

PRESS RELEASE**3RD MEETING OF THE INSPECTIONS SUB-GROUP OF THE CEAOB**

13-10-2017

THE INSPECTIONS SUB-GROUP OF THE CEAOB HAS DIALOGUE WITH EY EUROPEAN REPRESENTATIVES AND, JOINTLY WITH THE INTERNATIONAL AUDITING STANDARDS SUB-GROUP OF THE CEAOB, MEETS WITH REPRESENTATIVES OF THE IAASB AND IESBA.

The 3rd meeting of the Inspections Sub-Group (ISG) of the CEAOB was hosted by the Irish Auditing & Accounting Supervisory Authority (IAASA) in Dublin from 11 to 13 October 2017. The meeting was chaired by the French Haut Conseil du Commissariat aux Comptes (H3C).

Highlights of the meeting include:

Dialogue with the European leadership of EY

The ISG members met with European representatives of EY to discuss the firms' initiatives in continue improving the quality of its audits, including the use of new tools and policies to enhance the effectiveness of those initiatives.

Meeting with representatives of IAASB and IESBA

In a joint meeting with the International Auditing Standards Sub-Group of the CEAOB, the members met representatives of the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA).

The IAASB and IESBA updated the participants on the progress of key projects. The CEAOB members presented an update on common inspection findings on International Standard on Quality Control (ISQC1) and the main issues identified within the CEAOB inspection findings database. Discussion with IESBA focused on ethical requirements relevant for auditors.

ISG work programme for 2018

The ISG Organising Committee presented the work programme for years 2018 – 2019 which was supported by the members.

College activities and work plan for 2018

The four College facilitators updated the group on College activities in 2017 and introduced work plans for 2018. A common approach has been adopted for the four Colleges on several areas of focus for 2018.

Update on Common Audit Inspection Methodology (CAIM)

The ISG received an update on the development of a revenue work programme due for completion in June 2018, including details of a pilot phase over the next few months.

Implementation of two additional ISG task forces

Several member countries of the ISG expressed an interest in joining a smaller regulators task force or supporting it with resources (experts, training, secondments). A presentation was made of the achievements since the ISG Prague meeting and the way forward was agreed.

The ISG Organising Committee also suggested the implementation of an information technology task force with a presentation of the objectives and proposed activities which have been approved by the members.

Presentation of detailed inspection approach

The ISG commenced a series of presentations by individual members of their inspection approach. A member of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) presented the approach adopted in Greece.

About the CEAOB and the Inspections Sub-Group

The Committee of European Auditing Oversight Bodies (CEAOB) is the framework for co-operation between national audit oversight bodies at an EU level. Its role is to strengthen EU-wide audit oversight. By facilitating supervisory convergence, the CEAOB contributes to the effective and consistent application of the new EU audit legislation throughout the EU. The CEAOB is composed of representatives of the national audit oversight bodies of the EU and the European Securities and Markets Authority (ESMA).

The purpose of the CEAOB Inspections Sub-Group is to further enhance the cooperation and consistency among CEAOB members on the subject of inspection activity and to have effective communication with the audit firms and other third parties, with the aim of supporting the objective of the CEAOB to improve audit quality and confidence in audits.

Further information about the CEAOB can be found on its website (https://ec.europa.eu/info/business-economy-euro/banking-and-finance/financial-reforms-and-their-progress/regulatory-process-financial-services/expert-groups-comitology-and-other-committees/committee-european-auditing-oversight-bodies_en). For further information about this press release, please contact EC-CEAOB-SECRETARIAT@ec.europa.eu.

About Colleges of audit regulators

Colleges of regulators have been set up in accordance with Article 32 of the EU Audit Regulation (No 537/2014) to encourage increased co-operation between certain EU competent authorities for audit in respect of quality assurance monitoring activities. Currently four Colleges are in place, one for each of the four largest audit firm networks, each led by a College facilitator.