

**PRESS RELEASE**

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

20-06-2019

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

The 6<sup>th</sup> meeting of the Inspections Sub-Group (ISG) of the CEAOB was hosted by the Commission de Surveillance du Secteur Financier (CSSF) of Luxembourg in Luxembourg on 19 and 20 June 2019. The meeting was chaired by the Cyprus Public Audit Oversight Board (CyPAOB) and was attended by 28 countries.

**Highlights of the meeting include:**

*Dialogue with the leadership of Deloitte and BDO*

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 Deloitte and BDO to discuss the firms' plans and activities to improve the quality of their audits. The Deloitte College and the organising committee of the ISG will follow up on these discussions.

*Discussion of common inspection findings*

The ISG maintains a database of inspection findings for its members to share knowledge and to identify any recurring findings from inspections that should be discussed with the firms and standard setters. Based on analysis of the database, the ISG members discussed the nature of findings related to the audit of entities in the industrial products and banking industries, as well as potential causal factors for these findings.

*Presentation of detailed inspection approach*

The ISG continued a series of presentations by individual regulators of their inspection approach. The Dutch Authority for the Financial Markets (AFM) presented the approach adopted in The Netherlands.

*Other areas covered during the meeting*

ISG members shared experience on a number of other topics including, audit quality initiatives by the firms and in particular root cause analysis, presentations from the CEAOB Enforcement Sub-Group on survey results, presentation on ESEF, an update on the work of the different task forces and an update from the Market Monitoring and Inspection sub group joint work stream on the preparation for the next Market Monitoring report.

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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 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](#). 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.