



**PRESS RELEASE**

**8<sup>TH</sup> MEETING OF THE INSPECTIONS SUB-GROUP OF THE CEAOB**

20-11-20

**THE INSPECTIONS SUB-GROUP OF THE CEAOB MEETS TO SHARE GOOD PRACTICE AND PROMOTE CONSISTENCY AMONG REGULATORS**

In the context of the COVID-19 pandemic, the 8<sup>th</sup> meeting of the Inspections Sub-Group (ISG) of the CEAOB took place remotely from 18 to 20 November 2020. The virtual meeting was chaired by the French Haut conseil du commissariat aux comptes (H3C) and was attended by 28 countries.

**Highlights of the meeting include:**

*Dialogue with the leadership of the International Standard Setters*

Continuing the audit regulators' dialogue with the standard setters, the members of the CEAOB Inspections Sub-Group and the International Auditing Standards Sub-Group met for the fourth time with the leadership of the International Audit and Assurance Standard Setting Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA) to discuss their standard setting activities and the potential for enhancement to standards to address issues raised by inspectors.

*Dialogue with the leadership of PwC*

As part of the audit regulators' ongoing dialogue on improvements in audit quality with large European audit networks, the ISG members met with representatives of PwC to discuss the firms' plans and activities to further improve the quality of their audits.

*Dialogue with the leadership of KPMG*

As part of the audit regulators' ongoing dialogue on improvements in audit quality with large European audit networks, the ISG members met with representatives of KPMG to discuss quality outcomes and the firms' plans and activities to further improve the quality of their audits.

*Dialogue with the leadership of Mazars*

As part of the audit regulators' ongoing dialogue on improvements in audit quality with large European audit networks, the ISG members met with representatives of Mazars to discuss quality outcomes and the firms' plans and activities to further improve the quality of their audits.

The audit firms' colleges and the organising committee of the ISG will follow up on these discussions, particularly on subjects dealing with the new quality management system of the firms and other global quality initiatives.

*CAIM work programs*

ISG members adopted the CAIM work programs for ISA 540 (updated), Firmwide Ethics and Independence (updated) and IT inspection.

*Other areas covered during the meeting*

ISG members shared experience on a number of other topics, including the presentation of the results of surveys regarding the application of GDPR in the context of remote inspections and culture of the firms; the presentation of an update on the work of the different ISG task forces; and discussed the ISG's work plan and the work plans of the Colleges of regulators for 2021.

*CEAOB Inspection Database*

The improvements of the database, for better analysis of the findings, completed in August 2020, were presented to the ISG members.

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*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 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



*CEAOB ISG virtual meeting*

*November 2020*

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](#). For further information about this press release, please contact [EC-CEAOB-SECRETARIAT@ec.europa.eu](mailto: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.