

**MEETING OF THE PROFESSIONAL OVERSIGHT BOARD  
8 APRIL 2008 AT ALDWYCH HOUSE**

**AGENDA ITEMS RELATING TO STATUTORY RESPONSIBILITIES OF THE  
PROFESSIONAL OVERSIGHT BOARD**

**Present:** Sir John Bourn (Chairman)  
Dick Barfield  
Tim Barker  
Anthony Carus  
David Crowther  
Hilary Daniels  
Roger Davis  
Stella Fearnley  
Paul George (Executive Director)  
Michael Jones  
Anne Maher

**In attendance:**

Andrew Jones, Director AIU  
John Grewe (Secretary)

**Independent Supervisor**

The **Chairman** declared an interest as the recently retired Comptroller & Auditor General. It was **agreed** that he should stay during the discussion, to answer any questions, but that he would not take part in the discussion.

The **staff** noted that to date only the C&AG had formally indicated an intention to undertake statutory audit work. Part of Oversight Board's role as the Independent Supervisor was therefore to enter into arrangements with the C&AG covering the conduct of audits, the monitoring of audit work and arrangements for investigation and discipline. Staff had therefore developed a Memorandum of Understanding, which bound the C&AG to appropriate regulations including a variant of the Audit Regulations. Members of the NAO staff responsible for audit work had to meet Companies Act requirements and would be subject to regulation by their Recognised Body as any other individual responsible for audit work within a firm.

The Board approved the proposed Memorandum of Understanding and the Disciplinary Rules<sup>1</sup>.

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<sup>1</sup> This is published on the web-site [Link].

## **Practical Training of Auditors**

**Staff** gave a progress report on the points emerging from the Glamorgan Research and from our own work with the bodies. Staff were in the process of drafting a report and Board Members commented on the emerging issues that might be included in such a report.

The **Board** invited the staff to take this work forward and report back.

## **Approval of Third Country Audit Qualifications**

**Staff** explained the need for revised guidance on the process that the Board would follow in response to requests to approve third country audit qualifications. In particular this guidance needed to reflect recent changes in Companies Act requirements. The Board had approved previous guidance in 2006, though there had been no formal requests since then for the approval of a third country audit qualification. Much of the substance and the approach in the revised guidance had not changed.

The **Board** approved the revised guidance<sup>2</sup>.

John Grewe  
Secretary  
April 2008

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<sup>2</sup> This is published on the web-site [link]