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Tokyo, Japan

International Forum of Independent Audit Regulators Addresses Emerging Disruptive Enablers and the Future of Audit at Annual Plenary Meeting in Canada, April 17-19, 2018.

Members of the International Forum of Independent Audit Regulators (IFIAR) were hosted by the Canadian Public Accountability Board (CPAB) in Ottawa, Canada's capital city, at their 2018 Plenary meeting.

The objective to improve audit quality lies at the core of IFIAR's mission. "Audit quality is the cornerstone of international financial stability and economic growth, and investors and capital markets rely on auditors to assure the integrity of financial statements" said Brian Hunt, IFIAR Chair. "In our interconnected world, audit quality issues are not unique to countries – they require international action and IFIAR is a key forum for Members to exchange practical experiences in audit oversight. Our annual meeting provides a unique platform for Members to collectively address matters impacting audit quality."

Many factors are influencing the future of audit oversight, including the interconnectedness and volatility of the global economy, challenges to the relevance of the audit, changes in demographics and professional qualifications, the risks and opportunities of potentially disruptive technologies, and developments in audit/accounting standards and the broader financial regulatory system. This year's discussions focused on existing and potential disruptors to the audit, their impact on the future of audit as we know it today, and confirmed IFIAR's strategic approach in this changing environment.

Event guest speakers included Dubie Cunningham, SVP, Enterprise Innovation, Scotiabank; Jeff Wong, International Head of Innovation, EY; Emilio B Imbriglio, President and CEO, Raymond Chabot Grant Thornton; and Richard Talbot, Board Member, CFA Society Toronto who brought their unique perspectives on how the world of audit must transform. Dr. Timothy Persons, Chief Scientist U.S. Government Accountability Office, and Scott Layton, Director Audit & Investigations at IBM's Asia Pacific, Greater China Group, and Japan regions, shared their knowledge and expectations on how technological developments can affect financial reporting and audit.

2018-2021 strategic plan

This year's meeting marked the first operational year of IFIAR's Board structure as well as IFIAR's permanent Secretariat which was established in April 2017 in Tokyo, Japan, with the hiring of an Executive Director and staff. Key milestones included the approval of IFIAR's first strategic plan, and the presentation of the supporting operating plan to the Membership. IFIAR's 2018-21 strategy is

focused on achieving significantly improved audit quality on a global basis, enhancing capabilities for independent audit oversight and expanding IFIAR's Membership.

Working Groups and Task Forces

Much of IFIAR's work is delivered through its Working Groups and Task Forces. The Chairs of each Working Group and Task Force provided detail updates and key learnings from their activities in the past year and shared their objectives for the coming year.

Advisory Group and Standard Setters

Presentations were also made by the Advisory Group to IFIAR's Investors and Other Stakeholders Working Group (IOSWG), which consists of investor and audit committee representatives, as well as other key stakeholders. The Advisory Group panel discussed how technological innovations could support real time reporting and assurance, and the related expectations of investors and other stakeholders.

Attendees also heard from the Chair of the IAASB and Deputy Chair of IESBA, who discussed global standard setting matters and the impact they are having on global audit quality.

Global CEOs

Continued dialogue on audit quality matters with the largest global network audit firms remains high on the list of priorities for IFIAR. The leaders of the six largest networks (BDO, Deloitte, EY, Grant Thornton, KPMG and PwC) were invited to attend the Plenary to hear how the networks are working to improve audit quality on a global scale. The CEOs also shared their views on the future challenges and opportunities that lie ahead for the audit industry.

Targeted sessions

A key part of this year's Plenary was to discuss regulatory innovations in audit oversight and the impact – potential and realized – of disruptive technologies on audit as well as experiences with the new extended audit report. Three distinct breakout sessions were organized, including a session where the network firms demonstrated how they use their latest digital tools in the course of their audits.

Audit related standard setting reforms

The Chair updated and led a discussion with IFIAR Members on Monitoring Group activities in relation to sound governance over audit-related standard setting boards.

About IFIAR

Established in 2006, the International Forum of Independent Audit Regulators (IFIAR) comprises independent audit regulators from 52 jurisdictions representing Africa, North America, South America, Asia, Oceania, and Europe.

The objective to improve audit quality lies at the core of IFIAR's mission. Our strategy is to proactively influence audit matters worldwide and to shape the future of international dialogue on audit quality and regulatory oversight.

IFIAR provides a platform for Members to exchange information about the audit environment and practical experiences and insights from their inspections of audit firms, enforcement practices, engagement with audit committees, audit quality indicator programs, firm culture reviews, and the overall audit market. This collective wisdom regarding the forces impacting audit quality and oversight is essential to advancing sustainable, high quality audits. Just as importantly, IFIAR is the only forum for coordinated, sustained dialogue with the largest global network audit firms, international standard setters, audit committees, institutional investors and other international organizations that have an interest in audit quality.