



IFIAR 2017 Member Profile – AOBA

1. Jurisdiction	1.1 Insert the name of the jurisdiction in English: AUSTRIA
2. Member¹	2.1 Insert the name of the Member, both in the local language and in English: Abschlussprüferaufsichtsbehörde (APAB) Audit Oversight Body of Austria (AOBA)
	2.2 Include relevant contact information, including postal address, telephone numbers, a link to the website and other relevant information: Brucknerstraße 8/6 1040 Vienna Austria http://www.apab.gv.at Contact Persons: Mr. Günther Schönauer (Head of Legal) +43 1 503 12 18 – 20 gs@apab.gv.at Mr. Manuel Schallar (Legal Consultant International Affairs) +43 1 503 12 18 – 33 mrs@apab.gv.at
	2.3 Include the basis for establishment of the Member, as well as the legislation or regulations which provide the Member the authority/mandate with respect to audit regulation. Please describe with an appropriate level of detail the mission and responsibilities of the Member with respect to audit regulation:

¹ In the case where there are two or more regulators from the same jurisdiction that have been approved according to Section 2.3 of the IFIAR Charter, they together are considered as one Member. In that case, regulators are requested to include information for both organizations in the Member Profile.



	<p>Directives 2006/43/EG, 2014/56/EU Regulation (EU) No 537/2014 Abschlussprüfer-Aufsichtsgesetz (APAG)</p> <p>The AOBA is an autonomous administrative authority. It is not bound by directives and works under supervision of the Austrian Minister of Finance. Its responsibilities with respect to audit regulation include (according to § 4 APAG):</p> <ul style="list-style-type: none"> · Regular quality control reviews of statutory auditors and audit firms by appointing certified quality control reviewers · Inspections according to Art 26 of Regulation (EU) No 537/2014 · Carrying out investigations and imposing measures and/or sanctions in case of the breach of the APAG or Regulation (EU) No 537/2014 · Registering statutory auditors and audit firms and maintaining a public register of licensed statutory auditors and audit firms in Austria · Agreeing to the conditions of the Audit/Ethics Standard Setting defined by the auditor’s professional associations. · Supervising the continuing education of statutory auditors · Monitoring market quality and competition in the market for providing statutory audit services according to Art 27 Regulation (EU) No 537/2014 <p>2.4 Have there been any major changes to the Member’s organization or to the governing legislation since completing last year’s Member Profile?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please describe these changes with an appropriate level of detail:</p> <p>According to the Abschlussprüfer-Aufsichtsgesetz (APAG) based on the EU framework on statutory audit (Directive 2014/56/EU, 2006/43/EC, Regulation (EU) No 537/2014), the AOBA took over auditing oversight from the former body, the Austrian Auditors Supervisor Authority (ASA) by October 1st, 2016.</p>
<p>3. Governing Body Composition and members</p>	<p>3.1 Describe with an appropriate level of detail the current composition of the Member’s governing body, including the ratio between Board members who are independent from the audit profession and those who are not. The audit profession includes, for</p>



	<p>example: audit firms, professional accountancy bodies and bodies or entities associated with the audit profession.²</p> <p>The AOBA governing body consists of the managing board and the supervisory board.</p> <ul style="list-style-type: none">· 2 managing board members, appointed by the Austrian Federal Government for a period of 5 years. Both board members are independent of any other audit profession.· 7 supervisory board members – the chairman/chairwoman and 2 further members appointed by the Minister of Finance, 3 members appointed by the Federal Chancellor, 1 member appointed by the Minister of Science, Research and Economic Affairs. <p>AOBA managing board members:</p> <ul style="list-style-type: none">· Mag. Peter Hofbauer, Speaker of the Board, CPA (Austria)· Mag. Martin Santer, Member of the Board <p>AOBA supervisory board members:</p> <ul style="list-style-type: none">· Dr. Nadine Wiedermann-Ondrej (Chairwoman)· Mag. Johann Moser (Vice-Chairman)· Mag. Marion Ibetsberger· Mag. Florian Nowotny· Prof. DI Mag. Friedrich Rödler· Mag. Christine Sumper-Billinger· Mag. Dr. Matthias Tschirf
	<p>3.2 What are the eligibility criteria / requirements and composition requirements for the members of the governing body?</p> <p>Members of the managing board must not be active or have been active during the past three years in the audit profession but have fundamental knowledge in a relevant field such as auditing, accounting or law. At least one of the members of the managing board must be certified public accountant (§ 6/3 APAG).</p> <p>Members of the supervisory board must not be active or have been active during the past three years in the audit profession and must work or have</p>

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	<p>worked in a relevant field such as accounting, finance, science or jurisprudence.</p>
	<p>3.3. Is each member of the governing body independent from the audit profession? The audit profession includes, for example: audit firms, professional accountancy bodies and bodies or entities associated with the audit profession.³</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>3.4 If the answer to question 3.3 is “No”, is the majority of the members of the governing body non-practitioner?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>N/A</p>
	<p>3.5 If the answer to question 3.3 is “No”, which safeguards are in place to provide for the Member’s overall independence from the audit profession?</p> <p>N/A</p>
	<p>3.6 Is there a restriction or recusal process that is applicable to members of the governing body of the Member who are current or former auditors/practitioners?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Does this include a “cooling-off” period for former auditors?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes to either of the above, please describe:</p> <p>Members of the governing bodies have to respect a cooling-off period of 3 years of any audit profession.</p>
	<p>3.7 Other than the governing body, are members of the profession involved in the Member’s organization (e.g., in a management or inspection function)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please describe their role with an appropriate level of detail:</p>

³ Ibid.



	<p>The Quality Control Commission ('Qualitätsprüfungskommission' – QPK) is the AOBA's advisory board and consists of seven members and seven substitute members appointed by the auditor's professional associations (Kammer der Wirtschaftstreuhandler – 4 members, minimum 3 of them must be certified public accountants, Vereinigung Österreichischer Revisionsverbände and Sparkassen-Prüfungsverband, together 3 members, minimum 2 of them must be certified public accountants). The members are appointed by the supervisory board for a period of 4 years.</p> <p>According to §§ 12, 13 APAG, the QPK has no directive authority but only advisory function concerning i.a.:</p> <ul style="list-style-type: none"> · the choice of the quality control reviewer out of a shortlist of three candidates nominated by the reviewed auditor or audit firm. · the granting or denial of certifications for statutory auditors or audit firms based on the quality control reviews. · the imposition of measures in case of defects arising during the quality control review at the reviewed statutory auditor or audit firm. <p>The AOBA is going to employ inspectors to carry out inspections according to Art 26 Regulation (EU) No 537/2014 and investigations in case of the breach of the APAG or Regulation (EU) No 537/2014. The inspectors have to meet the requirements of Art 26/5 Regulation (EU) No 537/2014, in particular they must have appropriate professional education and relevant experience in the field of statutory audit and financial reporting. They must not be practicing auditors and they are excluded from the inspection of any audit firm they have been employed of over the previous three years.</p>
<p>4. Funding Arrangements</p>	<p>4.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget and the fees, if any:</p> <p>Statutory auditors and audit firms contribute to the funding of the AOBA based on the amount of PIE audits executed during one year and the amount of fees generated out of these PIE audits.</p> <p>In addition, the auditor's national professional associations and the Republic of Austria contribute to the funding of the AOBA with a fixed sum per annum defined in the APAG.</p> <hr/> <p>4.2 Is the funding free from undue influence by the profession?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>



	<p>Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:</p> <p>The AOBA is in the process of adopting regulations to prevent undue influence by the profession.</p>
<p>5. Inspection System</p>	<p>5.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <hr/> <p>5.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If through oversight of another organization, please describe with an appropriate level of detail the other organization, its relation to the Member, its role, and the arrangements for oversight:</p> <hr/> <p>5.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:</p> <p>Depending on the characteristics of the PIE, inspections will be carried out (minimum) every 3 or 6 years (§ 44 APAG). Further details on the requirements and practices are about to be adopted.</p>
<p>6. Audit and Financial Market</p>	<p>6.1 Provide the number of audit firms subject to inspections. Include an indication of the number of public interest audits (PIEs) and other audits that fall under the Member's oversight or mandate.</p> <p>In 2015, 15 audit firms were subject to inspections with a total of 269 audits of public interest (PIEs). 2016 statistics are currently being evaluated.</p> <hr/> <p>6.2 What are the sizes and market shares of each of the largest audit firms in the Member's jurisdiction?</p> <p>Further details are about to be evaluated.</p>
<p>7. Main Other Responsibilities of the Member <u>within</u> the area of Audit Oversight</p>	<p>7.1 Please indicate whether the Member has responsibility for tasks other than Inspections within the area of Audit Oversight:</p>



	<input checked="" type="checkbox"/> Registration/Licensing <input type="checkbox"/> Audit and/or Ethics Standard Setting <input type="checkbox"/> Permanent Education of Auditors <input checked="" type="checkbox"/> Enforcement <input type="checkbox"/> Other: _____
	<p>7.2 If the Member has the responsibility for <u>Registration/Licensing</u>, please indicate whether this responsibility is undertaken directly or through oversight of Registration/Licensing conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility with an appropriate level of detail. If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession⁴ are involved in decision-making). Also give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</p> <p>The AOAB maintains the public register of statutory auditors and audit firms. The digital register is accessible online (http://www.apab.gv.at/). Statutory auditors and audit firms have to provide all necessary information and documents to the AOAB in order to be listed in the register (§§ 52 et seq. APAG).</p>
	<p>7.3 If the Member has the responsibility for <u>Audit and/or Ethics Standard Setting</u>, please indicate whether this responsibility is undertaken directly or through oversight of Audit and/or Ethics Standard Setting conducted by another organization?</p> <p><input type="checkbox"/> Directly <input checked="" type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility with an appropriate level of detail. If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession⁵ are involved in decision-making). Also give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p>

⁴ For the purpose of this Member Profile, the audit profession does not include an individual who is a CPA, Chartered Accountant, or holder of another equivalent qualification, as long as this individual is not employed by or affiliated to a registered audit firm, nor employed by or affiliated to of a professional accountancy body, nor employed by or affiliated to bodies or entities associated with the audit profession.

⁵ Ibid.



	<p>Audit/Ethics Standard Setting is carried out by the auditor’s professional associations, however the AOBA needs to agree to the conditions (§ 57 APAG). A detailed procedure is about to be established.</p>
	<p>7.4 If the Member has the responsibility for <u>Permanent Education of Auditors</u>, please indicate whether this responsibility is undertaken directly or through oversight of Permanent Education of Auditors conducted by another organization?</p> <p><input type="checkbox"/> Directly <input checked="" type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility with an appropriate level of detail. If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession⁶ are involved in decision-making). Also give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>The Permanent Education of Auditors is carried out by the auditor’s professional associations. Statutory auditors must provide the necessary proofs of their permanent education to the AOBA (§ 56 APAG) according to Art 13 Directive 2014/56/EU. The AOBA has to adopt rules of action concerning the permanent education of statutory auditors.</p>
	<p>7.5 If the Member has the responsibility for <u>Enforcement</u>, please indicate whether this responsibility is undertaken directly or through referral to other organization(s)?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Referral</p> <p>If through referral, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession⁷ are involved in decision-making). Also give a description of the enforcement powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>The AOBA is an autonomous first instance administrative penal authority and therefore entitled to carry out investigations, in particular inspections according to Art 26 Regulation (EU) No 537/2014 and investigations in the case of the breach of the APAG or Regulation (EU) No 537/2014. The Austrian Federal Administrative Court decides on appeals against decisions of the AOBA.</p>

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⁷ Ibid.



	<p>7.6 If the Member has the responsibility for other tasks within the area of Audit Oversight, please describe with an appropriate level of detail:</p> <p>N/A</p>
<p>8. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight</p>	<p>8.1 Please describe with an appropriate level of detail whether the Member has responsibility for tasks outside the area of audit oversight such as Supervision of Financial Reporting or Securities Regulation:</p> <p>N/A</p>
<p>9. Major Events and Activities</p>	<p>9.1 Describe any recent major events and activities:</p> <ul style="list-style-type: none"> - Founding of the AOBA in October 2016

