



2017 IFIAR Plenary Meeting – Tokyo

Summary of “Project Management and Audit Quality Indicators”

The objective of this breakout session was to inform IFIAR Members of global initiatives of the Big 6 audit firms in the following areas:

- Project Management
- Audit Quality Indicators

The session was a panel style presentation and discussion by the “interlocutors” of the Global Audit Quality (GAQ) Working Group, who are the main contact points with the Big 6 firms in discussions with the working group.

Panelists explained what the firms are doing in general terms in the area of project management. This was followed by an explanation of what each of the Big 6 firms were doing, based on information obtained from the Big 6 firms by the GAQ Working Group. Panelists addressed adequate project management as a key factor in the success of audits, and that root cause analysis by firms has shown that inadequate project management by audit teams can be a cause for inspection findings. As audit systems and technologies improve, the firms are increasingly using those systems and related tools to monitor the progress of audits. The panel followed this with the subject of Audit Quality Indicators (AQIs), explaining what the firms are doing in general terms in this area. This was followed by each of the interlocutors explaining what each of the Big 6 firms are doing. It was observed that the term AQIs has been used by various stakeholder groups, including audit firms and audit regulators, to describe a way to assess the quality of an audit. Monitoring of AQIs allows the firms to take action on matters that may impact the quality of audits.

During the session, IFIAR Members were given the opportunity to ask questions of the panelists and to exchange thoughts on the implications of the increased use of project management and AQIs by the Big 6 firms.

Established in 2006, the International Forum of Independent Audit Regulators (IFIAR) comprises independent audit regulators from 52 jurisdictions representing Africa, North America, South America, Asia, Oceania, and Europe. The following organizations are observers of IFIAR meetings: Basel Committee on Banking Supervision (BCBS) European Commission, Financial Stability Board (FSB), International Association of Insurance Supervisors (IAIS) International Organization of Securities Commissions (IOSCO), Public Interest Oversight Board (PIOB) and the World Bank. Dedicated to serving the public interest and enhancing investor protection, IFIAR provides a platform for dialogue and information-sharing regarding audit quality matters and regulatory practices around the world, and promotes collaboration and consistency in regulatory activity. For more information about IFIAR, please visit www.ifiar.org.