EUROPEAN
AUDIT COMMITTEE LEADERSHIP NETWORK
ViewPoints

23 May 2017

TAPESTRY NETWORKS, INC • WWW.TAPESTRYNETWORKS.COM • +1 781 290 2270

Dialogue with the Committee of European Auditing Oversight Bodies

In the wake of the financial crisis that began about a decade ago, the European Union (EU) stepped up its policy-making on the auditing of public-interest entities (PIEs). EU member states are today implementing the 2014 Audit Regulation and Directive (ARD), which took effect on 17 June 2016. As part of this effort, the Committee of European Auditing Oversight Bodies (CEAOB) was established in July of that year to serve as a forum in which national audit regulators can cooperate on implementing the ARD and improving audit quality.

On 20 April 2017, in one session of the European Audit Committee Leadership Network (EACLN) meeting in Paris, Ralf Bose, chair of the CEAOB, joined members to discuss the organization's mission and agenda, the challenges of audit policy in Europe, and audit regulators' partnership with audit committees.[1]

For a biography of Mr Bose, see Appendix 1, on page 10. For a full list of participants, see Appendix 2, on page 11.

Executive summary

In conversations before, during and after the meeting, EACLN members and Mr Bose discussed the CEAOB as an organization and its specific activities, with a focus on the following key points:

- **The CEAOB is a coordinating body rather than a regulator** *(page 2)*

  The CEAOB is a body that facilitates coordination and information sharing among national audit regulators. It contributes to effective cooperation between regulators, with a view to maximising the effectiveness of the EU legal framework on audit and enhancing investor confidence by improving audit quality. The CEAOB has established subgroups to address the ARD's requirements and is also continuing the work of predecessor bodies. It does not have the authority to impose binding requirements, and the European Commission retains the power to promulgate official interpretations of the rules. Nevertheless, the CEAOB intends to serve as a forum for resolving auditor oversight implementation issues and making regulations more consistent and effective.

- **Mandatory rotation continues to present challenges, but inspections are improving** *(page 3)*

  While mandatory audit firm rotation is already bringing benefits such as greater innovation, variance among the national rotation periods may oblige multinational companies to have different auditors at certain foreign subsidiaries, leading to more complexity and restricted choices for non-audit services. While the CEAOB has little ability to effect legislative change, the European Commission is reviewing some aspects of the ARD. The CEOAB and its constituents have made progress in the area of audit firm inspections, where there has been widespread adoption of a common audit inspection methodology (CAIM) and the establishment of a single database of inspection findings.

- **Dialogue with audit committees creates an opportunity to improve audit quality** *(page 6)*

  Audit policymakers and regulators seek more communication with audit committees. The requirement that regulators report on audit committee performance is aimed at understanding the audit committee's

[1] *ViewPoints* reflects the network's use of a modified version of the Chatham House Rule whereby comments are not attributed to individuals or corporations. Quotations in italics are drawn directly from conversations with network members, guests and other experts in connection with the meeting.

contribution to audit quality, rather than controlling it. Audit committee chairs underscored their desire for more information from regulators about inspections. Many participants said more dialogue, particularly trilateral conversations among audit committees, regulators, and auditors, would be valuable.

For a list of discussion questions for audit committees, see Appendix 3 on page 12.

The CEAOB is a coordinating body rather than a regulator

Several EACLN members expressed concerns about what they see as an excessive expansion of European regulatory bureaucracy. One member explained, *"I am concerned with some aspects of what is maybe an overreaction to the crisis of the last decade. We've created a significant number of bodies that watch and coordinate. It's a significant cost. We need to get results yearly, showing what influence they have."* During the meeting, however, members learned that the CEAOB's mandate is not to impose or enforce regulations, but rather to coordinate and promote more efficient and consistent regulation.

The CEAOB was created as a consultative and facilitating body; it replaced the European Group of Audit Oversight Bodies (EGAOB), which was created in 2005. Unlike its predecessor, the CEAOB's chair is a representative from one of the national audit regulators rather than from the European Commission. The CEOAB also continues the work of the European Audit Inspection Group (EAIG), which had been a forum for cooperation on inspections of external audit firms.

The CEAOB is charged with facilitation, coordination and information gathering

The CEAOB's responsibilities are derived from article 30 of the regulation portion of the ARD, which states, "The CEOAB shall:

(a) facilitate the exchange of information, expertise and best practices for the implementation of this Regulation and of Directive 2006/43/EC;

(b) provide expert advice to the Commission as well as to the competent authorities,[2] at their request, on issues related to the implementation of this Regulation and of Directive 2006/43/EC;

(c) contribute to the technical assessment of public oversight systems of third countries and to the international cooperation between Member States and third countries in that area, as referred to in Articles 46(2) and 47(3) of Directive 2006/43/EC;

(d) contribute to the technical examination of international auditing standards, including the processes for their elaboration, with a view to their adoption at Union level;

(e) contribute to the improvement of cooperation mechanisms for the oversight of public-interest entities' statutory auditors, audit firms or the networks they belong to;

(f) carry out other coordinating tasks in the cases provided for in this Regulation or in Directive 2006/43/EC."[3]

To address these responsibilities, the CEAOB, as one of its first acts, established subgroups on market monitoring, international auditing standards, inspections, enforcement, and international equivalence and

---

[2] "Competent authorities" refers to the national audit regulators.

[3] Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on Specific Requirements Regarding Statutory Audit of Public-Interest Entities and Repealing Commission Decision 2005/909/EC, 2014 OJ (L 158) 30.

adequacy. Its key priorities for this year include ensuring that these subgroups are adequately resourced, integrating the EAIG's achievements into its structure, sharing experiences of ARD implementation and developing a communications strategy.[4] The CEAOB's ongoing dialogue with audit firms will be facilitated by "colleges" of competent authorities, which are established under the ARD rules for each of the four largest European audit firm networks and continue the work of the former EAIG.[5]

The European Commission and the national regulators maintain authority

The CEAOB has no formal enforcement power; rather, as article 30 states, "for the purposes of carrying out its tasks, the CEAOB may adopt non-binding guidelines or opinions."[6] Before the meeting, Mr Bose explained that the CEAOB must therefore accomplish its goals through its national-regulator members: *"Everything that the CEAOB does is based on a consensus of the members, which might be difficult to achieve. On the other hand, once a consensus has been achieved, it is a big advantage going forward. However, every member is responsible for its own way of implementation based on different national laws. It can be hard to have all the countries under one roof. Audit committees need to understand this to fill the expectation gap which might exist regarding what the CEAOB can do and what it cannot do."*

At the meeting, Mr Bose elaborated: *"The [European] Commission is the guardian of the treaties where the CEAOB cannot interfere. The CEAOB provides assistance to its members, the national competent authorities, making recommendations on convergence and implementation of the ARD, but it can also adopt non-binding guidelines and opinions."*

EACLN members were curious as to how the CEAOB and its diverse membership of national regulators will work together. One member said, *"I'm interested in understanding how they are managing across the varied landscape in Europe. The individual national bodies are at different stages in their development … different stages of maturity. How are they putting it all together and getting started?"*

Mr Bose discussed the CEOAB's efforts to bring its constituents together. For example, he described a shared platform that the CEAOB has just created to help its members debate issues. He likened this approach to an auditor submitting an inquiry to the firm's professional practice office. As these issues arise, the CEAOB consolidates its members' responses and identifies potential common approaches.

Mandatory rotation continues to present challenges, but inspections are improving

The overarching objective of audit reform – and the purpose for establishing the CEAOB – is to promote audit quality. What progress has been made so far, and what challenges are emerging? Mr Bose and EACLN members discussed key elements of this effort, including mandatory rotation, restrictions on non-audit services, and audit firm inspections.

Differing rotation requirements remain a concern

The ARD mandates a maximum audit firm rotation period of 10 years, which can be extended another 10 or 14 years with a tender or joint audit, respectively; however, member states can adopt or retain shorter

[4] Committee of European Auditing Oversight Bodies, *Work Programme: Period Ending 2017* (Committee of European Auditing Oversight Bodies, November 2016), page 4.

[5] Ibid., page 8.

[6] Regulation (EU) No 537/2014, 2014 OJ (L 158) 30.

periods if they choose. Portugal, for example, has opted for a rotation period of eight or nine years,[7] while Italy has had a nine-year rotation period for decades. Overall, key member states show greater variation in the rotation extensions than in the initial engagement period. See table below for details. The ARD also restricts certain non-audit services and caps the fees for permitted non-audit services at 70% of audit fees.

Mandatory audit firm rotation in major jurisdictions, as of December 2016[8]

Jurisdiction	Maximum initial engagement period	Extension with tender	Extension with joint audit
France	10 years	6 years	14 years
Germany	10 years	10 years (except for banks and insurance companies)	14 years (except for banks and insurance companies)
Italy	9 years	None	None
Netherlands	10 years	None	None
Spain	10 years	None	4 years
UK	10 years	10 years	None

EALCN members have noted, at the Paris meeting and in previous discussions, that the new regime is bringing benefits, such as more creativity and innovation from the audit firms.[9] However, they have also noted that it presents significant challenges for companies with subsidiaries that are PIEs in different countries, particularly when they face different rotation periods in different jurisdictions. This situation could mandate the use of multiple auditors, potentially undermining audit quality and consistency and, given the restrictions on non-audit services, limiting the options for securing those services.[10]

One member said, *"It's a huge concern. Europe could have said that rotation will be 10 years everywhere, but it's all over the place, a shocking mess. The current setup doesn't improve audit but detracts from it. You're forced to change the auditor when you shouldn't be. And it's more effective to have one firm globally."* Another member noted the particular challenge that arises with an acquisition: *"It's difficult if we buy a company and are off cycle with the auditor. I believe in having one auditor for the whole firm. If you do own companies – public ones in different countries with different rotation periods – you need a mathematical model to manage this."*

Others saw the problem as less severe and, in some respects, more familiar than new. One member said, *"It's overblown. Oftentimes, with joint ventures, you end up with different auditors. It just becomes more complex, but it's all doable, even if it is pretty inefficient."* Another member noted, *"At the end of the day, the quality of the work of the different firms is very similar. Ultimately, it depends on the people who are on the team – how many, what kind."*

[7] Paul Hodgson, "New EU Auditor Rotation Rules Have Auditors Playing Musical Chairs," *Compliance Week, 13* April 2016.
[8] "EU Audit Legislation: Member States Implementation," EY, 23 December 2016.
[9] European Audit Committee Leadership Network, *Dialogue on Audit Policy* (Waltham, MA: Tapestry Networks, 2016), page 4.
[10] Ibid., page 3.

Mr Bose understood both sides of the issue. In particular, he highlighted the challenges associated with constant change in different parts of the organization: *"It could be an issue that hurts audit quality. The regulators will certainly have an eye on it."* On the other hand, he said that there could be benefits to having a different firm audit a major subsidiary, although it comes at a cost. He explained: *"The regulators sometimes find that a group auditor is not adequately involved in the audit of subsidiaries … I will say that when you have a different auditor of a subsidiary, the group auditor might pay more attention because they are forced to be more involved and active due to a lower level of familiarity with that auditor than with their own colleagues. Nevertheless, the time and money spent on bids in different countries might be a concern."*

EACLN members wondered how much member states will choose to diverge in their rotation requirements and what the CEAOB can do to limit divergence. At the national level, some countries that previously had different mandatory rotation periods – the Netherlands, for example – have already decided to align at least partially with the ARD instead. Members speculated that the European Commission could modify aspects of the ARD if implementation proves too difficult.

At an EACLN meeting last year, Alain Deckers of the European Commission hinted that it was open to rule changes if necessary,[11] and in November 2016 the commission announced – as part of its call for evidence on the EU regulatory framework for financial services – a review of the national options in the ARD, with a focus on compliance costs stemming from mandatory rotation and prohibited non-audit services.[12] Nevertheless, Mr Bose encouraged members to *"look ahead and focus on what we can do now"* rather than attempt to change the law, which would take more time.

Audit firm inspections are increasingly consistent and cohesive

Regulator inspections of audit firms are a more direct approach to improving audit quality and identifying and correcting problems in specific audits as well as in the audit firms themselves. The CEAOB provides a forum for sharing information in order to improve inspections and foster greater consistency in inspection practices. It also creates opportunities for regulators to rely on one other when inspecting audits that cross borders.

Mr Bose noted two positive developments related to regulators' inspections of audit firms: the widespread adoption of the Common Audit Inspection Methodology (CAIM) among CEAOB members, and the establishment of an inspection findings database with recorded findings on the top 10 audit firm networks in CEAOB member states. *"Audit oversight should help to prevent audit failures and make sure that audits are going well,"* he said. *"We've achieved more unity through a common audit inspection methodology and a database that allows us to analyze results across Europe. This increases the cohesion and our impact, regardless of possible national histories which might still exist. But now we are on the way to have similar processes and ways to assess findings."*

An EACLN member expressed qualified support for one regulator's use of another regulator's work: *"For me, it's not causing issues. Our regulator can run reviews in the best way they see fit. If they can link up with others that they can rely on, that's good – but I would want to know the findings if the subsidiary is*

[11] European Audit Committee Leadership Network, Dialogue on Audit Policy, page 3.

[12] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Call for Evidence - EU Regulatory Framework for Financial Services, COM (2016) 855 final (23 November 2016), page 10.

reviewed in another country. There should be some sort of network of reporting when foreign subsidiaries are reviewed."

One member saw occasion for improved coordination among regulators, based on the member's experiences with an inspection that took place in 2016: *"We got questions from both regulators, and they were slightly different. It showed that they were not coordinating and were focused on different issues."* Some members also had more general reservations about the effectiveness of inspections. One remarked, *"Inspection reports are not good at really assessing quality. They report by exception."* A member noted that because regulators focus on cold file reviews, they rely too heavily on formal documentation and may miss undocumented aspects of the audit.

Dialogue with audit committees creates an opportunity to improve audit quality

EACLN members continue to be interested in the relationship between regulators and audit committees. They explored the issue in their conversation with Mr Bose, addressing the ARD's requirement that regulators report on audit committee performance and the opportunities for dialogue between regulators and audit committees more generally.

Reporting on audit committee performance is about understanding, not assessment

As part of a requirement to monitor and report on audit markets, article 27 of the regulation portion of the ARD says that audit regulators must assess "the performance of audit committees" and draw up a report for the CEAOB, the European Securities and Markets Authority, the European Commission and other bodies.[13] The article provides no detail on what the reports should contain, but the first reports were due on 17 June 2016 and subsequent reports are due at least every three years.

Last year, Mr Deckers reassured EACLN members about the rationale behind article 27, explaining that the requirement to report on audit committee performance was motivated simply by the need to understand how audit committees are dealing with the challenges of implementing the ARD. Mr Bose conveyed a similar message in pre-meeting conversations: *"Directors have expressed concerns about article 27 and reporting on audit committee performance. My personal view is that article 27 is more about qualitative reporting than assessing audit committees in an oversight sense."* At the meeting, he added, *"Audit committee performance is not yet defined. Most national competent authorities for auditor oversight are not directly responsible for [regulating] the performance of audit committees. Given the large number of non-listed PIEs, particularly in the banking and insurance sector, a real assessment of an audit committee's performance will be a challenge. And the CEAOB is aware of that. The CEAOB market monitoring subgroup is working on a practical way to gather adequate information in connection with article 27."*

EACLN members weighed in on how the CEAOB might gather information on audit committee performance. One member mentioned board self-assessments: *"[In some jurisdictions], the board and the board committees have effectiveness reviews every year, and they are required to report on them in the annual report. Every three years they have to have the reviews done externally. It's another source of data for regulators."*

[13] Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on Specific Requirements Regarding Statutory Audit of Public-Interest Entities and Repealing Commission Decision 2005/909/EC, 2014 OJ (L 158) 27.

However, some directors questioned how easily regulators can obtain useful information, noting that regulatory practices, including interactions with audit committees, vary across jurisdictions. One EACLN member said, *"The regulator doesn't talk to the audit committee about what the audit committee does. They could look at audit committee reports, but their commentary would then be not on performance but on reporting."*

Regulators, audit chairs and auditors want more dialogue

Expanding cooperation between regulators and audit committees remains a key objective for both parties. Mr Bose noted, *"When it comes to audit quality, audit committees are possibly the most important partner of regulators."* He stressed the importance of dialogue: *"There are many stakeholders we talk to in order to promote audit quality, and one of the most important [priorities] is creating a dialogue between audit committees and regulators … The audit committees have to create an environment where the auditor can do its work properly and to demonstrate that the audit committee supports [the auditor's] independent work."*

EACLN members identified regulators' inspections of audit firms as a valuable source of information for audit committees as they assess their external auditors.[14] One member was interested in understanding a regulator's evaluation of the auditor's performance on a specific engagement *"not in a negative way but in a constructive way, so that we can sit down with the auditor and say, 'How can we improve this in the future?' This is an essential part of the regulator's contribution."* The member added, *"It's not the only thing we'll consider, but to have an outside view is crucial for me, and quite frankly, this is not implemented everywhere. How can we convince them to talk to us?"*

Mr Bose said that he understood the need for that kind of information, but that different provisions protecting the confidentiality of information in each country must be respected: *"With respect to specific engagement results, you as the audit committee chair can ask your auditor for these results, even if the regulator can't deliver them because of confidentiality. Most regulators publish inspection results showing broad issues and findings. In Germany, we publish them in an aggregated report, and our database also shows results; we can then anonymize, share and discuss the information."* He suggested that an audit committee could use these public reports, among others, to prompt a more specific conversation with its external auditor. He also recommended that audit committees ask the audit firms for inspection results, since the audit firms are not necessarily subject to the same confidentiality provisions as their regulators in that respect.[15]

Mr Bose said that interactions between regulators and audit committees before or during inspections could also be enhanced. *"Where possible, regulators should think about having a conversation with audit committee chairs when starting an inspection, to show why they are there and what they are doing … Despite possibly not being able to go into the specifics of the firm's quality control system or the individual engagement, they could show how an inspection works. You could ask questions about how to understand certain elements of the inspection approach,"* he said.

Members also pointed to the insights about audit committee performance that regulators derive from assessing audits across many companies – insights they could share with audit committees. For example, one

[14] For more on assessing the external auditor, see the *ViewPoints* document on the session that directly addressed this topic: European Audit Committee Leadership Network, *As new regulatory standards take effect, audit committees formalize assessments of their external auditors* (Waltham, MA: Tapestry Networks, 2017).

[15] The International Forum of Independent Audit Regulators has recently made a similar suggestion. See International Forum of Independent Audit Regulators, *Audit Committees and Audit Quality: Trends and Possible Areas for Further Consideration* (IFIAR: 2017), page 21.

member wanted to know, *"What do they think audit committees should look for in assessing quality?"* Another member highlighted a contrast in how audit committees and regulators gather information about audit quality and saw an opportunity for fruitful exchange: *"Their view is formed entirely from file content. Our view is from everything else. An interesting discussion might be, how do we marry those two?"*

At the meeting, Mr Bose, the audit chairs and EY representatives discussed the value of a dialogue that includes the auditor. A member said, *"I would encourage you to think about whether you could replicate what is done in the banking sector – trilateral conversations between the audit committee, regulator and external auditor."* Mr. Bose responded, *"I agree with the point about starting a trilateral dialogue where it is legally possible. If I could, I would make it happen tomorrow. But this depends also on the willingness of all parties and would need to respect confidentiality rules."*

Jean-Yves Jégourel, EY's EMEIA assurance leader, commented, *"We've tried to create a triangle between audit committees, regulators and the external auditor. There can be a legal vulnerability for the external auditor if we open up information about different clients, but my view is there should be transparency, since quality is our top priority. The confidentiality rules make it difficult, but maybe increased dialogue will get the attention of the [European] Commission to change this aspect of the regulatory framework."*

However, EACLN members again heard that these opportunities remain in the early stages, especially when the current situation is viewed from a pan-European perspective. Mr Bose explained: *"Many countries are trying to improve and intensify the dialogue with audit committees. There are some good examples, like the UK. In Germany, I'm working hard on better outreach. For reporting purposes, it is relatively easy to get publicly available information on the 30 companies in the DAX [German stock index], but we have a lot of other, particularly unlisted, PIEs [banks and insurance undertakings], so getting a grip is hard. This may be similar in the rest of Europe."*

Conclusion

With the implementation of the ARD now well underway, both the benefits and the challenges of the new legislation are becoming apparent. While the European Commission is responsible for ensuring that the requirements are met by all member states – and, if necessary, making changes to the legislation – the CEAOB's role is to provide a forum in which national regulators can work together toward more effective and consistent regulation, through information sharing and, where possible, joint resolution of implementation issues. The CEAOB (and its predecessors) have already developed a common audit firm inspection methodology and a database of audit firm inspection results across Europe. It is also reaching out to audit committees to understand their role in audit quality and how national regulators can assist them. Mr Bose, the audit committee chairs and the EY representatives agreed that trilateral conversations among regulators, audit committees and audit firms would be beneficial to the cause of promoting audit quality.

As the meeting ended, several members reiterated the importance of reducing the regulatory burden on audits of large, multinational firms. While realizing that Mr Bose and the CEAOB lack the direct power to bring this about, members said that EU policymakers and regulators need to be engaged, either through the CEAOB's coordinating role or through direct conversation with the EACLN.

About this document

The European Audit Committee Leadership Network is a group of audit committee chairs drawn from leading European companies committed to improving the performance of audit committees and enhancing trust in financial markets. The network is organized and led by Tapestry Networks with the support of EY as part of its continuing commitment to board effectiveness and good governance.

ViewPoints is produced by Tapestry Networks to stimulate timely, substantive board discussions about the choices confronting audit committee members, management and their advisors as they endeavor to fulfil their respective responsibilities to the investing public. The ultimate value of *ViewPoints* lies in its power to help all constituencies develop their own informed points of view on these important issues. Those who receive *ViewPoints* are encouraged to share it with others in their own networks. The more board members, management and advisors who become systematically engaged in this dialogue, the more value will be created for all.

Appendix 1: Biography of Ralf Bose

Mr Ralf Bose is chair of the Committee of European Auditing Oversight Bodies (CEAOB). He is also chief executive director of the German audit regulator, the AOB (Auditor Oversight Body). Previously, Mr Bose was head of the inspection unit of the AOC, the regulatory body that preceded the AOB. Before that, Mr Bose was a partner at KPMG, where he worked in Audit Financial Services, serving as co-head of this area from 2008, and was mainly responsible for audits of globally operating banking groups. Mr Bose is also a board member of the International Forum of Independent Audit Regulators (IFIAR).

Appendix 2: Participants

Members participating in all or parts of the meeting sit on the boards of over 50 public companies:

- Mr Mike Ashley, Audit Committee Chair, Barclays
- Dr Werner Brandt, Audit Committee Chair, Lufthansa
- Mr Aldo Cardoso, Audit Committee Chair, ENGIE
- Mr Carlos Colomer, Audit Committee Chair, Abertis
- Ms Pam Daley, Audit Committee Chair, BlackRock[16]
- Ms Carolyn Dittmeier, Chairman Statutory Audit Committee, Generali
- Mr Ángel Durández, Audit Committee Chair, Mediaset España
- Dr Edgar Ernst, Audit Committee Chair, TUI AG
- Dr Byron Grote, Audit Committee Chair, Tesco, Akzo Nobel and Anglo American
- Ms Siân Herbert-Jones, Audit Committee Chair, Air Liquide
- Mr Lou Hughes, Audit Committee Chair, ABB
- Ms Shonaid Jemmett-Page, Audit Committee Chair, GKN
- Mr Helman le Pas de Sécheval, Audit Committee Chair, Bouygues
- Mr Nasser Munjee, Audit Committee Chair, Tata Motors
- Mr Pierre Rodocanachi, Audit Committee Member, Vivendi
- Ms Guylaine Saucier, Audit Committee Chair, Wendel
- Mr Jean-Michel Sévérino, Audit Committee Chair, Danone
- Mr François Thomazeau, Audit Committee Chair, Bolloré

EY was represented in the meeting by the following:

- Mr Jean-Yves Jégourel, EMEIA Assurance Leader

[16] Member of the North American Audit Committee Leadership Network

Appendix 3: Discussion questions for audit committees

The following questions were provided to EACLN members in advance of the meeting:

- What are your expectations for the CEAOB and its role in European audit markets?
- What have you observed about how national regulators operate? Are they effective at fulfilling their mandates?
- What advice would you have for the CEAOB or its regulator members?
- How are mandatory rotation and restrictions on non-audit services working in practice? How are audit markets changing? What has been the impact on your company?
- Has audit quality improved as countries begin to implement audit reform? What should the CEAOB take into account as it coordinates the work of national regulators?
- What has been your experience with audit firm inspections, especially cross-border inspections? Where might the CEAOB be able to improve the process?
- Have you had interactions with your national regulator about audit committee performance? What advice would you have for regulators as they report on audit committee performance?
- What kind of information and assistance would you like to receive from your national regulator about audit firms or audit issues more generally? What kind of information about audit committee practices? How might the CEAOB be helpful in this regard?
- How would you like to work with your national regulator and the CEAOB going forward?