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REPARIS for SMEs: Opportunities for Further Enhancement of Corporate Financial Reporting

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President of the Council for advancement and
oversight of the audit
of the Republic of North Macedonia

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Corporate Financial Reporting

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- » *The Council for advancement and oversight of the audit of the Republic of North Macedonia is an autonomous and independent regulatory body with public authorities stipulated in the Audit Law and it constantly works towards its improvements.*
- » *The purpose of the Council is through expert analysis and recommendations, consultations and performing independent public oversight of the audit, to work towards its improvement and to encourage adherence to high professional standards in the audit profession and to enhance investors confidence in the data and information published in the annual and consolidated accounts and financial statements of the large and medium trade companies in the country.*
- » *We are expecting that a new Audit Law will be adopted by the end of the year in which the process of licensing and the process of quality control of audit reports of Public Interest Entities is harmonized with the EU Directive 2014/EU/56 and EU Regulation 537/2014.*
- » *The new draft Audit Law has been drafted in its entirety in accordance with the EU Directive 2014/EU/56 and EU Regulation 537/2014, with special emphasis on the quality control process of Public Interest Entities, which passes within the competences of the Council from the Institute of Certified auditors of the Republic of North Macedonia.*

Corporate Financial Reporting

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- » *New definition of Public Interest Entities is a legal entity established according to the regulations of the Republic of Macedonia, namely:*
 - » *Trading companies whose securities are listed on an official and regulated market in the Republic of North Macedonia*
 - » *Trading companies whose securities are listed on an official and regulated market in the member state*
 - » *Bank*
 - » *Savings bank*
 - » *Institution for electronic money*
 - » *Payment institutions*
 - » *Payment system operator*
 - » *Clearing house*
 - » *Insurance and reinsurance company*
 - » *Investment fund management company*
 - » *Pension company*
 - » *Stock exchange*
 - » *Securities depository*
 - » *Operator of airports for international air traffic*
 - » *Deposit insurance fund*
 - » *A trading company which, according to the law, has an obligation to be audited*
- » *It is necessary that the definition for Public Interest Entities be harmonized with the Company Law, which is the parent law for Public Interest Entities*

Proposed topics for next regional events

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- » *Technical support for provision and implementation of the Methodology for establishing independent public oversight of the audit engagements of Public Interest Entities*
- » *Technical expertise and financial support for the establishment of a sustainable system for financing the activities of the Regulatory bodies*
- » *Organization of study visits and continuous education of employees in the professional working services of the Regulatory bodies*
- » *Provide Electronic tools and methodology to support mid-sized and smaller audit firms in improving audit quality while increasing their efficiency*
- » *Study visits to countries where auditors have been provided with comprehensive audit methodology and electronic tools by the country's audit institutions.*

» *Thank you*