with the specific responsibilities of the auditor regarding quality management at the engagement level for an audit of financial statements and the related responsibilities of the engagement partner.

Planning at Engagement Level



Materiality for planning purpose and performance materiality



Materiality for planning purpose and performance materiality (p56)



Overall materiality
(Financial statements as a whole)

Overall performance materiality
(Quantitative)

Qualitative
factor/ Judgment

Specific performance
materiality

Specific performance
materiality

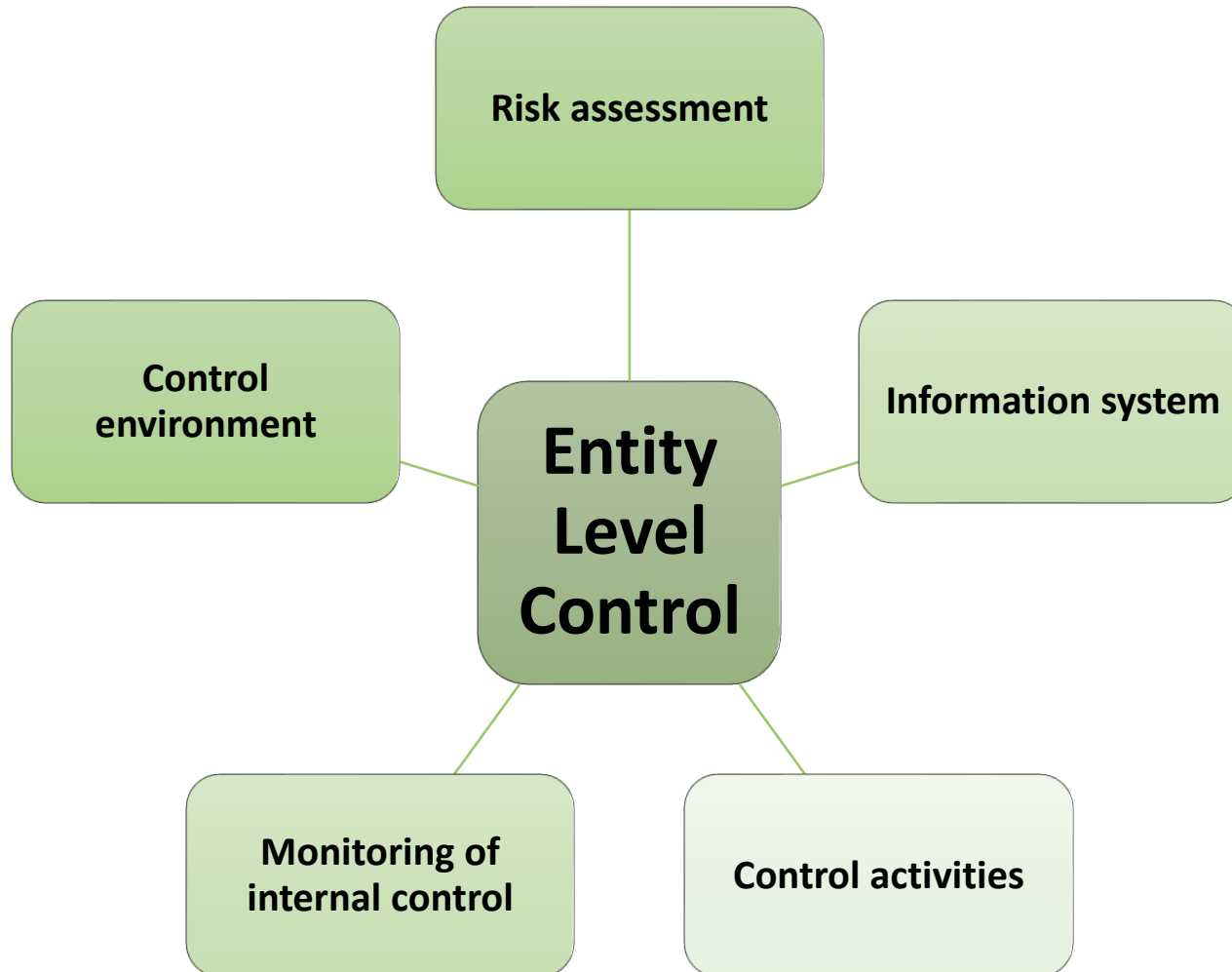
Specific performance
materiality

Specific performance
materiality

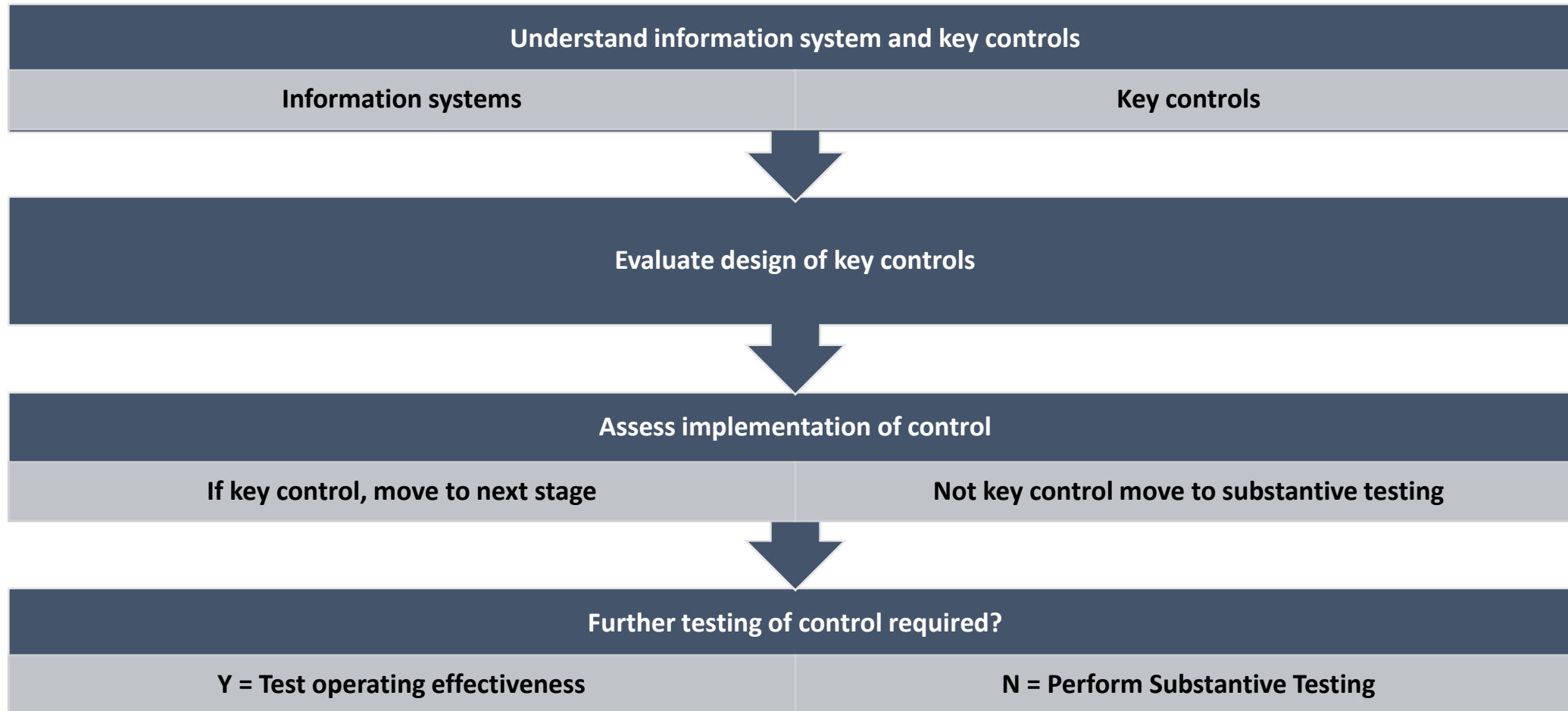
Understanding the Entity's Internal Control



The division of internal control into the following five components provides a useful framework for auditors to consider how different aspects of an entity's internal control may affect the audit:



Understanding the Internal Control



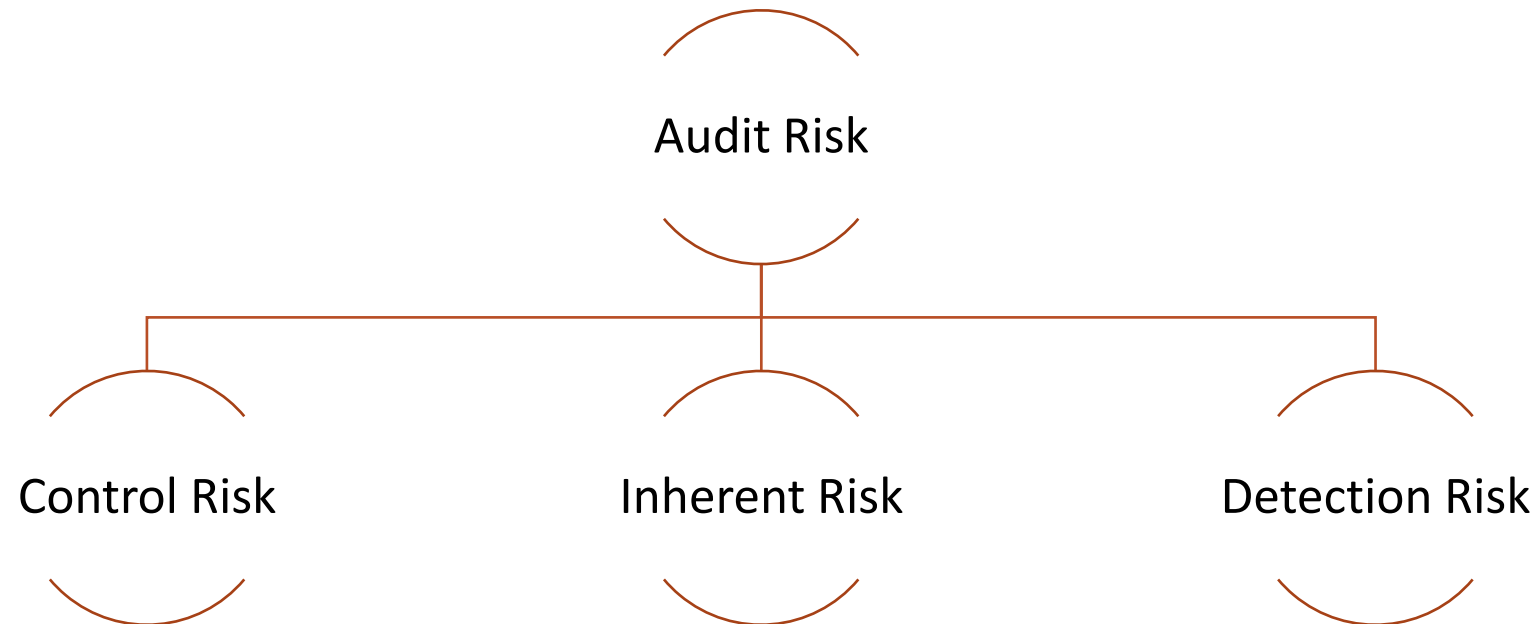


Risk Assessment (audit risk = inherent x control x detection)

Risk of material misstatement (RoMM) = Inherent Risk (IR) x Control Risk (CR)

Inherent risk is the risk of misstatement before consideration of any related controls to prevent or detect and correct such misstatements.

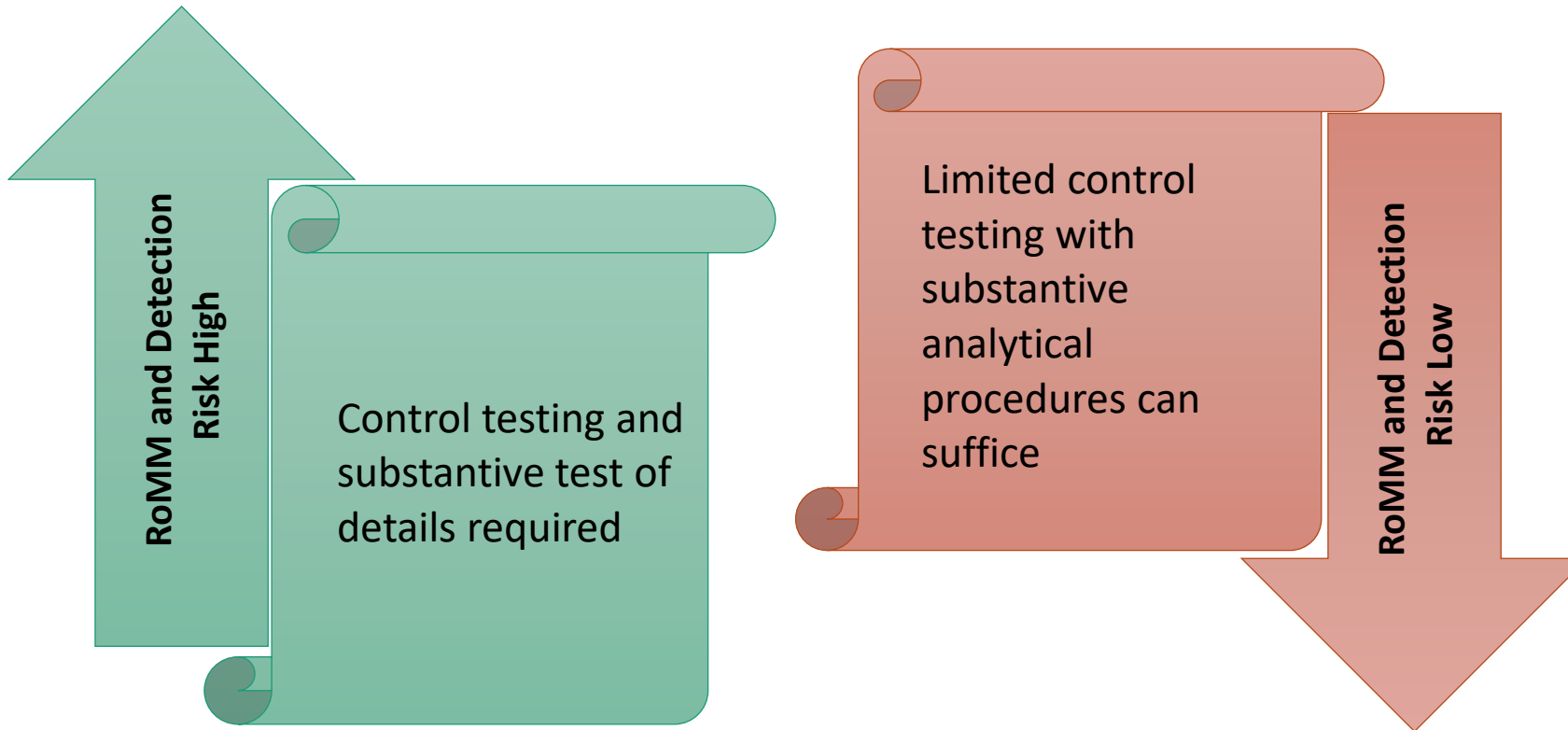
Control risk is the risk that a material misstatement that could occur, and will not be prevented, or detected and corrected, on a timely basis by internal control.

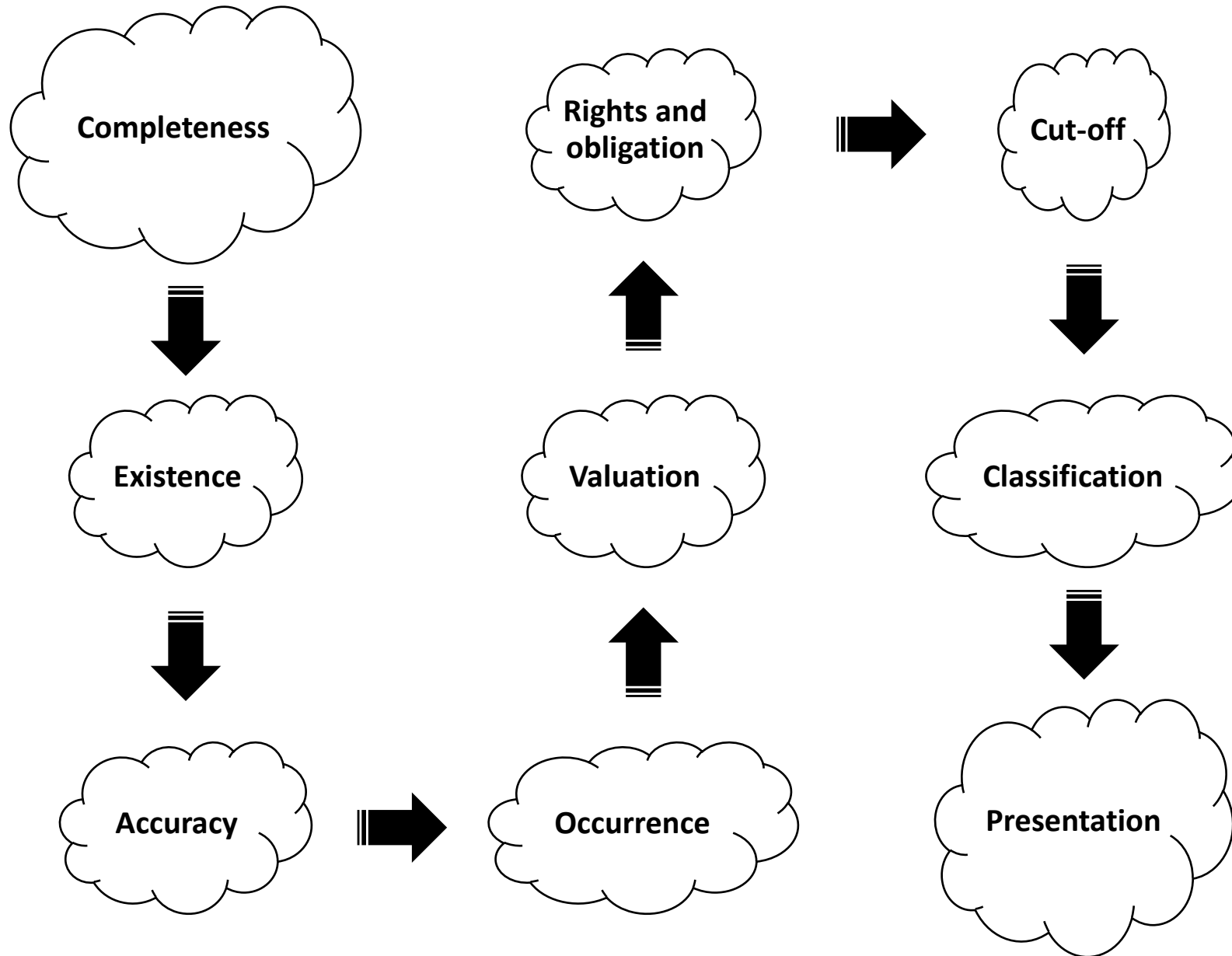




Risk Assessment (audit risk = inherent x control x detection)

Detection risk arises partly from auditor does not examine 100% of transactions and balances, and partly from, even if the auditor were to carry out a 100% examination some material misstatements remain undetected. The way to minimize Detection Risk or to manage Audit Risk is illustrated below.





Relationship between assertion and risk



STEP 1: Identify the risk that will cause material misstatement at the assertion level

The identified risk that will cause material misstatements in the financial statement should relate to the assertion being affected because of risk, which will also provide clarity in terms of designing the audit procedures

STEP 2: Identify the assertion to be tested

Audit procedures are designed and performed to test financial statement assertions based on assessed risks of material misstatements. Therefore, the second step in designing the audit procedure is to identify the assertion that needs to be tested.

STEP 3: Design audit procedures

The next step is to design the appropriate audit procedure to test the assertion and detect material misstatement in the financial statements because of the risk identified in Step 1. The audit procedures can take the form of tests of controls or substantive tests.

Assessment of IT General Control



Testing IT General Control on areas such as related policies and procedures, IT access rights, physical and logical security of IT equipment, changes and upgrades, business continuity and disaster recovery plan etc. are quite important factor if IT is considered critical for the entity.

