

IFIAR Urges Continued Audit Quality Improvement Efforts in Its 2020 Global Inspections Findings Survey Report

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The International Forum for Independent Audit Regulators (IFIAR) has released its ninth annual survey of inspection findings. The Global Inspections Findings Survey is based on IFIAR member regulators' individual inspections of audit firms that are affiliated with the six largest global audit firm networks across 54 countries. It focuses on two categories of activities: inspections performed on firm-wide systems of quality control and inspections of individual audit engagements.

The 2020 inspection results are for inspections conducted prior to the COVID-19 pandemic. The results continued to show a lack of consistency in the execution of high-quality audits as well as the need for a sustained focus on continuing improvements.

The pandemic's effects on inspection activity may be reflected in the 2021 and subsequent surveys. During 2020, many regulators adjusted their inspection programmes in response to office closures, and to accommodate remote working environments and the additional challenges placed on resources.

The percentage of audits with findings has declined from 47% in 2014 to 34% in 2020, since the survey was first conducted in 2014. In 2019, the IFIAR reported that 33% of audit engagements inspected had a least one significant deficiency reported. This slight year-on-year increase is the only time the finding rate has increased in the past seven surveys.

The outcomes of the IFIAR inspections survey are in line with the IRBA findings, as reflected in the [2020 Public Inspections Report](#) issued in February 2021.

The IFIAR Report on the [2020 Global Inspections Findings Survey](#) and the [survey press release](#) can be downloaded from the IRBA website at www.irba.co.za or on the IFIAR website at www.ifiar.org.

Imre Nagy

Acting Chief Executive Officer

About the IRBA

The objective of the IRBA is to protect the financial interests of the South African public and international investors in South Africa through the effective and appropriate regulation of audits conducted by registered auditors, in accordance with internationally recognised standards and processes.