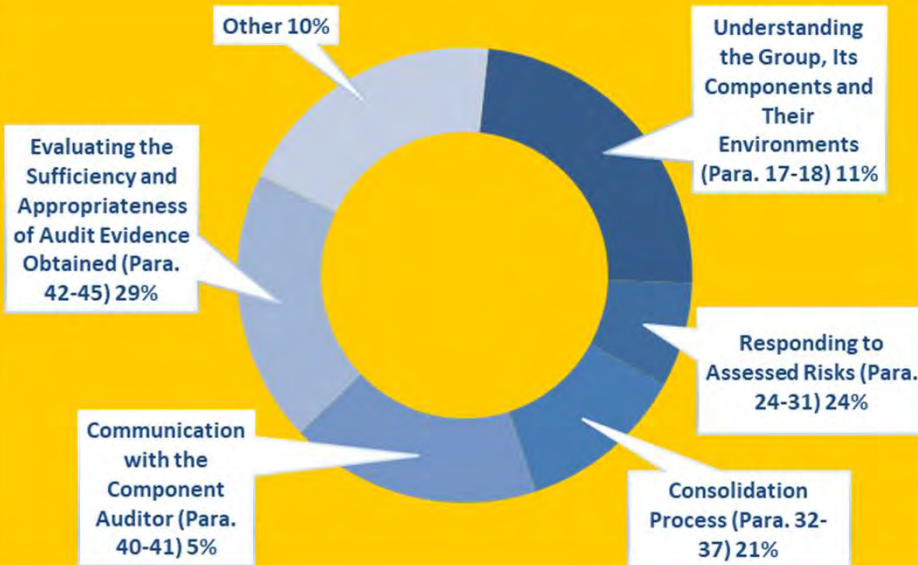




COMMITTEE OF
EUROPEAN
AUDITING
OVERSIGHT
BODIES

Inspection Findings:

Audits of Group Financial Statements (ISA 600)



Analysis results

# Findings	62
# Jurisdictions	10
# % Networks	70%

Most affected areas

- Revenue
- Financial Statements as a whole
- Basis of consolidation

Based on CEAOB inspection findings database between 2019 and 2022

Key inspection findings

- + Failure to appropriately evidence review of the work of component auditors (ISA 600 §42-45) (revenue, receivables, financial statements as a whole)
- + Failure to identify significant components and failure to carry out required procedures on non-significant components (ISA 600 §24-31) (revenue, receivables, financial statements as a whole)
- + Insufficient audit evidence regarding the consolidation process and completeness and accuracy of consolidation adjustments (ISA 600 §32-37) (basis of consolidation)
- + Insufficient evidence regarding the auditors understanding of the group, its components and their environments (ISA 600 §17-18).

“The group engagement partner shall take responsibility for the direction, supervision and performance of the group audit engagement.

The group auditor shall evaluate the appropriateness, completeness and accuracy of consolidation adjustments and reclassifications, and shall evaluate whether any fraud risk factors or indicators of possible management bias

exist.” (ISA 600 revised – 2020)

