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ENHANCING AUDIT QUALITY THROUGH THE APPLICATION OF INTERNATIONAL STANDARDS ON AUDITING (ISA): A CONTEMPORARY ANALYSIS

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Abstract:

The global audit profession faces mounting pressure to deliver consistently high-quality audit engagements amid complex business environments, increasing regulatory scrutiny, and evolving stakeholder expectations. International Standards on Auditing (ISAs), issued by the International Auditing and Assurance Standards Board (IAASB), constitute the foundational framework for enhancing audit quality worldwide.

Keywords: *International Standards on Auditing (ISA), Audit Quality, IAASB, ISQM 1, Quality Management, Risk Assessment, Professional Skepticism, Audit Evidence, Audit Quality Indicators, Engagement Quality Review.*

1. INTRODUCTION

The credibility of financial reporting constitutes a cornerstone of modern capital markets, corporate governance, and public trust. The independent external audit, governed globally by International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB), serves as the principal mechanism through which stakeholders obtain reasonable assurance regarding the fairness of financial statements. Over the past decade, audit quality has emerged as the central concern of regulators, investors, standard-setters, and the profession itself, particularly in the aftermath of high-profile corporate failures, restatements, and regulatory inspection findings that revealed systemic deficiencies in audit execution.

The IAASB, operating under the oversight of the Public Interest Oversight Board (PIOB) and supported by the International Federation of Accountants (IFAC), has responded to these concerns through an ambitious program of standard-setting, culminating most recently in the release of the 2025 IAASB Handbook. This Handbook comprises five volumes and incorporates substantive revisions and new standards that collectively reshape how audits are planned, performed, and reviewed. Notable among these are the International Standards on Quality Management (ISQM 1 and ISQM 2), ISA 220 (Revised), ISA 315 (Revised 2019), ISA 600 (Revised), ISA 570 (Revised 2024), ISA 240 (Revised), ISSA 5000, and the International Standard on Auditing for Audits of Financial Statements of Less Complex Entities (the ISA for LCE).

Audit quality is a multidimensional construct. The IAASB's Framework for Audit Quality (2014) identifies three principal dimensions: inputs (auditor competence, ethical values, independence, time allocated), processes (audit methodology, professional judgment, skepticism, supervision), and outputs (the auditor's report, communications with those charged with governance, and insights for management). These dimensions operate within a contextual environment shaped by corporate governance, regulatory oversight, legal systems, and financial reporting frameworks. Enhancement of audit quality therefore requires attention to all these dimensions simultaneously, with ISAs providing the authoritative operational requirements that translate the Framework's principles into practice.

Recent academic and regulatory literature consistently demonstrates that the gap between audit standards and audit execution remains a central concern. Inspection reports from the Public Company Accounting Oversight Board (PCAOB) in the United States, the Financial Reporting Council (FRC) in the United Kingdom, and comparable regulators in other jurisdictions continue to report deficiency rates in the range of 20% to 40% in reviewed audit engagements. These deficiencies cluster around risk assessment, substantive procedures, audit evidence sufficiency, engagement quality review, and professional skepticism-all areas explicitly addressed by revised ISAs. This persistent gap motivates the present research: what role do ISAs play in enhancing audit quality, and how can their application be strengthened?

Despite the comprehensive coverage of ISAs and the significant investments made by audit firms in methodology, training, and quality systems, audit quality remains inconsistent across firms, engagements, and jurisdictions. Several interrelated problems persist: (1) variation in the rigor of quality management systems across audit firms, particularly among small and medium-sized practices; (2) inconsistent application of risk assessment requirements under ISA 315 (Revised 2019), especially regarding the entity's IT environment and general IT controls; (3) insufficient professional

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skepticism in evaluating audit evidence and management assertions; (4) challenges in performing group audits in accordance with ISA 600 (Revised); (5) limited integration of emerging technologies (data analytics, artificial intelligence) into audit procedures; and (6) uneven adoption of ISQM 1 across jurisdictions since its effective date of 15 December 2022.

The study pursues four interrelated objectives: (a) to systematically examine the structure, scope, and content of the current suite of ISAs, with particular emphasis on the quality management standards and recently revised engagement standards; (b) to analyze the mechanisms through which ISAs enhance audit quality at the engagement, firm, and national levels, drawing upon the IAASB's Framework for Audit Quality; (c) to identify specific implementation challenges and best practices associated with contemporary ISAs through a synthesis of literature and regulatory inspection reports; and (d) to formulate evidence-based recommendations for audit practitioners, standard-setters, and regulators to enhance audit quality in a rapidly evolving global environment.

This research contributes to theory and practice in several important ways. Theoretically, it extends the audit quality literature by integrating recent standard-setting developments (ISQM 1, ISA 220 Revised, ISSA 5000) with established quality frameworks and institutional theory. Practically, the study offers actionable insights for audit firms seeking to strengthen their quality management systems, for regulators designing inspection programs, and for standard-setters undertaking further revisions. The study is particularly timely given the IAASB's recently adopted Technology Position (September 2024), its ongoing revisions to ISA 330, ISA 500, and ISA 520, and the forthcoming effective date of ISA 240 (Revised) and the ISA for LCE (periods beginning on or after 15 December 2025).

The study focuses on external financial statement audits conducted under ISAs. It excludes detailed examination of internal audit standards (issued by the Institute of Internal Auditors), government auditing standards (e.g., INTOSAI ISSAIs), and U.S. PCAOB standards, although comparative reference is made where relevant. The analysis is based on publicly available literature, IAASB pronouncements, and regulatory reports; it does not include primary empirical data from audit firms or inspection bodies. Consequently, findings should be interpreted as syntheses of existing evidence rather than new empirical discoveries.

2. LITERATURE REVIEW

The seminal definition of audit quality by DeAngelo (1981) framed it as the joint probability that the auditor will both detect a material misstatement and report it. This definition, while elegant, has been criticized for its narrow focus on detection and reporting, omitting the equally important dimensions of the audit process, professional judgment, and stakeholder communication. Francis (2011) extended the conceptualization to incorporate audit inputs, processes, and outcomes, and introduced the notion of a continuum of audit quality from high to low rather than a binary classification. More recent frameworks (Knechel et al., 2013; IAASB, 2014) recognize audit quality as an emergent property arising from interactions among auditors, entities, regulators, and investors.

The IAASB Framework for Audit Quality (2014) explicitly defines audit quality in terms of input factors (values, ethics, attitudes, knowledge, skills, experience, time), process factors (audit methodology, professional judgment, documentation, review), output factors (auditor's report, communications with TCWG, reports for management), interactions among stakeholders, and contextual factors (business practices, laws, corporate governance). This tri-level (engagement, firm, national) framework remains the dominant reference point for contemporary audit quality discussion and directly informs the design of ISAs, particularly the quality management standards.

The IAASB and its predecessor bodies have issued auditing standards since the 1970s, but the modern suite of ISAs emerged primarily from the Clarity Project (2004–2009), which redrafted all existing ISAs in a consistent format distinguishing 'requirements' from 'application and other explanatory material.' Since the Clarity Project, the IAASB has undertaken successive revision initiatives addressing specific audit areas, including auditor reporting (ISA 700 series revisions, 2015), accounting estimates (ISA 540 Revised, 2018), risk assessment (ISA 315 Revised 2019), quality management (ISQMs 1 and 2 and ISA 220 Revised, effective December 2022), group audits (ISA 600 Revised), going concern (ISA 570 Revised 2024), fraud (ISA 240 Revised), and less complex entities (ISA for LCE, effective December 2025).

The 2025 IAASB Handbook, released in September 2025, represents the most comprehensive codification of audit and assurance standards in the IAASB's history. For the first time, the Handbook comprises five volumes to accommodate the new ISSA 5000 on sustainability assurance and the ISA for LCE, reflecting the expanding scope of assurance beyond traditional financial statement audits. The IAASB's 2024–2027 strategic work plan emphasizes technology, implementation support, and targeted standard revisions (notably Audit Evidence and Risk Response, with completion targeted for early 2027) over large-scale new standard-setting initiatives.

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A substantial empirical literature examines the relationship between ISA adoption and audit quality outcomes. Studies in emerging markets generally find that ISA adoption is associated with improvements in audit quality measured by accrual-based earnings management (Ahmed et al., 2019), audit report lag, going concern opinion accuracy, and fraud detection rates. However, results are moderated by institutional factors including regulatory enforcement strength, legal system characteristics, and auditor market competition. In mature markets, the effects of ISA adoption are subtler because prior national standards were already largely convergent with ISAs, but ISA adoption nonetheless facilitates cross-border audit consistency and reduces transaction costs for multinational audits.

Research specifically addressing ISA 315 (Revised 2019) documents significant implementation challenges, particularly for small and medium-sized audit firms. Key difficulties include understanding the entity's IT environment in sufficient depth, identifying and evaluating general IT controls (GITCs), and applying the concept of inherent risk along a spectrum with five inherent risk factors (subjectivity, complexity, uncertainty, susceptibility to management bias or fraud, and change). Studies by the ICAEW, ACCA, and academic researchers report increased audit hours, methodology updates, and training investments associated with ISA 315 (Revised 2019) implementation.

3. METHODS

The study adopts a qualitative, descriptive-analytical research design, appropriate for addressing research questions that focus on conceptual analysis, policy examination, and the synthesis of existing knowledge. Qualitative research design is particularly suited to the present study because it enables in-depth exploration of the content of ISAs, the mechanisms through which they influence audit quality, and the contextual factors that shape their application. The design combines three complementary analytical strategies: systematic literature review, document analysis, and comparative jurisdictional analysis.

The study draws on three principal categories of data sources. First, primary standard-setting documents include the 2025 IAASB Handbook (Volumes 1–5, released September 2025), individual ISAs and ISQMs, explanatory memoranda, bases for conclusions, first-time implementation guides, and related IAASB pronouncements. Particular attention is given to ISQM 1, ISQM 2, ISA 220 (Revised), ISA 315 (Revised 2019), ISA 600 (Revised), ISA 570 (Revised 2024), ISA 240 (Revised), ISSA 5000, and the ISA for LCE. Second, regulatory inspection and research reports include publications from the PCAOB (United States), FRC (United Kingdom), IRBA (South Africa), ACRA (Singapore), AUASB (Australia), and the European Audit Oversight Bodies. Third, academic literature encompasses peer-reviewed articles published between 2018 and 2026 in journals such as The Accounting Review, Journal of Accounting Research, Auditing: A Journal of Practice & Theory, International Journal of Auditing, and Accounting, Organizations and Society.

The analytical approach proceeds in four sequential phases. In Phase 1 (document analysis), the content of each ISA is systematically coded against the dimensions of the IAASB Framework for Audit Quality (inputs, processes, outputs, and interactions). This coding identifies how each standard contributes to specific audit quality dimensions. In Phase 2 (thematic synthesis), findings from the literature review are organized around themes identified in Phase 1, distinguishing consistent findings from areas of empirical ambiguity. In Phase 3 (comparative analysis), differences and similarities in ISA implementation and audit quality outcomes are examined across selected jurisdictions, with attention to institutional factors that moderate the effectiveness of ISAs. In Phase 4 (synthesis and recommendation), findings are integrated into a coherent analytical narrative and translated into actionable recommendations for stakeholders.

Several measures safeguard the quality and validity of the research. All primary standard-setting documents are drawn from official IAASB publications and the 2025 IAASB Handbook, ensuring authoritative content. Academic literature is restricted to peer-reviewed sources published in journals with established reputations. Triangulation across multiple data sources (standards, regulatory reports, academic literature) strengthens the reliability of findings. Where evidence is mixed or contested, this is explicitly acknowledged. The study's limitations-particularly the absence of primary empirical data-are disclosed, and findings are framed as syntheses of existing knowledge rather than novel empirical discoveries.

4. RESULTS

Analysis of the current ISA suite reveals comprehensive coverage of the input dimension of audit quality. ISQM 1 explicitly addresses ethical requirements, auditor competence, and resource allocation at the firm level. Component 2 of the SoQM (relevant ethical requirements) requires firms to establish quality objectives that address the firm's and its personnel's compliance with the IESBA Code of Ethics, including independence requirements. Component 5 (resources) addresses human, technological, intellectual, and financial resources necessary for the design, implementation, and operation of the SoQM. ISA 220 (Revised) complements these firm-level requirements by requiring the

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engagement partner to determine whether the engagement team and auditor's external experts collectively have the appropriate competence and capabilities to perform the engagement.

The ethical dimension is reinforced through explicit references to the IESBA International Code of Ethics for Professional Accountants (including International Independence Standards). In January 2026, narrow-scope amendments to IAASB standards arising from IESBA's work on using the work of an external expert took effect, further tightening the interlock between auditing and ethics standards. Analysis indicates that when firms rigorously implement ISQM 1 Component 2 (ethical requirements) and embed it into their risk assessment, acceptance/continuance, and monitoring processes, audit quality inputs are substantially strengthened relative to practice under the former ISQC 1.

The process dimension is where ISAs most directly shape audit execution. ISA 315 (Revised 2019) is the foundational process standard, requiring auditors to identify and assess risks of material misstatement through understanding the entity, its environment (including its internal control), and the applicable financial reporting framework. The revised standard introduces the concept of a spectrum of inherent risk and five inherent risk factors (subjectivity, complexity, uncertainty, susceptibility to management bias or fraud, and change) that auditors must evaluate. It also substantially expands requirements concerning the entity's IT environment and general IT controls (GITCs), reflecting the reality that modern business processes are IT-enabled and that IT risks are integral to financial reporting risks.

ISA 330, which will be revised alongside ISA 500 and ISA 520 under the IAASB's Audit Evidence and Risk Response project (targeted completion early 2027), governs the auditor's response to assessed risks. The current ISA 330 requires auditors to design and perform further audit procedures whose nature, timing, and extent are based on, and are responsive to, the assessed risks of material misstatement. Evidence from regulatory inspections indicates that deficiencies in ISA 330 application-particularly insufficient substantive procedures and over-reliance on controls-are among the most common findings. The forthcoming revisions are expected to address technology-related matters and the auditor's work on internal controls.

Professional skepticism, a cross-cutting process requirement, is reinforced throughout the ISA suite. The revised ISA 315 explicitly requires 'stand back' assessments-evaluations at multiple points in the audit of whether the risk assessment remains appropriate and whether evidence obtained is corroborative or contradictory. ISA 240 (Revised), once effective, strengthens the auditor's responsibilities relating to fraud by enhancing requirements around professional skepticism, fraud risk factors, and the evaluation of identified fraud risks. Empirical literature consistently identifies insufficient professional skepticism as a primary cause of audit failures; the revised ISAs attempt to operationalize skepticism through concrete procedural requirements and documentation obligations.

The output dimension encompasses the auditor's report, communications with those charged with governance (TCWG), and communications with management. ISA 700 (Revised) and its companion standards (ISA 701 Key Audit Matters, ISA 705 Modifications, ISA 706 Emphasis of Matter and Other Matter Paragraphs, ISA 720 Revised Other Information) govern the form and content of the auditor's report. The introduction of Key Audit Matters (KAMs) in ISA 701, effective for listed entities from December 2016, was a transformative reform intended to enhance the informational value of auditor's reports. Research generally indicates that KAMs have improved investor perceptions of audit reports, though evidence on audit quality itself (as measured by restatements or earnings management) is more mixed.

ISA 260 (Revised), Communication with Those Charged with Governance, establishes the auditor's responsibilities for effective two-way communication with audit committees and governance bodies. Audit quality is enhanced when the auditor communicates timely, substantive information about audit scope, significant findings, independence matters, and other relevant matters to TCWG, enabling them to fulfill their oversight responsibilities. The 2025 Handbook includes updated footnote references in ISA 260 (Revised) paragraph A29 to align with the most recent edition of the IESBA Code.

ISQM 1 represents the most significant structural reform in audit quality governance in two decades. Analysis reveals several key implementation outcomes. First, firms are required to establish quality objectives at the component level and identify and assess quality risks threatening the achievement of those objectives. This risk-based approach departs from the prior compliance-based model. Second, firms must design and implement responses (policies and procedures) proportionate to the assessed quality risks. Third, firms must monitor the SoQM and remediate identified deficiencies. Fourth, the firm's CEO (or equivalent) must perform an annual evaluation of the SoQM and conclude on its effectiveness.

Implementation experience across jurisdictions reveals several patterns. Large global network firms have generally implemented sophisticated SoQMs with robust technology infrastructure and dedicated quality

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management personnel. Medium-sized firms have generally implemented adequate SoQMs but often with more limited technology and less granular risk assessment. Small firms have faced the greatest challenges, particularly those with limited resources and non-complex client portfolios; proportionate implementation guidance is essential for these firms. Regulatory inspection bodies have begun to incorporate ISQM 1 review into their programs, with early findings pointing to areas for improvement in risk assessment granularity, monitoring design, and remediation timeliness.

The analysis of contextual factors reveals that the effectiveness of ISAs in enhancing audit quality is moderated by the strength of regulatory oversight, the robustness of corporate governance, and the degree of technology adoption. Jurisdictions with strong, well-resourced audit oversight bodies (e.g., PCAOB, FRC, AUASB) generally show higher audit quality outcomes than jurisdictions with weaker oversight. Similarly, strong corporate governance (independent audit committees, informed boards, effective whistleblower mechanisms) amplifies the quality impact of ISAs. Technology adoption is emerging as a critical contextual factor: in September 2024, the IAASB adopted a Technology Position committing to actively facilitate appropriate use of technology in audit, and in November 2025 updated its Catalog of Issues and Possible Actions on technology-related matters.

The IAASB's Audit Evidence and Risk Response project, scheduled for completion in early 2027, will specifically address how emerging technologies (data analytics, artificial intelligence, machine learning, blockchain) affect audit procedures and evidence. Preliminary project discussions have focused on 'opaque' technology tools-those that are difficult to interpret-and how ISAs can adapt to provide appropriate guidance without becoming prescriptive or obsolete. This work is critical because audit firms of all sizes are rapidly adopting technology tools that materially change the nature of audit procedures.

5. DISCUSSION

The findings collectively support the central thesis that ISAs provide a comprehensive, coherent, and increasingly sophisticated framework for enhancing audit quality. However, the relationship between ISAs and audit quality is not deterministic; it is mediated by multiple implementation factors and moderated by contextual variables. This interpretation aligns with institutional theory perspectives on audit quality, which posit that formal rules (such as ISAs) shape behavior through coercive, normative, and mimetic pressures but that their effects depend on enforcement, professional culture, and organizational capability.

The transition from ISQC 1 to ISQM 1 illustrates this mediation most clearly. ISQM 1's risk-based, proactive, and integrated structure provides a theoretically superior framework for quality management compared to ISQC 1's more compliance-oriented approach. Realizing ISQM 1's potential, however, requires firms to invest in quality management capabilities, personnel, and technology; to embed quality thinking into daily operations rather than treating quality as a separate compliance activity; and to sustain a culture in which the tone at the top supports quality. Firms that adopt ISQM 1 as a checklist exercise will likely experience limited quality improvement, while those that adopt it as a genuine transformation of quality governance can expect substantial gains.

Several practical implications arise for audit firms. First, firms must ensure that their quality management systems under ISQM 1 are genuinely risk-based and tailored to their specific circumstances. Generic, firm-wide policies without reference to the particular risks of the firm's client portfolio, engagement types, and operational environment fail to meet the standard's substantive requirements. Second, firms must invest in technology infrastructure that supports quality management, including engagement management systems, data analytics tools, and monitoring and remediation tracking systems. Third, firms must prioritize ongoing professional development to ensure that partners and staff understand the revised ISAs in depth and can apply them in practice.

Particular attention should be directed to ISA 315 (Revised 2019) implementation. The standard's requirements concerning the entity's IT environment, GITCs, and the spectrum of inherent risk demand a level of IT knowledge and analytical capability that many audit teams historically lacked. Firms should consider deploying IT audit specialists on significant engagements and ensuring that audit teams include members with sufficient IT literacy. Additionally, firms should update their audit methodology, training programs, and work paper templates to reflect the stand-back assessment requirements and the five inherent risk factors.

For the IAASB and other standard-setters, findings suggest several priorities. First, implementation support is as important as standard-setting itself. The IAASB has recognized this through first-time implementation guides for ISQM 1, ISQM 2, ISA 220 (Revised), and ISA 315 (Revised 2019), as well as through webinars and fact sheets. This implementation support should continue and expand, particularly for smaller firms and emerging market practitioners. Second, the IAASB's Technology Position and ongoing Audit Evidence and Risk Response project represent critical responses to

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the evolving audit environment; their successful completion will determine whether ISAs remain relevant for technology-enabled audits. Third, the ISA for LCE (effective December 2025) provides a proportionate framework for less complex entities, potentially enhancing audit quality in the SME segment that accounts for the majority of audits globally.

For national standard-setters and regulators, findings highlight the importance of aligned adoption and consistent enforcement. Jurisdictions that adopt ISAs promptly and integrate them with strong regulatory oversight generally exhibit higher audit quality outcomes. The IAASB's work with the Forum of Firms, the Small and Medium Practices Advisory Group, and the Jurisdictional Auditing and Assurance Standard Setters Liaison Group supports consistent global adoption, but national-level commitment and enforcement remain essential.

Regulators and policymakers should continue investing in robust audit oversight programs. Inspection findings provide essential feedback to audit firms on their ISA application and highlight areas requiring standard-setting attention. Public reporting of inspection findings enhances transparency and creates incentives for firm improvement. Regulators should also coordinate internationally, both through IFIAR (the International Forum of Independent Audit Regulators) and through bilateral arrangements, to share findings and reduce duplication of effort. Policymakers should ensure that the legal framework supports auditor independence, whistleblower protections, and appropriate auditor liability, as these features of the institutional environment materially affect audit quality.

The findings are broadly consistent with prior literature on audit quality determinants while providing an updated synthesis that incorporates the most recent ISA developments. The importance of auditor competence, independence, and professional skepticism-well established in the literature since DeAngelo (1981)-remains central. The growing recognition of firm-level quality management as a critical factor, reflected in the transition from ISQC 1 to ISQM 1, extends the literature's earlier focus on engagement-level factors. The increasing role of technology and data analytics in audit, reflected in the IAASB's Technology Position and ongoing projects, represents a frontier area where empirical evidence is still developing.

The study has several limitations that also suggest productive avenues for future research. First, the study relies on existing literature and publicly available documents rather than primary empirical data; future research could employ surveys, interviews, or archival data to empirically test the relationships identified. Second, the study's global focus necessarily sacrifices depth in any single jurisdiction; future studies could perform in-depth case studies of ISA implementation in specific jurisdictions, particularly emerging markets. Third, because several revised ISAs (ISA 240 Revised, the ISA for LCE) have only recently become effective or remain prospectively effective, empirical evidence on their quality impacts is still developing; longitudinal studies tracking these impacts over the coming five to ten years will be valuable.

Additional future research directions include: the impact of artificial intelligence and advanced data analytics on audit quality; the effectiveness of proportionate ISA application in small and medium-sized audit firms; the role of audit committee characteristics in mediating the relationship between ISAs and audit quality; and the extension of quality frameworks to sustainability assurance under ISSA 5000. These research directions will collectively advance understanding of how formal standards translate into practical audit quality.

6. CONCLUSION

This study examined the role of International Standards on Auditing (ISAs) in enhancing audit quality, drawing upon a systematic analysis of the 2025 IAASB Handbook, regulatory reports, and academic literature. The analysis demonstrates that ISAs provide a comprehensive and increasingly sophisticated framework that addresses the input, process, and output dimensions of audit quality at the engagement, firm, and national levels. The recently revised standards-including ISQM 1, ISQM 2, ISA 220 (Revised), ISA 315 (Revised 2019), ISA 600 (Revised), ISA 570 (Revised 2024), and ISA 240 (Revised)-collectively represent the most significant strengthening of the audit standards framework in two decades.

The key finding is that ISAs, while necessary, are not sufficient for audit quality. Their effectiveness depends on rigorous implementation by audit firms, robust oversight by regulators, strong corporate governance at audited entities, and supportive institutional environments. Audit quality enhancement therefore requires a multi-stakeholder approach in which standard-setters, firms, regulators, policymakers, and those charged with governance each contribute to a coherent quality ecosystem. The IAASB's ongoing work on technology, audit evidence, and risk response will be critical for ensuring that ISAs remain relevant and effective in a rapidly evolving audit environment.

Several specific recommendations emerge from the study. For audit firms: invest in genuine ISQM 1 implementation (not compliance-oriented box-ticking), strengthen IT audit capabilities in line with ISA 315 (Revised 2019), embed professional skepticism through concrete procedures, and prepare for the forthcoming effective dates of ISA 240 (Revised) and the ISA for

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LCE. For standard-setters: continue implementation support, complete the Audit Evidence and Risk Response project, and monitor the impact of the ISA for LCE. For regulators: maintain robust inspection programs, publish substantive findings, and coordinate internationally. For audit committees and those charged with governance: engage substantively with auditors, demand transparency, and support auditor independence.

Ultimately, audit quality is a public good whose provision requires sustained effort and continuous adaptation. ISAs provide the operational framework for this effort, but they must be animated by the professional judgment, ethical commitment, and technical capability of individual auditors and audit firms, and supported by the oversight, governance, and institutional structures that constitute the broader audit ecosystem. The continuous modernization and consistent application of ISAs-guided by the IAASB's strategic priorities and informed by ongoing research-will remain central to enhancing audit quality in the years ahead.

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