



Extended auditor reporting: Segmental analysis of reporting of risks

Paul George, Executive Director of Corporate Governance & Reporting, Financial Reporting Council, gave a presentation on:

- A brief update on the UK experience following the introduction of extended auditor reports;
- How risks identified within auditors' reports can support inspection activity (for example, to improve the focus of inspections);
- The risks identified in UK reports generally;
- Understanding the risks reported by certain industry segments (general retailers, banks and support services); and
- Whether the risks identified are consistent with experience across other IFIAR Members.

Mr. George's introductory presentation was followed by interactive discussions with IFIAR Members and Observers. These discussions focused on:

- How UK audit firms had adapted to the new reporting requirements and what the main difficulties they experienced were;
- The practical problems posed to UK inspection teams in assessing how firms interpreted the Standard;
- How other Members might evaluate the implementation of ISA 701 (communicating key audit matters in the independent auditor's report) going forward.

Established in 2006, the International Forum for Independent Audit Regulators (IFIAR) comprises independent audit regulators from 51 jurisdictions. 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 and its members, please visit www.ifiar.org.