

Thank you for

52 great years in
Denmark
conference

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Updating the GlobalAudit Issues

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This Presentation

Audit; Corporate Reporting; Importance of Compliance

Statutory audit has been linked to traditional bookkeeping & financial reporting for hundreds of years

There are new tendencies:

- The audit approach is being redefined
- Traditional financial reporting has much more focus on non-financials & new reporting formats are proliferating
- Emphasis on documenting compliance
 - to the Board and the public
 - Does the auditor have a role?

The Audit of the Future

- **The growing importance of Technology**

Continuous audit – the 100% audit

Data Mining

Data Analytics

Blockchain – the future basis for audit methodologies?

- **The importance of Systems**

The audit of complex entities and the financial services industry will rely even more heavily on a systems approach

- **What are we going to do about SMEs?**

Complex audit standards are increasingly difficult to scale down. Use of technology or a new standard for auditing SMEs

- **Meeting Expectations**

The audit of future information & Reporting on fraud

- **IAASB - <https://www.iaasb.org>**

Corporate Reporting

- **IFRS - historical financial information?**
 - Historical cost versus market value & fair value
 - The impact of accounting for complex financial instruments
- **EU Regulation - non-financial information**
- **Other reporting forms; <IR>; CSR and UN 17 SDGs**
 - *Growing proliferation of standards:
 - IIRC <https://www.integratedreporting.org>
 - GRI <https://www.globalreporting.org>
 - Future Fit <https://futurefitbusiness.org>
- **Investor expectations**
 - Relevant Information - quality data, consistent & reliable
- **The role of the Board**
 - Implement a reporting framework that meets expectations
- **The role of the auditor - Provide assurance?**

Importance of Compliance

- **Formal Reporting – The Audit Report**
Compliance with the law
Reporting on critical Audit Matters
Other reporting requirements
- **Relationship with the Board**
Fulfilling the Board's compliance obligation
Assessing Risk
Reporting to the Board – Agreed upon procedures
- **Relationship with the Compliance Officer**
Roles are complementary and liason essential
- **The Statutory Auditor and Internal Audit**
Internal audit has a critical role to report on compliance
- **Reporting to regulators**
Formal requirements

Any Questions?