

## Forum of Firms in 2017

Wally Gregory – Chair  
Transnational Auditors Committee

IFAC Council – Brussels

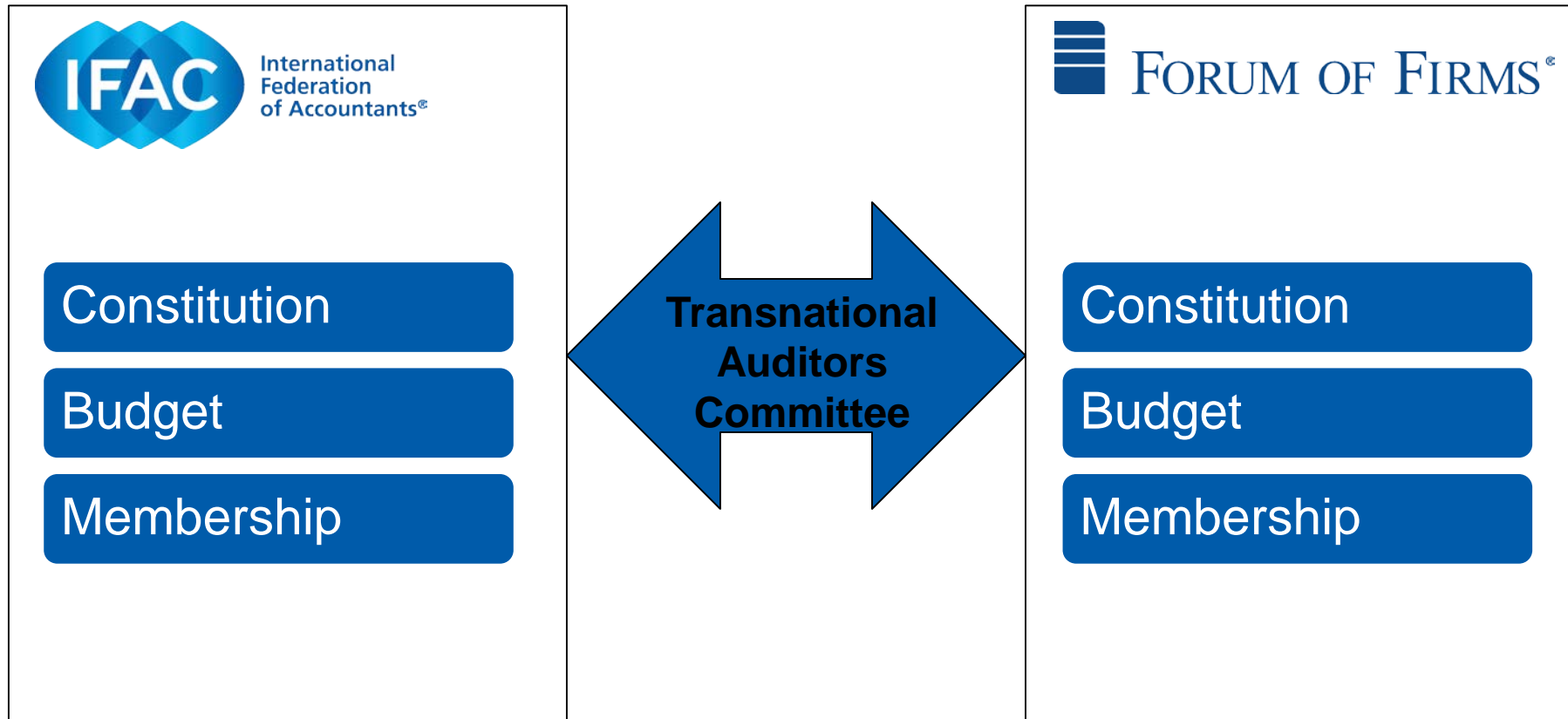
November, 2017

# Agenda

## Forum of Firms

- Entity
- Objective
- What We Do
- Membership
- Audit Quality Initiatives
- Governance

# Forum of Firms – Entity



## Forum of Firms – Objective

The objective of the Forum of Firms (Forum) is to promote consistent and high **quality** standards of financial reporting and **auditing** practices **worldwide**. The Forum brings together firms that perform transnational audits and involves them more closely with the activities of the International Federation of Accountants (IFAC) in audit and other assurance-related areas.

## Forum of Firms – What We Do

- Focus – Audit Quality
- Convene membership events under a global banner
- Auditors supporting fellow auditors
- Meeting schedule – April & October
- Broad diverse membership base
- All members contribute & participate

# Forum of Firms – Membership Obligations

- Members
  - ISAs (IAASB)
  - ISQC 1 (IAASB)
  - Code of Ethics (IESBA)
  - Globally coordinated internal QA reviews
  - Report annual compliance
  - Dues
- Affiliates – 3 years maximum

# Forum of Firms – 27 Members & Growing

- AUREN
- Baker Tilly International
- BDO
- Constantin Associates Network
- Crowe Horwath International
- Deloitte Touche Tohmatsu Limited
- Ernst & Young Global Limited
- FinExpertiza
- Grant Thornton International Ltd
- HLB International
- IECnet
- JPA International
- KPMG International Cooperative
- Kreston International
- Kudos International Network
- Mazars

- Moore Stephens International Limited
- Nexia International
- PKF International Limited
- PricewaterhouseCoopers International
- RSM International Limited
- Russell Bedford International
- SFAI
- SMS Latinoamérica
- Talal Abu Ghazaleh & Co. Int'l
- Task International Limited
- UHY International Limited

## AFFILIATES

- MGI Worldwide – **NEW**
- RT ASEAN Network – **NEW**

# Forum of Firms – 27 Members & Growing

- Membership interest continues
- Well established groups of firms
- Newly created networks
  - Assist where possible to help candidates
  - Understand membership criteria
  - Consider observer status and then affiliate status first
- Extensive due process and monitoring involving membership committee – quality vs quantity



# Forum of Firms – Initiatives for Audit Quality

- Agenda Committee Established
  - Help with formulating agendas
- FoF IPSASB CAG Rep supported by Public Sector Advisory Committee
- FoF Central Bank Auditor group – being reconvened
- Support Standard-Setting Wherever Useful
- Constructive Engagement with Standard Setting Bodies in Support of Audit Quality
  - IAASB, IESBA, IAESB, IASB, IPSASB

# Forum of Firms – Initiatives for Audit Quality

- **Symposiums / Panel Events**
  - Audit practice related
  - Full day – ISQC 1
  - FRC & Sologic & ICAEW (Root Cause Panel)
  - FRC, Data Analytics Specialist and ICAEW (Technology Panel)
  - Deep dive case study analysis on Root Cause Analysis - Sologic

# Forum of Firms – Initiatives for Audit Quality

- Understanding Multiple/Evolving Developments Impacting Audit Quality – for 2017
  - IFIAR
  - European Securities and Markets Authority
  - US (PCAOB), UK (FRC) and Canada (CPAB) regulators
  - Accountancy Europe
  - IIRC

# Forum of Firms – Initiatives for Audit Quality

## Advancing Audit Quality – Global & Local

- Japan – Jan 13 2017
  - Inaugural
  - Planned and driven by local practitioners with close consultation and support from JICPA
  - Full day agenda
  - IAASB update, new auditors report, regulator engagement, attractiveness of the profession
  - Followed model established in India roundtables

# Forum of Firms – Initiatives for Audit Quality

- India – Dec 7 2017
  - 7th event
  - Full day - Chair & local speakers\_planned by India Planning Committee (as in past 3 years)
  - Annual event since 2012
  - Strong demand and attendance
  - Support from ICAI leadership
  - Chair and speakers – across spectrum of FoF firms
- Other jurisdictions being considered for 2018

# Forum of Firms – Initiatives for Audit Quality

- Audit Quality Implications from Global Regulatory Developments
  - Global and Country Specific Regulatory Environment Updates - key feature of all TAC & FoF meetings
  - Jurisdiction Focus
    - Sub Sahara Africa
    - Turkey

# Forum of Firms – Initiatives for Audit Quality

- Information Papers
  - Open to new topics as considered useful
  - Will monitor papers for developments in ISQC 1
- Funding Support
  - FoF approved 2018 IFAC Contribution on October 18

# Forum of Firms – Governance

- 2018
  - Tri-annual review of voting right allocations
  - Continually monitoring internal governance for optimal performance and delivering value to membership



## Forum of Firms – Overall

- Audit quality paramount
- Contribution by all FoF members
- International standards benchmark is the key
- Implementation of standards is essential
- Committed to making a high quality contribution
- Continued emphasis on other drivers of audit quality
- Governance that delivers on our mandate
- Relationship with IFAC highly valued



[www.forumoffirms.org](http://www.forumoffirms.org)

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