

pob

**PUBLIC
OVERSIGHT
BOARD**

**FRCoP
Vienna 2-3 July 2019**

**Public Oversight Board
Albanian Case**

POB – recent history

- Creation of POB in 2009;
- Changes in Audit Law in 2016 and the support of EQFINREP project:
 - Changes in POB membership, and the new executive function;
 - Technical secretariat structure for quality assurance;
 - POB - funding mechanisms;
 - Design and approval of main regulations;
 - Conduction of inspections;
 - Regulation of certified accountant profession, etc;

POB – Creation Law Amendments

- Amendments in the audit law introduced POB as an independent oversight regulator;
- Two key elements triggered the executive function of POB:
 - The financial capacities
 - Functional independence – Executive Director with supporting staff structure

Changes in Board members structure and selection criteria

Defined a new Board members structure and selection criteria



Chairman and Board members appointment
March 2017



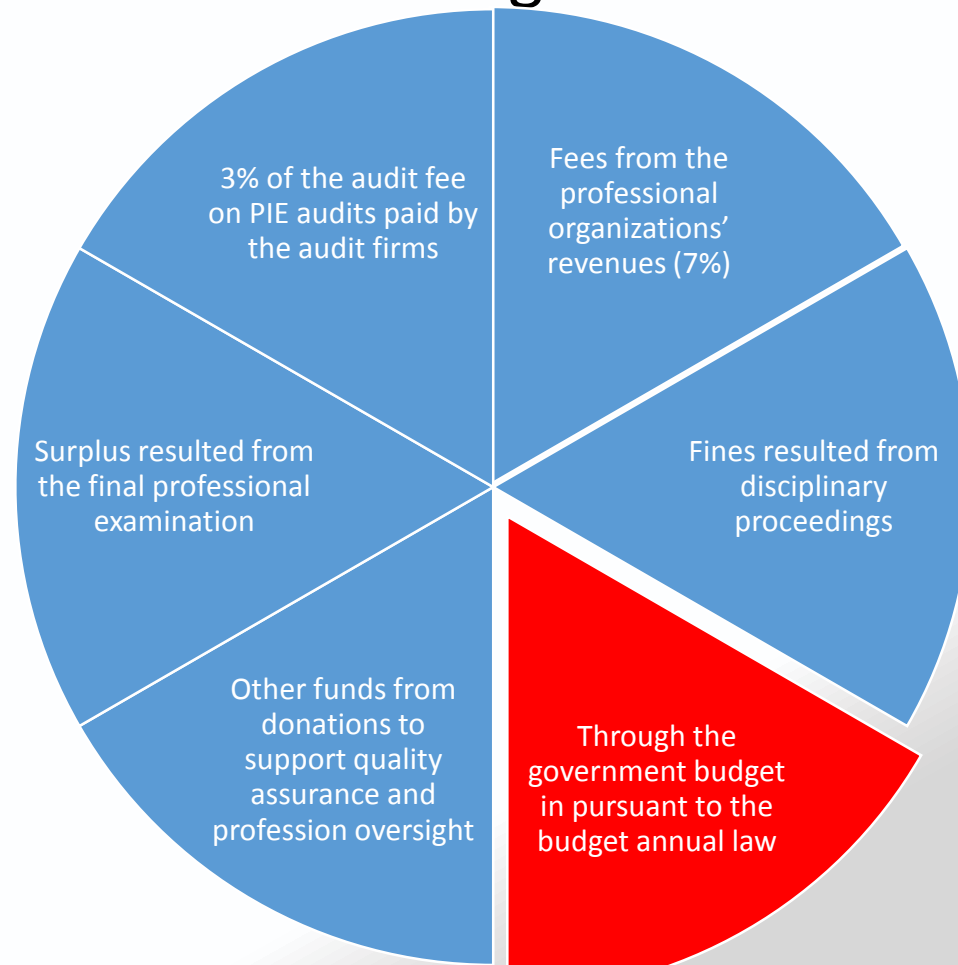
POB statute approval,
July 2017



POB legal status registration,
October 2017

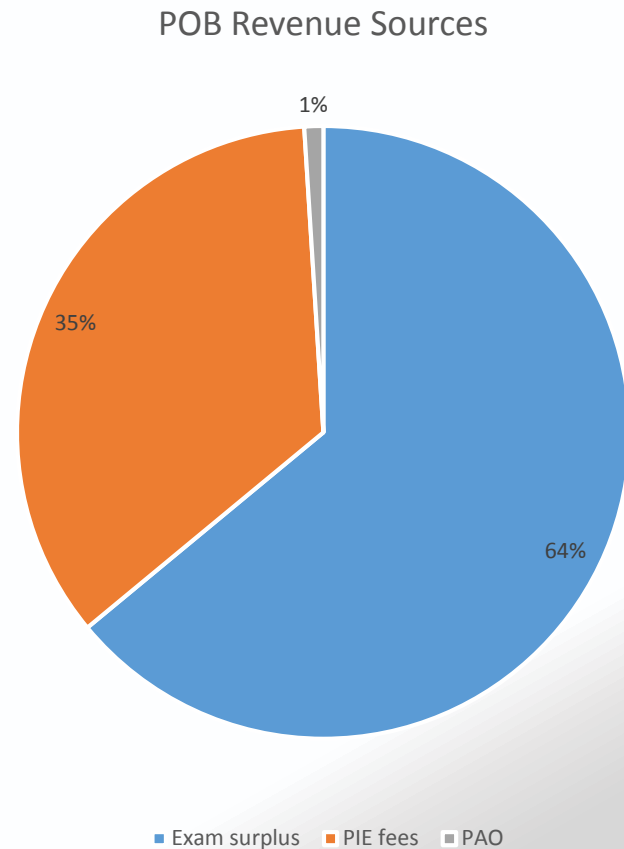
POB - Funding the public oversight system

- Article 4/1 of the Audit Law and the regulation of the POB revenue collection establishes the funding mechanisms as follows :



POB - Funding the public oversight system

- POB Albania Self-Financing resources



POB – Main regulations

- During 2017- 2019 were approved:
 - Regulation No. 1 of 26.07.2017 “On Revenue Collection for Public Oversight Board” amended
 - Regulation No. 2 of 22.02.2018 “For the functioning of the Commission of Professional Capacity Examination and supervision of the candidate examination for statutory auditors and certified accountants of POB”.
 - Regulation No. 4 of 29.03.2018 “For Investigation and procedures on enforcement”.
 - Regulation No. 5 of 29.03.2018 “Regulation on the functioning of the supporting structure of POB”.
 - Code of Ethics of 31.05.2018

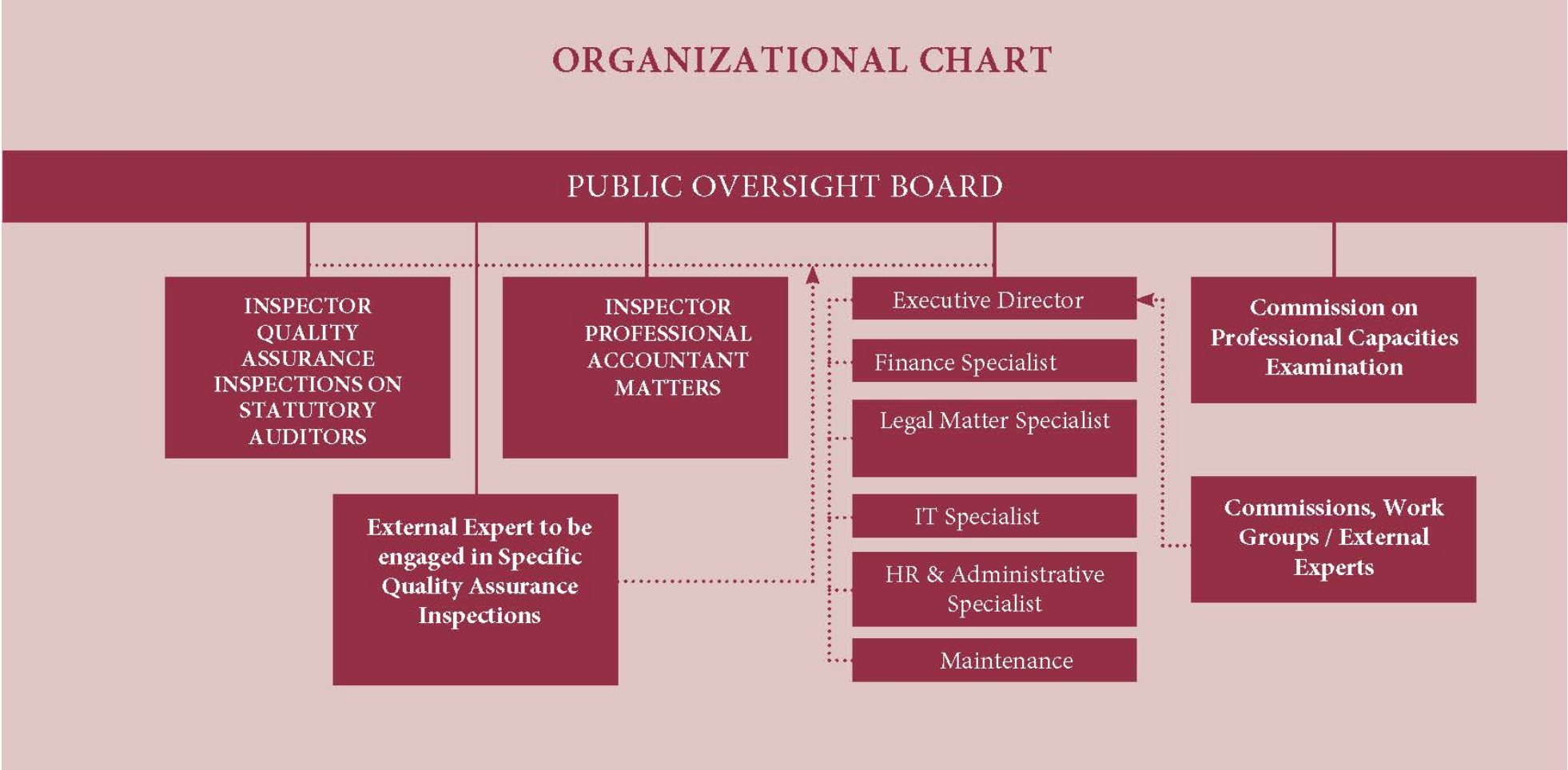
POB – Main regulations in audit law actuation

- During 2017- 2019 were designed and approved (continued):
 - Regulation No. 6, 31.05.2018 “Examination procedures and evaluation system for the professional capacities examination”.
 - Regulation No.7, 02.10.2018 “Procedures and methodology for quality control of statutory audit”.
 - Regulation No.8, 17.01.2019 “For Protection, Preservation Processing and Confidential Information Security”.
 - Regulation no. 9 of 27.02.2019 “On regulating and supervising the functioning of the profession of the Certified Accountant and their professional organizations”, amended.
 - Regulation No.10, 11.06.2019, “On the organization and functioning of Registration Committee and on the update of public register”

POB – Our staff

- Law definition of the supporting structure, based on article 4
 - Quality assurance inspectors
 - Administrative staff
 - Experts engagements

POB – Organizational Chart



Staff Profile & Experience

- Quality assurance inspectors :
 - Inspector 1 – 15 Years experience in statutory audit and internal audit (ACCA candidate)
 - Inspector 2 – 15 Years experience in financial reporting and auditing (ACCA candidate)
 - Inspector 3 – 10 Years experience in accounting and financial reporting, and auditing
 - Inspector 4 – 23 Years experience in financial management and reporting
- Executive Director - 11 years experience in statutory audit and financial reporting in Balkan Region which holds the titles CPA/Al, CA, CIAPS, CMC
- Administrative staff is composed by experienced :
 - Legal specialist
 - Finance specialist
 - HR and other administrative tasks specialist
 - IT Specialist
- Commissions and Committees with relevant criteria;

Challenges and Priorities

- Performing audit quality inspections:
 - ✓ Continuing PIE audits inspections and for other large entities audit inspections
 - ✓ Cooperation with IEKA based on legal criteria for inspections for Non PIE audits
- Recognition & Accreditation of accountant professional organizations;
- Creation of the certified accountants register;
- Further strengthening the institutional capacities to carry out more effective oversight as a necessity to achieve the highest standards in the audit profession and financial reporting;
- Increase local and international cooperation with audit and other regulators.

THANK YOU FOR YOUR ATTENTION