Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR)

32nd SESSION
4 - 6 November 2015
Room XVIII, Palais des Nations, Geneva

Thursday, 5 November 2015
Morning Session

Key foundations of high-quality reporting: International audit and assurance requirements and good practices in their implementation (continued)

Presented by

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Member
Spanish Institute of Chartered Accountants

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INTERNATIONAL STANDARDS AS A TOOL TO ENSURE QUALITY.
A SMP EXPERIENCE
Geneve, 5 November 2015
Mr. Antoni Gomez
Vicepresident Col·legi de Censors Jurats de Comptes de Catalunya (ICJCE)
ABOUT AUREN

- A small international network of Spanish origin
- Different sizes and jurisdictions
- Strong position in Spain – ranked 7th with 15 offices and 650 staff
- Operates in 9 countries across Latin America and Europe with around 1600 staff: Argentina (6 offices) Chile (3), Uruguay (1); Colombia (2); Mexico (10); Portugal (2); Germany (10) and the Netherlands (2)
- Clients primarily SMEs
- Aureen promoted in October 2008 an Association of Independent Firms, Antea: now in 60 countries. Strenght in Latinoamerica
AUREN’s EXPERIENCE

- A network sharing fully name and branding
- Goals of network not focused on referrals, rather on strong position in home countries
- Different legal entities using common methodology, training, IT tools, etc.
- Need to comply with national and international quality standards
- Need to ensure consistent image and performance of our services
- With more countries, the more difficulty ensuring quality and providing value to members
PROBLEMS OF NOT HAVING HOMOGENEOUS STANDARDS

- Complexity / discomfort on audits consolidation and in referrals
- Difficult to exercise quality control: reputational risk
- Barrier to staff mobility
- Difficult to run training programs
OUR QUALITY STRATEGY

- Need for a consistent level of quality
- ISQC1 and ISAs as a common framework
- Forum of Firms’ project
  - Four years
  - Incentive of the entire organization to adopt international standards
  - Reasons for decision to use ISAs for all audit engagements, not only for Transnational audits
- Common audit software: specific Spanish agreement
- Countries champions and international project
MAIN DIFFICULTIES

- Different cultural backgrounds
- Different basic training / education: some countries university level, some not
- Different origins / backgrounds: some partners from larger firms, some from tax and accounting
- Different international experiences
- Significant differences in size and capabilities across countries and offices: chains broken at the weakest link
OUR STANDARDIZATION PROJECT

- Identify in each country what are main differences in standards, as if national are different to International, shall also be fulfilled
- Starting point on standards: develop audit manual and other documents to support ISA implementation
- Starting with implementation of ISQC1 on 2012-13: Changes in organization in each country. Example, Training records, corporate governance, quality assurance, highest independence rules and records...
- Initial training and sharing among country partners
- Pilot test: using ISAs on transnational audits, 2013
- Extensive use of technology: intranet, webinars, audit software...
Extension to all audits and all staff
Project timing: October 2013 - February 2014
Developed standards at intranet
Webinars in Spanish for Spanish speaking countries (incl. Portugal)
Different partners lecturing different ISAs
Specific program for Germany
Physical meetings at outset and conclusion
ANTEA members invited
TRAINING CALENDAR

- 44 on line seminars, mainly 2 hours sessions, afternoon CEST, plus 4 full days meetings per country
- 22 partners involved in lecturing

<table>
<thead>
<tr>
<th>Planificación anual de formación (de 1 de octubre de 2013 a 30 de septiembre de 2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ORGANIZADOR:</strong> AUREN</td>
</tr>
<tr>
<td><strong>Fecha Inicio</strong></td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td><strong>3. Nueviedades contables y consultas</strong></td>
</tr>
<tr>
<td><strong>2. Normativa de independencia</strong></td>
</tr>
<tr>
<td><strong>3. Curso nivel I</strong></td>
</tr>
<tr>
<td><strong>4. Curso Mantenimiento Plantilla Normas Internacionales</strong></td>
</tr>
<tr>
<td><strong>5. NIA 210- Encargo de auditoría y NIA 220- Control de calidad del encargo</strong></td>
</tr>
<tr>
<td><strong>6. NIA 260- Comunicación dirección NIA 265- Comunicación debidamente controlado</strong></td>
</tr>
<tr>
<td><strong>7. NIA 230- Documentación auditoria y NIA 250- Disposiciones legales</strong></td>
</tr>
<tr>
<td><strong>8. NIA 320- Importancia relativa y NIA 450- Evaluación correcciones</strong></td>
</tr>
<tr>
<td><strong>9. NIA 500- Evidencias de auditoría y NIA 501- Evidencias áreas específicas</strong></td>
</tr>
<tr>
<td><strong>10. NIA 505- Confirmaciones externas y NIA 530- Muestreo en auditoría</strong></td>
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</tbody>
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OUR RESULTS

- Regional organization of high quality
- Full membership of FoF April 2014: probably smallest but fast growing
- High level of staff and partner satisfaction
- National prestige as firm using highest international standards
- Homogeneous templates and standards training
- Sharing files and teams
- Comfort on results and reports
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