



12th CEOB plenary meeting 3 March 2020, Brussels

Draft short summary for publication

On 3 March 2020 the Committee of European Auditing Oversight Bodies (CEAOB) held its 12th plenary meeting in Brussels.

Main outcomes

The members adopted the CEOB Annual Report 2019 as well as the 2019 Enforcement Report. Other topics discussed by the members covered the CEOB's 2020 stakeholder outreach approach, an update on the state of play of the ongoing developments of non-binding guidelines to be issued by the CEOB in 2020 and an update on national audit market developments in some of the Member States.

Two CEOB member authorities gave presentations on their public oversight systems focusing on recent updates and sharing experiences and best practice with the other members.

Activities of the sub-groups

The sub-group chairs gave an update on their respective work streams:

The chair of the *International auditing standards sub-group* updated the members on the recent activities that focused mainly on follow-up discussions regarding the non-binding guidelines on the auditors' involvement on financial statements in European Single Electronic Format (adopted in November 2019) and discussions with the standards setters for projects currently under review.

The *Enforcement sub-group* chair presented to the members the 2019 Enforcement Report and the sub-group's plan to organise a meeting in Vienna in April.

The *International equivalence and adequacy sub-group* chair updated the members on the adequacy and equivalence priorities identified for 2020.

The *Inspections sub group* chair reported on the ongoing preparations for the next meeting to be held in June in Brussels.

The *Market monitoring sub-group* chair gave an update on the work on audit committee activities, the review of the market monitoring indicators and data gathering processes at national level.

Stakeholder outreach

As part of its stakeholder outreach activity, the CEOB invited representatives of the European Auditing Research Network (EARNet) and of the European Audit Committee Leadership Network (EACLN) to liaise on topics of common interest.

The topics discussed were considerations surrounding going concern opinions of auditors and the work of audit committees. The renowned experts which were invited included Prof. Dr. Anna Gold (Vrije Universiteit Amsterdam) who presented research on the topic of going concern uncertainty opinions (GCOs) and also elaborated on practitioner perspectives of research findings and difficult issues in practice regarding GCOs. Of particular interest to the CEAOB were links between regulatory oversight and the issuance of GCOs.

In turn, Mr. Michael Mahoney (Partner, Tapestry Networks), Ms. Guylaine Saucier (Audit Committee Chair, Wendel), Mr. Mike Ashley (Audit Committee Chair, Barclays) and Mr. Arne Karlsson (Audit Committee Chair, Maersk) provided insight by sharing and discussing their views on different topics related to audit and audit quality. Specific topics discussed were measurements of audit quality, benefits and challenges of technology in audits as well as other other important insights from the work of audit committees of large European companies. Lastly, the importance of an interaction between audit regulators and audit committees to reach a common understanding what constitutes and furthers audit quality was stressed by both parties.

The CEAOB welcomed the opportunity for the exchange with these experts in their respective fields and will continue to follow their work closely in the future.

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