



QUALITY ASSURANCE NETWORK

Working together to improve the quality of non-PIE audits



European professional bodies focus on improving quality assurance practices

Professional bodies from a dozen European countries met in Vilnius on 30 May – 1 June for a biannual exchange on how to improve audit quality in the non-public interest entity (PIE) audit sector, the largest part of the European audit market.

Hosted by the Lithuanian Chamber of Auditors (LAR), the spring meeting of the Quality Assurance Network for non-PIE Audit (QAN) addressed a number of issues including implementation of ISQM1, developments relating to sustainability assurance, the growing regulatory focus on professional judgement and the need for greater awareness of cybersecurity incidents when applying international auditing standards (ISA315). The Vilnius meeting also included a practical exchange of experiences in relation to grading the quality of audit work in professional bodies' reviews as well as more thematic approaches to quality assurance. Key areas of concern were also discussed with the Lithuanian Professional Oversight Board.

Since 2015, the QAN has provided a valuable platform for participating bodies to reflect on recent changes in regulatory environments as well as in audit quality assurance practice. A collaborative initiative, the QAN was launched and continues to be supported by the Institute of Chartered Accountants in England and Wales (ICAEW). Professional bodies from Bulgaria, Cyprus, Estonia, Germany, Greece, Ireland, Latvia, Lithuania, Norway Portugal, Romania and the UK participated in the Vilnius meeting.

Marius Lanskoronskis, Director of the Lithuanian Chamber of Auditors and chair of the QAN Steering Committee, said 'As always, QAN meetings provide an excellent platform in a semi-formal environment to exchange views about quality assurance practices and understand recent developments in the network community countries. The Vilnius meeting expanded our shared understanding of how countries deal with often tight deadlines for audit quality reviews and apply ISQM1 risk management requirements in practice. We very much appreciated the opportunity to discuss common points in quality assurance practice with the Director of the Lithuanian Professional Oversight Body and welcomed his positive engagement with the QAN and his highlighting of the value of further discussions about methodologies in quality assurance reviews.'

Susanna Di Felicianantonio, ICAEW Head of European Policy, added 'ICAEW is pleased to continue to support a collaborative approach between professional bodies across Europe to advance best practice in risk-based quality assurance monitoring for non-PIE audits.'

The QAN brings together professional bodies from across Europe, involving bodies with delegated authority for non-PIE quality assurance (whether exercised via peer reviewer or via employed reviewer models) and those without delegated authority. In addition to promoting best practice in

risk-based quality assurance monitoring, the QAN works to enhance the relevance, efficiency and effectiveness of professional bodies to achieve and maintain valued quality assurance and support services relating to non-PIE audits.

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