



6thCEAOB plenary meeting 27 February 2018, Brussels

Short summary

On 27 February 2018 the Committee of European Auditing Oversight Bodies (CEAOB) held its 6th plenary meeting in Brussels.

Main outcomes

The CEAOB adopted its 2017 Annual Report. The report summarises the activities and achievements of the CEAOB in 2017, its first full year of activity after its establishment on 12 July 2016.

The CEAOB members discussed an initiative for promoting consistent application of the fee cap regarding non-audit services pursuant to Article 4 of the Audit Regulation.

Representatives from the European Commission gave a presentation on the implication of the upcoming entry into force of the General Data Protection Regulation for the cooperation of audit oversight bodies with third countries. ESMA informed about its work on defining the annual European common enforcement priorities that should be considered by listed companies and their auditors, when preparing and auditing IFRS financial statements. ESMA also informed about areas of potential cooperation with the CEAOB in this area.

Three CEAOB member authorities gave presentations on their public oversight systems focusing on recent changes and sharing experiences and best practice with the other members.

Activities of the sub-groups

The CEAOB took note of the activities of its sub-groups:

The International auditing standards sub-group had prepared a contribution of the CEAOB to the Monitoring Group consultation on the reform of standard setting bodies. This contribution has been adopted by the CEAOB without objections via written procedure and was published on its webpage on 8 February 2018.

The Enforcement sub-group Chair reported back on the workshop they organised end of January in Paris on exchange of experience and best practice in the area of investigations and sanctions. The sub-group also prepared a template for the notification of temporary prohibitions for approval by the CEAOB.

The International equivalence and adequacy sub-group Chair reported back on its analysis of the current framework of cooperation with third countries and its on-going technical assessments. The CEAOB approved a revised framework for equivalence assessments proposed by the sub-group which is taking into account features of the 2014 EU Audit

Reform and which is to be used when assessing and revising the equivalence of third-country audit legal frameworks.

The Inspections sub group updated the CEAOB on their current activities. This includes the first meeting of the IT task force, which has been set up to share IT inspection related matters.

The Market monitoring sub-group Chair presented the status of its preparatory work in view of gathering data for the next market monitoring report and on the sub-group's initiative regarding the role of audit committees after the EU Audit Reform. The dialogue with relevant stakeholders (such as ecoDa) will continue.

Stakeholder outreach

As part of its stakeholder outreach activity the CEAOB invited representatives of the Common Content Project to present their initiative to the plenary. The project initiated by several professional bodies in the EU focuses on harmonising a high quality education and training for statutory auditors. The presentation was followed by a discussion amongst members.

Recap of meeting by European Systemic Risk Board (ESRB), the CEAOB and auditors of G-SIFI's

A recap of the first meeting was given to the membership. Article 12 of the EU Audit Regulation requires an annual meeting between the parties to inform the ESRB of sectoral or any significant developments in systemically important financial institutions.

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