
INDEPENDENT REGULATORY BOARD FOR AUDITORS

IFIAR issues Report on the 2019 Global Inspections Findings Survey

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The International Forum for Independent Audit Regulators (IFIAR) recently released its report on the results of its seventh annual survey of inspection findings. The Global Inspections Findings Survey is based on IFIAR's 54 member regulators individual inspections of audit firms affiliated with the six largest global audit firm networks. IFIAR collected information about two categories of activities: inspections performed on firm-wide systems of quality control and inspections of individual audit engagements.

IFIAR members reported in the 2019 survey that 33% of audit engagements inspected had at least one significant deficiency reported, compared to 37% in the 2018 survey and to 47% in the first survey capturing this percentage (2014 survey). While the downward trend is encouraging, IFIAR urged the Global Public Policy Committee (GPPC) networks (the six firms and their member firms) to continue efforts to improve audit quality.

The survey results do not measure precisely and are not the sole factor when considering developments in a firm's progress in improving audit quality. A comprehensive evaluation of audit quality involves consideration of various factors beyond numerical information about deficiencies identified and reported over the course of an inspection.

Although the frequency of findings from inspections of individual audit engagements has reduced on an overall basis compared to the last survey, progress is not experienced in all jurisdictions or at the same rate.

To augment the survey's information about inspection findings, in the 2019 survey IFIAR collected information about its members' practices with respect to reporting the results of inspections to the inspected audit firms, audit committees / those charged with governance, and the public.

The IFIAR Report on the [2019 Global Inspections Findings Survey](#) and the [survey press release](#) can be downloaded on the IRBA website at www.irba.co.za or on the IFIAR website at www.ifiar.org

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About the IRBA

The objective of the IRBA is to endeavour to protect the financial interests of the South African public and local and international investors in South Africa through the effective and appropriate regulation of registered auditors, in accordance with internationally recognised standards, codes and legislation.

