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

33rd SESSION

4 - 6 October 2016 Room XVIII, Palais des Nations, Geneva

> Tuesday, 4 October 2016 Afternoon Session

Agenda item 3. Practical implementation of compliance monitoring and the enforcement of accounting and audit requirements for high-quality reporting

Presented by

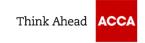
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Agenda

- Regulatory structure/organisation
- Key components
- Quality assurance (inspection)
- Good practices and challenges (Top Tips!)

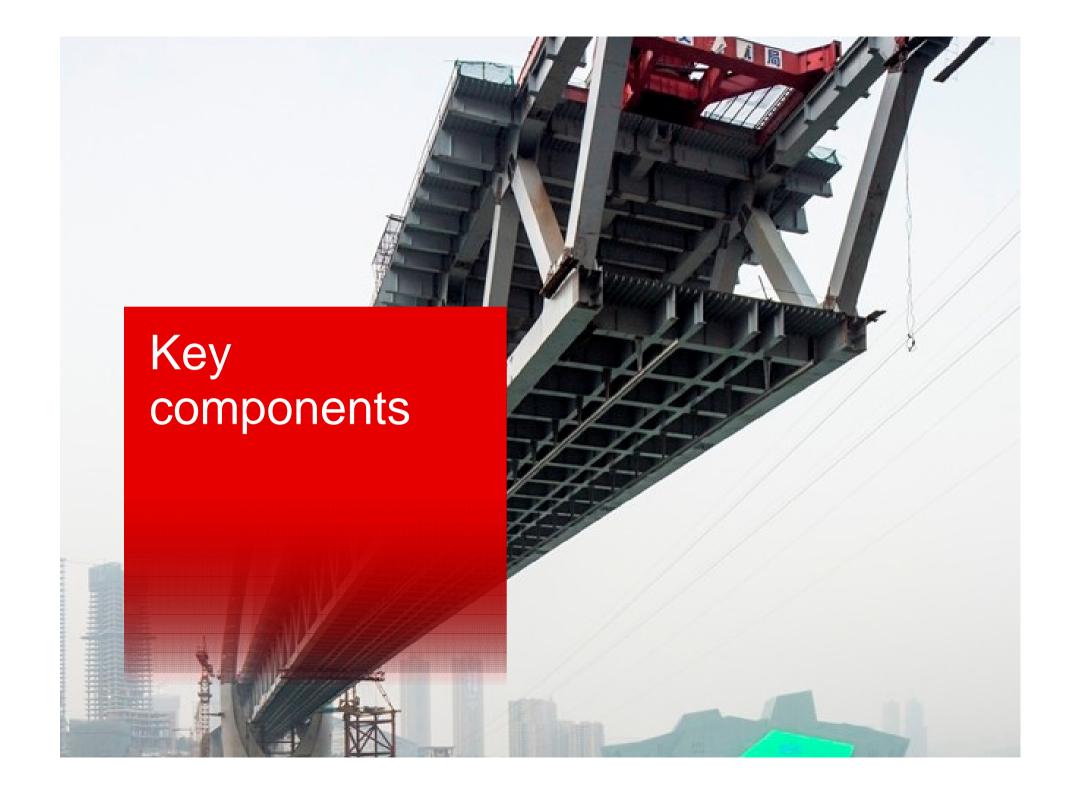




Regulatory structure/organisation

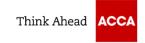
- Legal authority
- Professional body
- Independent regulator
- Professional body and independent regulator (PIE/non-PIE)
- Oversight of professional body regulation
- Scope/size to determine capacity required
- Resources and funding





Key components

- Legislation, standards, rules and regulations
- Licensing
- Quality assurance
- Investigation and discipline
- Financial statement review





Quality assurance (inspection)

- Peer review vs independent review
- Regulatory framework (consequences of noncompliance)
- Require firms to prepare and execute detailed improvement action plans
- Support and resources for firms
- Progressive approach to non-compliance, where possible (consider competence vs ethical conduct and public protection)
- Promote a culture of quality





Good practices and challenges (Top tips!)

- Don't over-regulate (and lose focus)!
- Competent staff/salary levels
- Defined methodology
- Consistency of outcomes
- Consistency and effectiveness of regulatory action
- Quality controls in all regulatory processes
- Consider outsourcing
- Assess risk and manage it
- Independence and integrity are paramount
- Consider the public interest and public protection



