

Inaugural
Meeting of the
Regional
Audit
Quality
Assurance
Forum

Improving Audit Quality in Western Balkans Countries Through Regional Cooperation

May 16-17, 2023
Vienna, Austria

CFRR»»

**Centre for Financial
Reporting Reform**



WORLD BANK GROUP

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Inaugural Meeting of the Regional Audit Quality Assurance Forum

Improving Audit Quality in Western Balkans Countries Through Regional Cooperation

May 16-17, 2023, Vienna, Austria
Flemings Selection Hotel Wien-City

FOREWORD

The Road to Europe Program of Accounting Reform and Institutional Strengthening for Small and Medium Enterprises (REPARIS for SMEs) aims to support: (i) further improving access of SMEs in the Western Balkans to professional accounting and financial management services, and (ii) alignment of Western Balkan countries' corporate financial reporting frameworks with relevant directives and regulations of the European Union (EU). Project beneficiaries are the Western Balkan countries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia.

REPARIS for SMEs builds on progress made under the completed EU-REPARIS Program (2015-2019). It is delivered by the **World Bank Centre for Financial Reporting Reform (CFRR)** based in Vienna, Austria in close cooperation with World Bank Country Offices in the beneficiary countries. Project activities include training, learning events, technical assistance provided to public officials, regulators, accountants, auditors, professional accounting organizations, business support organizations, and chambers of commerce. The main components of the project are:

- (A) Supporting the development and implementation of sustainable education and training programs.
- (B) Support for the transposition and alignment of national legal frameworks and practices in financial reporting and auditing with the EU requirements.
- (C) Supporting a regional approach to the implementation of completed accounting and audit reforms.
- (D) Landscape assessments of accounting advisory services and the Accounting and Auditing Reports on the Observance of Standards and Codes.
- (E) Communication plan implementation.

Under component (C), project activities aim at supporting the audit quality assurance systems, sharing experiences and findings from the review of external audits during regional events and consolidating country level-resources to create a shared pool of experts for the

beneficiary countries within a Regional Audit Quality Assurance Forum. The work of this forum will be supported by (i) providing information on good practices for quality assurance and tools and, where necessary, advising on possible country-level enhancements, (ii) training quality assurance reviewers, and (iii) undertaking an assessment of audit quality reviews in the region during the project to understand potential weaknesses and a review of the implementation of the recommendations.

The **key objectives** of the first Regional Audit Quality Assurance Forum are:

- To understand how the Committee of European Auditing Oversight Bodies performs assessments on equivalence and adequacy.
- To learn from the experience of Slovak Republic in implementing public oversight and quality assurance systems in line with the EU provisions.
- To share the existing experience in Western Balkan countries related to establishing public oversight and quality assurance systems.
- To learn from the Institute of Chartered Accountants in England and Wales on their role regarding delegated tasks.
- To agree on a training program for quality assurance inspectors.
- To agree on the working program for next 18 months, including the frequency of meetings.

Simultaneous interpretation will be available in Albanian and Bosnian/Croatian/Serbian.

AGENDA | MONDAY, MAY 15, 2023 | 19:00 - 21:00

Arrival in Vienna

19:00 Cocktail reception at the Flemings Selection Hotel Wien-City

21:00 End of Cocktail Reception

AGENDA | TUESDAY, MAY 16, 2023 | 08:30 - 18:00

08:30 Registration and Welcome Coffee

Welcome Remarks

09:00

Iwona Warzecha | Senior Financial Management Specialist, The World Bank

The Framework for Co-operation between National Audit Oversight Bodies at the European Union Level

09:10

The aim of this session is to learn about the structure and key functions of the Committee of European Auditing Oversight Bodies (CEAOB).¹ In addition, this session will inform participants on how the CEOB performs assessments on equivalence and adequacy. The presentation will be followed by a Q&A session.

Julia Rendschmidt | Head of EU and International Affairs Division of the Auditor Oversight Body of Germany (AOB) at the Federal Office for Economic Affairs and Export Control; Member of the CEOB Adequacy and Equivalence Sub-Group

Moderator:

Andrei Busuioc | Senior Financial Management Specialist, The World Bank

10:30 Coffee Break

¹ https://finance.ec.europa.eu/system/files/2018-11/ceaob-rules-of-procedure_en.pdf

Learning from the Experience of EU Member States: Overview of the Audit Oversight System of Slovakia

11:00

The session will provide a brief overview of the mission and the key roles of the Slovak Auditing Oversight Authority (UDVA), including Board composition and eligibility criteria. Then it will focus on UDVA resources and funding, recruitment of staff, and how information is shared with other national regulatory authorities. The session will cover legal requirements related to registration of auditors and audit firms in Slovakia, including registration of third-country auditors. It will also provide details on initial and continuing professional education requirements for auditors. The conditions of delegation of some tasks to the Slovak Chamber of Auditors will also be discussed, including UDVA's role in monitoring the delegated tasks. The presentation will be followed by a Q&A session.

Katarína Kaszasová | Managing Director, UDVA

Ľudmila Buzgová | Specialist on Standards and International Affairs, UDVA

Moderator:

Iwona Warzecha | Senior Financial Management Specialist, The World Bank

12:30 Lunch

Learning from the Experience of EU Member States: Quality Control Reviews in Slovakia

13:30

This session will outline the UDVA approach to inspections of auditors. It will present the existing legal framework and general approach, highlighting areas like organization of quality assurance inspections and inspection cycles, follow-up by UDVA after inspections, and public reporting. It will then focus on technical details related to quality control reviews, covering: presentation of inspection approach, preparation for inspections, risk-based approach to review of audits in inspections, methodology used in inspections, review of engagements, review of internal quality control, UDVA evaluation of the findings (with reference to practical examples), and final assessment. The presentation will be followed by a Q&A session.

Pavel Hrivnák | Specialist on Audit Oversight Methodology, UDVA

Juraj Molčan | Head of Audit Inspection Department, UDVA

Moderator:

Andrei Busuioc | Senior Financial Management Specialist, The World Bank

15:00 Coffee Break

Performing Delegated Tasks – How it works in the United Kingdom (UK)

15:30

This session will provide a brief overview of public oversight and quality assurance arrangements in the UK, focusing on the role of the Institute of Chartered Accountants in England and Wales (ICAEW) in performing its delegated tasks and highlighting the conditions whereby the Financial Reporting Council (FRC) may reclaim tasks. The session will also explain how the ICAEW is supervised by the FRC in their role as recognized supervisory body and recognized qualifying body. The presentation will be followed by a Q&A session.

Jon Hooper | Senior Manager, International Capacity Building, ICAEW

Moderator:

Svetlana Platon | Financial Management Consultant, The World Bank

17:00 **End of Day 1**

18:00 **Group Dinner at the Rathauskeller**

AGENDA | WEDNESDAY, MAY 17, 2023 | 09:00 - 18:00

Learning from the Experience of the Western Balkans: Public Oversight Board of Albania

09:00

The session aims to share the experience of regional countries in the field of public oversight and quality assurance. Albania will present their public oversight system, including Board composition and eligibility criteria. Then, the session will discuss current legal provisions related to funding, recruitment of staff, key functions, and existing implementation challenges. Presenters will also outline key amendments proposed to the current Audit Law in Albania. The presentation will be followed by a Q&A session.

Dritan Fino | Chair of Public Oversight Board, Albania

Erisa Rodhani | Head of Sector, Harmonization Directorate for Financial Management, Control, and Accounting, Ministry of Finance and Economy of Albania

Moderator:

Andrei Busuic | Senior Financial Management Specialist, The World Bank

10:15 Coffee Break

Learning from the Experience of the Western Balkans: Quality Assurance System in Albania

10:45

This session will explain the quality assurance system in Albania and the related key challenges. The session will discuss inspection approach, including risk-based approach in selecting audits and engagement files for review, methodology used in inspections, and challenges related to keeping the methodology up to date. Speakers will provide examples of quality assurance findings in Albania and then participants will be invited to discuss and agree if it makes sense to develop a common database of quality assurance findings as part of this platform. The presentation will be followed by a Q&A session.

Erjola Vejzati | Executive Director, Public Oversight Board, Albania

Aida Hoxha | Quality assurance Inspector, Public Oversight Board, Albania

Moderator:

Svetlana Platon | Financial Management Consultant, The World Bank

12:00 Lunch

Improving Audit Quality in Western Balkan Countries through Regional Cooperation

13:00

The aim of this session is to discuss how audit quality in individual countries could be improved through regional cooperation as part of this Regional Audit Quality Assurance Forum, under the REPARIS for SMEs. The CFRR team will outline proposed activities in the field of public oversight and quality assurance. Each country delegation will be invited to express their views, to provide feedback, and to highlight what resources and/or good practices could be shared by them as part of future regional events.

Moderators:

Iwona Warzecha | Senior Financial Management Specialist, The World Bank

Jon Hooper | Senior Manager, International Capacity Building, ICAEW

14:30 Coffee Break

15:00

Improving Audit Quality in Western Balkan Countries through Regional Cooperation - Continued

16:30

Closing remarks

Andrei Busuioc | Senior Financial Management Specialist, The World Bank

17:00

End of the workshop

BIOS OF THE SPEAKERS AND MODERATORS

(in order of appearance)



IWONA WARZECHA

Senior Financial Management Specialist, REPARIS for SMEs Team Leader, The World Bank

Iwona Warzecha is a Senior Financial Management Specialist at the World Bank's Governance Global Practice and Team Leader of REPARIS for SMEs. She has vast experience in the implementation of country level diagnostic & advisory services in the area of public and private sector accounting and auditing in European countries; promoting International Financial Reporting Standards (IFRS), International Public Sector Accounting Standards, and International Standards on Auditing to strengthen financial accountability, governance, and transparency. She provides advice and technical assistance to complex World Bank lending projects to enhance institutional capacity in financial management and corporate governance including for state-owned enterprises. Prior to joining the World Bank, she worked for PricewaterhouseCoopers performing audits and due diligence of banks and other financial institutions. Ms. Warzecha has led and contributed to several technical assistance projects and papers related to corporate financial reporting and auditing, public financial management, including tax administration, public sector accounting, and public financial accountability assessments. She holds a Master's in Finance and Banking from the Academy of Economics in Katowice and obtained Association of Chartered Certified Accountants (ACCA) professional qualifications.



JULIA RENDSCHMIDT

Head of EU and International Affairs Division of the Auditor Oversight Body (AOB) at the Federal Office for Economic Affairs and Export Control

Julia Rendschmidt's career in auditor oversight started in 2007 when she joined the AOB's predecessor, the Auditor Oversight Commission. In 2018, she was promoted to Head of EU- and International Affairs Division. Her area of expertise is international cooperation. She initiated and leads the Outreach Project within the International Forum of Independent Audit Regulators (IFIAR), designed to provide assistance and guidance to non-members in setting up independent

auditor oversight systems. She has also completed legal assessments of auditor oversight systems in a number of IFIAR membership candidates' jurisdictions. She currently serves as de-facto Board member of IFIAR and in the Consultative Group of the CEAOB. She is also a member in the CEAOB Adequacy and Equivalence sub-group. Ms. Rendschmidt's holds a law degree from the Free University Berlin, Germany. From 2003 to 2006 she worked as a lawyer with a focus on labor law and civil law in Berlin and Wiesbaden and was then Advisor to the Managing Director of the Professional Chamber of Psychotherapists in one of Germany's federal states responsible for the system of investigations and sanctions against members of the profession.



ANDREI BUSUIOC

Senior Financial Management Specialist, World Bank

Andrei Busuioc has been Central Asia Financial Management Coordinator for the World Bank since July 2020. He is responsible for leading the financial management function in Central Asia, while continuing to lead and support corporate financial reporting and state-owned enterprise governance activities. Mr. Busuioc has over 25 years of accounting and auditing experience in the private and public sectors, as well as university lecturing on accounting and auditing. He worked at the CFRR from 2008 to 2020 where he led activities supporting country-level financial reporting and state-owned enterprise governance reforms. He has contributed significantly to and led several Accounting and Auditing Reports on the Observance of Standards and Codes and has expertise in the thematic areas of audit regulation and state-owned enterprise governance. He is a PhD in economics, is an ACCA fellow member, and holds a postgraduate diploma in public financial management from SOAS, University of London.

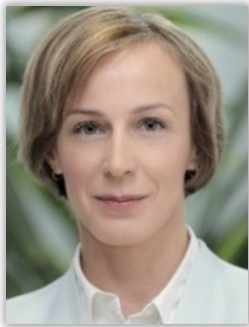


KATARÍNA KASZASOVÁ

Managing Director, Slovak Auditing Oversight Authority

Katarína Kaszasová spent almost 10 years in KPMG (up to audit manager) and 12 years at the Slovak Ministry of Finance as a Director General of State Reporting, where, in addition to other responsibilities, she led the successful implementation of the International Public Sector Accounting Standards in Slovak central and local government reporting. She has represented Slovakia on several Boards, including the Board of Directors of the European Investment Bank and the Board of Auditors of the European Stability

Mechanism. After 4 years in Luxembourg, she joined the Slovak Auditing Oversight Authority as a Managing Director in February 2020. Ms. Kaszasová holds a Master's degree in Chemistry from the Slovak University of Technology and a Master's degree in Accounting and Auditing from the University of Economics in Bratislava. She is a Fellow Member of ACCA, a Certified Internal Auditor, and a Slovak Statutory Licensed Auditor.



ĽUDMILA BUZGOVÁ

Specialist on Standards and International Affairs, Slovak Auditing Oversight Authority

Ľudmila Buzgová joined the Slovak Auditing Oversight Authority in June 2021. She is responsible for international affairs, mainly liaising with CEAOB and IFIAR, and activities related to international and local accounting and auditing standards. She started her career in Deloitte where she gained over 25 years of experience in auditing, other assurance and related services, and accounting advisory in different industries. She was the leader of the IFRS Technical Desk of Deloitte Central Europe for six years. She has lectured on accounting and auditing at private and public universities. Ms. Buzgová holds a Master's degree in Accounting and Auditing from the University of Economics in Bratislava. She is a Fellow Member of ACCA and a Slovak Statutory Licensed Auditor CA.



PAVEL HRIVNÁK

Specialist on Audit Oversight Methodology, Slovak Auditing Oversight Authority

Pavel Hrivnák joined the Slovak Auditing Oversight Authority in May 2020 as a specialist on audit oversight methodology. He is involved in various ongoing projects, including participating in several CEAOB international working groups and implementation of an internal information system for inspections' conduct and documentation. He has 15-years previous experience in auditing and other assurance related services, accounting, and transaction related advisory within big audit consulting firms in different industries and various countries of the Central and Eastern Europe region. In addition, he has 20-years of experience in private and public lecturing in the area of financial and management accounting as well as auditing, including teaching students for the ACCA qualification. Mr. Hrivnák holds a Master's degree in Computer Science from the Comenius University in Bratislava, Slovakia.



JURAJ MOLČAN

Head of Audit Inspection Department, Slovak Auditing Oversight Authority

Juraj Molčan joined the Slovak Auditing Oversight Authority in November 2020 and leads the Audit Inspection Department. His department is responsible for quality inspections of statutory auditors, audit firms, and at the Slovak Chamber of Auditors. He has 20 years of experience in auditing and other assurance related services and accounting advisory in different industries. Mr. Molčan holds a Master's degree in Accounting and Auditing from the University of Economics in Bratislava. He is a Slovak Statutory Licensed Auditor.



JON HOOPER

Senior Manager, International Capacity Building, the Institute of Chartered Accountants in England and Wales

Jon Hooper is a senior financial management consultant specializing in assisting governments, public oversight bodies, professional accounting organizations, and other stakeholders to drive real sustained improvements in corporate and public sector financial reporting and audit regulation and practice in both the public and private sectors. For the last four years, he has been a Senior Manager in the ICAEW International Capacity Building team. In addition, he is Team Leader for the Implementation of EU Practices for Accounting, Financial Reporting and Audit in Ukraine (EU-FAAR) project, assisting the Ministry of Finance in Ukraine and other stakeholders for over five years on accounting and audit reform initiatives. He has recently worked on reform projects in Georgia, Armenia, the Kyrgyz Republic, Saudi Arabia, Abu Dhabi, Afghanistan, Nepal, Cambodia, Samoa, and across Central and East Asia. He was formerly Head of International Relations for the UK's Financial Reporting Council, the UK's Audit Oversight and Accounting regulator. He worked for the Financial Reporting Council for 10 years, including for three years on the establishment and operations of the UK Professional Oversight Board for Audit. He worked on secondment to the World Bank in Washington for two years. He served on the International Accounting Education Standards Board Consultative Advisory Group for six years. After graduating from Cambridge University, he joined KPMG in London and worked in audit and transaction services before working in corporate finance and then audit and accounting regulation. He is a prize-winning graduate of the ICAEW accountancy qualification and a fellow member of both ICAEW and ACCA.



SVETLANA PLATON

Financial Management Extended Term Consultant, The World Bank

Svetlana Platon joined the World Bank in 2009 to support the corporate financial reporting reform agenda in Moldova. She has since been involved in regional activities of the Vienna Centre for Financial Reporting Reform in the areas of corporate financial reporting and audit strengthening as part of the STAREP and REPARIS regional programs. She has contributed to the Accounting and Auditing Reports on the Observance of Standards and Codes in Moldova and Slovenia and has expertise in the thematic areas of accounting and audit regulation, public oversight, accounting education, and state-owned enterprise governance in countries of Europe and Central Asia. Since 2021, Ms. Platon has also been involved in operational financial management for the World Bank portfolio in Tajikistan. Prior to joining the World Bank, she was the Chief Accountant at the Consolidated Agricultural Projects Management Unit of World Bank-financed projects in Moldova and was a lecturer at the Academy of Economic Studies of Moldova. She holds a PhD in economics and is an ACCA member; she speaks Romanian, English, and Russian. She is based in Moldova but works across the Europe and Central Asia region on regional and country-level activities.



DRITAN FINO

Chair of Public Oversight Board, Albania

Dritan Fino is the Director of Financial Management and Control Harmonization Directorate at the Ministry of Finance and Economy of Albania. His main responsibilities are related to issues of auditing, accounting, and financial management and control. Since March 2017, he is also the Chair of Public Oversight Board of statutory auditors in Albania. Mr. Fino joined the Ministry in November 2013, as advisor to the Cabinet of the Minister. He was previously a lecturer in different institutions in Albania and abroad from 2007 and has published several papers. His teaching and research areas relate to financial and management accounting, national and international standards of accounting, public finances, etc. Other professional experience includes engagements as the Head of the Qualification and Certification Commission of Public Internal Auditors, member of the Registration Authority at the Institute of Authorized Chartered Auditors of Albania, member of the Civil Servant Recruitment Committee. In 2002, he earned a Bachelor's degree in Finance and Accounting from the University of Tirana. From 2004, he followed graduate studies in Japan on a scholarship from the prestigious Monbukagakusho Program, he earned the Master of Art's degree in 2007 and a Ph.D. in Finance and Accounting in 2010.



ERISA RODHANI

Head of Sector, Harmonization Directorate for Financial Management, Control, and Accounting, Ministry of Finance and Economy of the Republic of Albania

Erisa Rodhani is Head of Sector for Public and Private Sector Accounting at the Harmonization Directorate for Financial Management, Control, and Accounting in the Albanian Ministry of Finance and Economy. She was earlier an assistant and lecturer at the Faculty of Economics at the University of Tirana and at Marin Barleti University in the field of public finance, public sector accounting, and internal control. She is a Certified Accountant and has received a series of certificates related to IFRS and International Public Sector Accounting Standards issued by bodies such as the ACCA and the Chartered Institute of Public Finance and Accountancy. She is also a lecturer at the Albanian School of Public Administration on public internal financial control and the continuous professional development of internal auditors in the public sector.



ERJOLA VEJZATI

Executive Director, Public Oversight Board, Albania

Erjola Vejzati has 20 years of extensive experience in the field of banking, accounting and auditing, financial reporting, and tax and company law. During this time, Ms. Vejzati has been engaged as a lecturer on the subject of Business Ethics, as well as a professional trainer of the legal framework for auditing and the anti-money laundering/countering the financing of terrorism law and regulation framework. Since 2011, she has been a professional practitioner as a Certified Accountant. She joined the Public Oversight Board of Albania in 2018 as a Senior Quality Assurance Inspector. Ms. Vejzati graduated from the University of Tirana in 2003, majoring in Finance, and undertook post-graduate studies of a Master's in Business Administration in 2005-2007.



AIDA HOXHA

Senior Quality Assurance Inspector, Public Oversight Board of Albania

Aida Hoxha is a Senior Quality Assurance Inspector for the Public Oversight Board of Albania, which she joined in February 2019. She has broad earlier experience of working in accounting and management for the private and public sectors. During 2007-2009 she worked as Head of Cabinet for the power corporation KESH, during the decentralization and privatization of the government-owned electricity utility company OSHEE. Ms. Hoxha was board member for the chartered accountant association in Albania from 2015-2019. Ms. Hoxha has more than 20 years of financial, managerial, and strategic planning experience in the private sector, is a certified accountant, and holds a degree in Economics and Accounting from the Tirana University of Economics, a Master's degree in Marketing and Operational Management from University of Marin Barleti, Tirana, and a fellowship course for economics of energy from Birmingham University.

