

行政院所屬各機關因公出國人員出國報告
(出國類別：其他【國際會議】)

出席美國公開發行公司會計監督委員會
第 13 屆 2019 年國際審計監理官年會報告

服務機關： 金融監督管理委員會證券期貨局

姓名職稱： 王長安科員、陳彥芳科員

派赴國家： 美國華盛頓特區

出國期間： 108 年 12 月 2 日至 108 年 12 月 7 日

報告日期： 109 年 2 月 26 日

	摘 要
報告名稱	出席美國公開發行公司會計監督委員會 (PCAOB) 第 13 屆 2019 年國際審計監理官年會報告
出國計畫主辦機關	金融監督管理委員會
出國人員姓名/服務機關/職稱	王長安/金融監督管理委員會證券期貨局/科員 陳彥芳/金融監督管理委員會證券期貨局/科員
前往地區	美國華盛頓特區
參訪(主辦)機關	美國公開發行公司會計監督委員會 (PCAOB)
出國類別	其他(國際會議)
出國期間	108 年 12 月 2 日至 108 年 12 月 7 日
報告日期	109 年 2 月 26 日
主題分類	金融保險
施政分類	證券期貨市場國際化
關鍵詞	PCAOB、審計監理、審計品質、公司治理
內容摘要	<p>本屆(13 屆)國際審計監理官年會 PCAOB 於此論壇規劃 2 天會議議程，邀請 38 個非美國審計監理機構參與，包含審計監理經驗豐富之美國、英國、日本、法國及新加坡等監理官及專家人士等，各國監理官積極分享其審計監理實務經驗，並就不同觀點彼此討論。</p> <p>鑑於日新月異之科技技術及日益複雜之交易型態，會計師審計品質重要性愈趨重要，國際審計委員會刻正修訂國際審計品質管制標準並重新定義事務所品質之 8 大要素，各國監理機關亦重行檢視所適用之品質管制標準，就檢查端方面，亦須考量既有方式及程序是否足以因應新興查核風險，及如何使受查者具體從檢查結果受益。另外，投資人採用非一般公認會計原則資訊決策之情形日增，現</p>

行查核人員對該等資訊僅閱讀並考量與財務報告間有無重大矛盾是否足夠，已有重行討論之必要，監理機關應適時考量對該等資訊訂定較為明確之查核規範，以協助提升該等資訊之品質。

此外，考量各國企業全球化情形日增，跨境審計監理議題益趨重要，監理機關或可藉新興審計科技及加強事務所品質管制政策克服境外執法權力不足之限制，惟監理人員於採用新興審計技術獲取證據時，仍應保持批判性思考並分析其過程之合理性及可靠性，方可獲致正確結論。

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出席美國公開發行公司會計監督委員會 第 13 屆國際審計監理官年會報告

壹、前言

公開發行公司會計監督委員會 (Public Company Accounting Oversight Board, PCAOB) 於 2002 年間依美國國會通過之沙賓法案(Sarbanes-Oxley Act)設立，為一非官方非營利組織，將美國過往由會計師公會自律之模式，改由該獨立組織訂定相關規範、執行檢查並落實執法，主要設立目的係為監督公開發行公司簽證會計師及其事務所之審計品質，以保障投資人及公眾利益，並提升各界對審計品質之信賴。今該組織設立已逾 15 年，監理環境亦與設立初期有別，投資者仰賴以決策之資訊不再限於財務報告資訊，非一般公認會計準則之財務指標及企業永續發展相關揭露等資訊已廣泛地被標準普爾 500 指數公司所採用，惟該等資訊未如財務報告資訊經會計師查核，亦未存有統一明確之準則予以規範，監理機關對該等資訊如何監理為本次會議討論重點。

另公開發行公司財務報告之審計品質對投資者之信心極為重要，惟隨各事務所經營環境之演進及利害關係人對審計品質之期待與關注漸增，既有之審計品質管制標準已有修改之必要，事務所領導階層應對審計品質採更主動積極之管理，強調事務所之注意力應集中於辨識及因應風險，以期於有限資源下為最有效之管控，PCAOB 刻正參酌國際審計品質管制標準草案，檢討現行品質管制相關規範。

此外，隨企業全球化情形日增，跨境審計監理議題亦受各國監理機關之關注，然各國監理機關所擁有之執法能力及權力不若 PCAOB，且中國方面對他國跨境審計監理合作意願不高，爰有部分國家考量以數位科技技術及事務所品質管制制度突破上開困境，惟審計人員對採用數位科技技術執行審計時，仍應對所獲查核證據保持批判性思考及專業懷疑態度。

基於審計服務業亦為全球金融市場之一環，為促進國際交流及強化跨國監理，金融監督管理委員會 (簡稱本會) 於 2008 年開始參與美國 PCAOB 國際審計監理官會議並學習各國審計監理制度，考量我國公開發行公司投資海外情形普遍，故我國會計師需國外子公司會計師配合查核以出具我國公司財務報告之查核報告，故為促進我國與海外會計師之審計監理機關相互溝通瞭解、進行跨國合作等需要，

金管會每年均積極參與上述年會，有關 PCAOB 國際審計監理官會議歷次會議召開情形(會議地點均為美國華盛頓特區)，如下表：

美國 PCAOB 國際審計監理官會議歷次會議內容彙整表

屆次	日期	會議重點	出席機構	出席人數
1	2007 年 4 月 30 日 至 5 月 2 日	PCAOB 組織、運作及近期重大活動 PCAOB 檢查方案(Inspection Program)	40	75
2	2008 年 5 月 21 日 至 23 日	PCAOB 組織、運作及近期重大活動 國際及區域審計監理趨勢及跨國合作	48	115
3	2009 年 10 月 28 日 至 30 日	PCAOB 組織、運作及近期重大活動 全球審計監理議題	42	105
4	2010 年 11 月 9 日 至 11 日	PCAOB 組織、運作及近期重大活動 首次以個案研討(Case Study)互動方式討論 檢查實務 專題演講:由世界通訊(WorldCom)前內部 稽核主管 Cynthia Cooper 主講『企業道德 倫理』	42	75
5	2011 年 10 月 31 日 至 11 月 2 日	PCAOB 組織、運作及近期重大活動 檢查個案研討 專題演講: 由該法案共同提案人 Paul Sarbanes 主講『沙賓法案十周年-審計監理 之挑戰』	36	77
6	2012 年 11 月 5 日 至 11 月 7 日	PCAOB 組織、運作及近期重大活動 檢查個案研討 IFIAR 座談分享其策略、規劃 專題演講: 由美國前司法副部長 Larry Thompson 主講『從安隆案、全球舞弊、公 司治理觀點看會計師與審計監理法規』	37	80
7	2013 年 11 月 18 日 至 20 日	PCAOB 組織、運作及近期重大活動 首次邀請投資人代表參與座談 專題演講: 由英國財務報告理事會(FRC) 執行長 Stephen Haddrill 主講『英國審計發	34	95

屆次	日期	會議重點	出席機構	出席人數
		展』、由歐盟執委會經濟及財政參事 Sven Gentner 主講『歐盟審計改革法案進展』		
8	2014 年 11 月 17 日至 19 日	PCAOB 組織、運作及近期重大活動 審計監理用於打擊全球腐敗、新興市場審計監理議題、改善查核品質及查核報告改革 改善查核品質倡議 投資人座談:審計監理主管機關如何強化投資者保護 專題演講:由加拿大公共責任委員會 (CPAB)主席 Brian Hunt 主講『加拿大觀點之審計產業趨勢』	31	76
9	2015 年 12 月 2 日至 4 日	審計未來挑戰及機會 學術觀點之審計監理 大數據 國際審計重要發展、歐盟審計改革法案實施情形 衡量查核品質及障礙 審計委員會座談: 首次邀請大型企業主席 座談審計趨勢、發展及挑戰 專題演講: 前紐約時報金融總編輯 Floyd Norris、美國證管會現任及前任總會計長 James Schnurr 及 Donald Nicolaisen	33	80
10	2016 年 12 月 12 日至 14 日	分組討論 (就「網路安全」和「新興審計科技」相互交換意見): 分組 1:與 PCAOB 註冊及檢查人員部門討論 分組 2:與 PCAOB 執法和調查部門人員討論 新興審計科技 全球市場投資: 治理品質與揭露的影響 審計的未來—技術、數據分析和持續監控 重大性判斷的決定因素及其後續結果 網路安全 網路安全: 風險和影響	40	101

屆次	日期	會議重點	出席機構	出席人數
		<p>專題演講:由美國財政部副秘書 Sarah Bloom Raskin 主講『保護金融網路安全』</p> <p>事務所監理與資訊揭露</p> <p>藉由強制執法督促業者提升「品質文化」</p>		
11	2017 年 12 月 6 日至 8 日	<p>PCAOB 之運作及其功能</p> <p>專題演講：</p> <p>由 PCAOB 委員 Lewis H. Ferguson 主講「反思 IFIAR 提倡降低 25%重大檢查發現」、由 PCAOB 委員 Jeanette M. Franzel 主講「達成高審計品質之監理模式」、由 PCAOB 委員 Steven B. Harris 主講「審計服務市場寡占情形及其影響」、由先鋒集團創始人 John C. Bogle 主講「現代企業及公眾利益」、由英國 FRC 執行長 Stephen Haddril 主講組織文化及董事會職能</p>	39	85
12	2018 年 12 月 5 日至 7 日	<p>PCAOB 組織、運作及近期重大活動</p> <p>專題演講：由美國策略暨國際研究中心副總裁 Matthew Goodman 主講「更加不確定的環境－國際秩序的摩擦」、由南非監理機關 IRBA 代表 Imre Nagy 主講「會計師事務所公司治理－南非觀點」、由荷蘭投資人協會主管 Paul Koster 主講「會計界如何因應外界對於審計專業的不信賴」、由荷蘭 AFM 監理官 Martijn Duffels 主講「創新科技如何影響審計」、由 PCAOB 監理官 William Powers 主講「檢查：了解新科技」、由瑞士 FAOA 執行長 Frank Schneider 主講「審計委員會觀點」、由美</p>	47	95

屆次	日期	會議重點	出席機構	出席人數
		國亞利桑那州大學會計系教授 Preeti Chodhary 主講「審計品質之衡量」。		
13	2019年12月3日至5日	<p>PCAOB 檢查流程、行使職權及調查概述</p> <p>專題演講：由 Shawn DuBravac 作家主講「數位命運：數位新時代將如何改變人類的生活、工作和交流方式」</p> <p>小組討論：「為次世代之審計監理重新定位 PCAOB」、「PCAOB 檢查之新方向」、「新的方向－品質管制系統」、「品質管制的焦點－PCAOB 行使職權」、「新興科技對審計品質帶來之影響及風險」、「跨境審計監理之發展及挑戰」、「投資人對未來審計發展之觀點」</p>	38	83

貳、 PCAOB 之運作及其功能

一、 PCAOB 簡介

公開發行公司會計監督委員會(PCAOB)，係於 2002 年依據美國聯邦法令-沙賓法(Sarbanes-Oxley ACT)授權設立之私營部門非營利組織，組織目標主係對公開發行公司提供審計服務之會計師事務所進行監理，確保會計師事務所簽發之查核報告能提供報告使用者透明詳實、穩健之財務資訊及會計師獨立意見，俾保護投資者及公眾利益，沙賓法案並授權 PCAOB 辦理會計師事務所之註冊登記、制定審計準則公報、檢查會計師事務所，以及對違反相關規範之會計師及會計師事務所進行調查及執行必要處分。嗣 2010 年 7 月通過之陶德-法蘭克華爾街與消費者保護法(Dodd- Frank Act)，授權 PCAOB 可對證券經紀交易商提供審計服務之會計師事務所進行監理，暨與國外審計監理機關分享監理資訊。

PCAOB 理事會由 5 位成員組成，其中 2 位必須是或曾經為會計師，目前成員包括主席 William D. Duhnke III 以及委員會成員 J. Robert Brown, Jr.、Kathleen M. Hamm、Duane M. Des Parte、James G. Kaiser。PCAOB 受美國證券交易委員會(Securities and Exchange Commission, SEC)監管，包括由 SEC 指定委員會成員、批准及認可委員會通過之相關準則、規章及預算等。PCAOB 之運作經費主要來自公開發行公司及證券經紀交易商所支付之會計資助費(accounting support fee)，截至 108 年 10 月底，PCAOB 組織內共計有 838 名員工，經費約 2 億 7370 萬美元。

PCAOB 於委員會底下設 10 大部門，包括：

- (一) 執法及調查處(Division of Enforcement and Investigations)；
- (二) 註冊及檢查處(Division of Registration and Inspections)；
- (三) 審計長室(Office of the Chief Audit)；
- (四) 行政辦公室(Office of Administration)；
- (五) 經濟及風險分析室(Office of Economics and Risk Analysis)；
- (六) 外部事務辦公室(Office of External Affairs)；

(七)法律顧問室(Office of the General Counsel and Secretary)；

(八)資訊科技辦公室(Office of Information Technology)；

(九)內部監督及績效確保室(Office of Internal Oversight and Performance Assurance)

(十)國際事務室(Office of International Affairs)等。

本次會議係由國際事務室負責，該部門除辦理國際會議並代表 PCAOB 參與非美國之審計監理機關及其他國際組織(如 International Forum of Independent Audit Regulators, IFIAR)之會議外，並針對非美國境內之註冊會計師事務所之監理議題及策略提供相關建議，以及協助雙邊合作進行等相關業務。

二、 PCAOB 重要職能介紹

PCAOB 核心業務包括會計師事務所之註冊登記(Registration)、審計等相關準則之制定(Standard Setting)、會計師事務所檢查及查核報告之撰擬(Inspection)、執法與調查業務(Enforcement)等，本次會議第一天即由註冊登記及檢察部門之副主任 Juli Ravas 及檢察業務主管 Bob Busch 針對前揭業務進行重點介紹，說明如次：

(一) 註冊登記(Registration)

依沙賓法案規定，PCAOB 僅可針對已向 PCAOB 註冊登記之美國境內外會計師事務所執行包括檢查、調查及懲戒等相關監理措施，會計師事務所可自願選擇是否向 PCAOB 註冊登記，惟會計師事務所如欲承接在美國證券市場交易之公開發行公司，及公開或非公開之證券經紀交易商之審計服務案件，應先向 PCAOB 進行註冊登記方可為之，並須依規定每年向 PCAOB 進行申報，申報內容包括：年度報告(Annual reporting)、特殊報告(Special reporting)及會計師審計報告(Auditor Reporting of Certain Audit Participants, AP)等。截至 108 年 10 月 31 日為止，向 PCAOB 註冊登記之會計師事務所計 1,802 家，其中 934 家為美國境內之會計師事務所，866 家則為來自美國境外 85 個國家之會計師事務所，另有 1,661 家會計師事務所

於註冊登記後撤銷註冊登記。截至目前為止，我國有 13 家事務所向 PCAOB 註冊登記，包括勤業眾信聯合會計師事務所、資誠聯合會計師事務所、安永聯合會計師事務所、安侯建業聯合會計師事務所、德昌聯合會計師事務所、國富浩華聯合會計師事務所、致遠聯合會計師事務所、永輝啟佳聯合會計師事務所、嘉威聯合會計師事務所、正大聯合會計師事務所、眾智聯合會計師事務所、廣信益群聯合會計師事務所及馬施云大華聯合會計師事務所等。

會計師事務所欲向 PCAOB 註冊申請，係透過網路提交電子申請書方式辦理，如為非美國境內之會計師事務所需註冊費用為每年 500 美元，PCAOB 委員會須於會計師事務所提交申請表後 45 日內審查完竣，委員會可能之審查結果包括核准申請、要求事務所提供補充資料或就註冊申請案發布聽證會通知；若事務所欲撤銷註冊登記亦須透過提交電子申請書方式辦理，撤銷申請原則上係於申請日後 60 日內生效，惟若委員會認為該會計師事務所尚有相關調查或懲戒作業仍在執行時，可延長撤銷註冊登記之程序最長 18 個月。

已註冊登記之會計師事務所須於每年 6 月 30 日前向 PCAOB 申報年報 (annual report)，年報內容包括註冊登記要求之事務所相關資訊、公開發行公司審計服務公費占事務所總收入之比例及事務所員工人數等。若發生特殊事件，會計師事務所須於事件發生之 30 日內向 PCAOB 申報特殊報告 (special report)，特殊事件包含事務所不再提供發行人審計服務，惟發行人未通報美國證管會、事務所因刑事案成為被告、事務所進入破產程序或向 PCAOB 註冊登記之事務所名稱及地點變更等等。

(二) 檢查業務(Inspection)

PCAOB 為評估會計師事務所及其從業人員是否符合沙賓法案、PCAOB、美國證管會及專業準則等相關規定，爰對會計師事務所執行相關檢查作業，主要檢查重點在於會計師事務所之品質管制及審計案件之執行情形，另為使會計師事務所檢查順利進行，PCAOB 於事前均會與受查之會計師事務所進行溝通，並要求其配合。依據 PCAOB 提供之 108 年檢查計

畫，總計檢查 249 家會計師事務所，包括：對公開發行公司提供審計服務之 847 家會計師事務所，計畫檢查 184 家(其中每年檢查之會計師事務所計 12 家，每三年檢查一次之美國境內會計師事務所計 111 家，每三年檢查一次之美國境外會計師事務所計 61 家)；針對證券經紀交易商提供審計服務之 105 家會計師事務所，計畫檢查 65 家。另外，PCAOB 截至目前為止，已對 51 個國家之 1 家或多家境外會計師事務所進行過聯合檢查。

PCAOB 檢查作業分為境外聯合檢查及 PCAOB 獨立檢查兩種類型。境外聯合檢查係指，PCAOB 與其他國家之監理機關合作，針對註冊登記於美國境外，並承接有於美國掛牌上市之該國企業簽證業務之外國會計師事務所進行檢查，規則 4012 允許 PCAOB 可仰賴當地國會計師監理機關對該事務所之檢查，惟仰賴程度須依當地國之監理強度及獨立程度進行評估，評估原則包括監理機關之適當性及正直性、監理機關之獨立性、監理機關之資金來源、監理機關之透明度及監理機關之處分紀錄等，並與當地國監理機關就檢查程序進行討論，若經評估當地國監理系統係可依賴的，PCAOB 則與該當地國監理機關進行聯合檢查，PCAOB 進行聯合檢查時不採用檢查表方式(check-the-box)，而係依據當地國監理制度之架構及運作進行整體考量以決定檢查方式。PCAOB 目前已於澳洲、加拿大、丹麥、芬蘭、法國、德國、希臘、匈牙利、義大利、盧森堡、荷蘭、挪威、新加坡、南非、南韓、西班牙、瑞士、瑞典、英國及台灣等 51 個國家合作進行聯合檢查。

又 PCAOB 檢查之會計師事務所類型大致可以分為 3 類，包括：國際聯盟會計師事務所、提供證券經紀交易商審計服務之會計師事務所，及非屬聯盟所之會計師事務所；其檢查程序包含 8 個步驟，略以：事前規劃、計畫、執行、結論、撰擬檢查報告及改善等，簡要摘述如下：

1、事前規劃(Preplanning)及計畫(Planning)：

PCAOB 於每年 4 月開始規劃隔一年之檢查業務相關事宜，受檢查會計師事務所及查核案件之選取主係根據風險基礎及隨機方式決定，與風險基礎選案相關之因素包括：

(1) 經濟發展趨勢；

- (2) 公司或產業發展情形；
- (3) 公開發行公司市值；
- (4) 會計師事務所及合夥會計師之聲譽；
- (5) 過往檢查情形。

另考量以下因素，優先將符合條件之會計師事務所納入選案：

- (1) 公開發行公司審計案件大於 100 家之事務所每年檢查；
- (2) 公開發行公司審計案件小於或等於 100 家之事務所每 3 年檢查一次；
- (3) 是否為國際聯盟會計師事務所；
- (4) 公開發行公司審計案件數量及性質，如所屬產業別、規模及複雜度；
- (5) 所參與之審計案件中，該事務所扮演角色之重要程度；
- (6) 距前次受查之年數；
- (7) 法定應受檢查之會計師事務所；
- (8) 查核團隊規模及特殊簽證案件。

其中，並考慮針對審計品質較差或缺失較多之會計師事務所提早進行檢查。

於確定選案之會計師事務所後，PCAOB 即開始規劃檢查之時程及期間，並通知受查事務所，請其提供相關資料，針對聯合檢查部分，事前尚須聯絡當地之審計監理機關。接著，透過以下步驟，決定擬檢查事務所之審計個案及擬檢查之重點：

- (1) 在審計個案選案前，檢查團隊透過事務所提供之審計個案資訊、PCAOB 經濟風險及分析辦公室所提供之研究報告及公開資訊等，以瞭解委任客戶及事務所於審計案件中所扮演之角色，另檢查團隊亦會考量委任客戶的規模(如市值、收入及資產)、財務狀況、交易複雜程度、重編財報情形、先前檢查結果及事務所內部之監控結果以辨

認較高風險之審計案件。

(2)透過以下指標決定審計個案之檢查重點，包括經濟及風險辦公室(配置多名包括會計、經濟、財務分析及企業併購等專家，透過資料蒐集並建立分析框架以支援風險評估及決策)辨認之風險指標、檢查範圍所涉複雜度、判斷性及重大性之程度、非常規交易或事件、查核報告所列之重大缺失、前次檢查結果、涉及新會計及審計準則公報範圍、最可能涉及審計品質議題之範圍、採用專家或其他會計師意見之範圍、與國外監理機關之討論、PCAOB 於檢查年度所聚焦之重點等。

2、執行檢查(Performing)：

會計師事務所檢查項目主要包括事務所之品質管制程序及審計個案兩大部分，檢查團隊一般配置 6 名查核人員，並視案件複雜程度增加查核人員，檢查工作時程約為 2 至 6 星期，茲將檢查重點分別敘述如下：

(1) 品質管制程序之檢查重點包括：

- a. 領導階層對品質管制之責任；
- b. 合夥人之績效評估、報酬、任用、晉升、責任及懲處；
- c. 獨立性；
- d. 客戶之承接及續任；
- e. 內部監督程序；
- f. 審計政策、程序及方法之建置及溝通(包含人員訓練、執行風險評估之方法及工具，或針對新式查核報告調整查核程序等)；
- g. 對採用其他會計師查核工作之監督管理；
- h. 複核公司管理階層諮詢程序之有效性；
- i. 案件品質管制複核；
- j. 歸檔程序。

(2) 審計個案之檢查重點包括：

- a. 事務所是否取得足夠充分查核證據以支持其查核意見；
- b. 辨認事務所執行審計案件是否存有缺失；
- c. 檢查個案工作底稿及相關文件之品質；
- d. 評估審計人員之專業知識、能力及技能；
- e. 所執行之審計工作是否被適當監督及複核；
- f. 評估事務所品質管制系統設計及運作之有效性；
- g. 面試執行審計工作及複核工作之人員以瞭解其專業程度，如稅務知識、資訊技術及評價技術等。

另外針對審計個案團隊與受查公司審計委員會之溝通情形、受查公司之舞弊風險、審計人員之查核發現、檢視集團查核團隊之查核工作底稿及溝通結果、資訊安全機制等以決定是否執行額外之審計個案查核程序。

至檢查會計師事務常見之缺失種類則包括：未依據一般公認審計準則規定執行查核工作、品質管制系統設計缺失、獨立性不足等。

3、檢查結論(Concluding)：

(1)預備及發布意見表 (Comment forms)：

PCAOB 檢查人員將檢查結果以意見表方式提供予事務所，內容包含三大部分：a. 所發現之缺失事實；b. 依據特定會計原則及審計準則敘述缺失之性質及重大程度，以及該等缺失對財務報告產生之影響；c.事務所回應及改善措施，事務所須於 10 日內針對該意見表之內容進行回應，必要時可要求延長該回應時間。PCAOB 針對事務所之回應意見進行評估以決定是否納入檢查報告或僅將其作為檢查報告之附件。

(2)彙整檢查文件：

歸檔並彙整相關檢查底稿，包含規劃、品質管制系統程序、審計案件特定程序、行政程序及監督、與事務所領導階層之訪談記錄、與查核團隊之訪談紀錄、涉有缺失之審計個案工作底稿影本；檢查文件須註明所執行檢查程序之性質及時間，另亦須列示檢查工作執行者及檢查工作複核者。

4、完成檢查報告(Final Report)及受查事務所針對結果缺失之改善(Firm Responses and Remediation)：

檢查團隊依據檢查結論撰擬檢查報告初稿(Draft Report)，PCAOB 內部嗣後會再仔細複核檢查報告之初稿內容以及事務所回應意見，由於檢查發現可能改寫或新的檢查發現等原因，故最終檢查報告或許不會包括前述意見表之所有內容。檢查報告將包括四個部分：

- (1)第一部分包含檢查程序及特定檢查發現，此部分內容可公開。
- (2)第二部分包含檢查結果之細節內容，包括品質管制相關議題及其他審計執行之相關議題，此部分內容不公開。
- (3)第三部分包含過去之檢查程序，此部分內容不公開。
- (4)第四部份則包含PCAOB檢查人員於檢查當下就相關缺失向事務所取得之初步回應，此部分內容將包括於公開及不公開內容中。

針對前揭檢查報告初稿，事務所須於 30 日內提出回應，此係事務所另一機會針對檢查發現提出回應，回應內容將影響檢查報告內容，檢查團隊依據事務所回應意見提出最終檢查報告並提交予 PCAOB 委員會進行發布，報告內容可公開部分，將上傳至 PCAOB 官網，完整之檢查報告則傳送予證管會、事務所所在州主管機關及受檢查之事務所，檢查報告所提及之品質管制制度缺失事項於 12 個月內暫時不公開，事務所須於 12 個月內改善其缺失並提出其已改善之證據，PCAOB 如對事務所之改善結果滿意，則該部分檢查報告將不公開，如對事務所之改善結果不滿意，則會將該部分檢查報告予以公開。

(三) 執法及調查業務(Enforcement and Investigations)

執法及調查處由律師、會計師及相關支援人員等 62 位編制內成員組成，辦公處設於華盛頓特區、紐約市及芝加哥，其主要功能為調查註冊事務所及其從業人員是否違反沙賓法案、PCAOB 規範、PCAOB 專業準則及證交法相關適用條款，建議移付懲戒及辦理相關懲戒程序，管轄範圍除美國境內註冊會計師事務所外，尚包含出具查核報告之關聯人員及美國境外之聯盟所與其從業人員。

現行執法及調查處之調查方式分為正式及非正式，多數缺失係於 PCAOB 調查人員非正式調查中發現，若有必要，調查人員可請求 PCAOB 出具正式調查命令，透過取得及審閱工作底稿、其他文件、相關資訊及證詞以取得相關事證，若事證顯示存有重大違規，調查人員將以口頭或書面方式與事務所溝通。

經執法及調查處統計，執行懲戒常見之缺失型態包括，違反審計準則(如未取得足夠及適切之查核證據、對矛盾的查核證據或紅旗警訊未盡專業上之注意或懷疑；未有效遵循事務所之品質管制制度，包含事務所之監督功能失敗)、違反獨立性、未配合 PCAOB 之檢查或調查、跨境事務相關缺失以及延遲申報文件或支付相關費用等。

至懲戒程序方面，由 PCAOB 聽證官(Board Hearing Officer)執行聽證程序並決定事務所及其相關人員是否違規，以及是否須被懲戒，任何聽證官執行之處分，受處分人皆可向 PCAOB、證管會及聯邦法院提起救濟，PCAOB 之處分措施包含：

- 1、 要求額外之專業教育或訓練。
- 2、 處以譴責(censure)。
- 3、 處以民事罰鍰(civil monetary penalty)。
- 4、 暫時或永久限制事務所或會計師之活動、職務或業務。
- 5、 指派獨立監管人(independent monitor)。
- 6、 暫時或永久將會計師自事務所除名。
- 7、 暫時或永久撤銷事務所登記。

8、依委員會規範(Board rules)處以其他懲戒。

經統計 2019 年間 PCAOB 共計撤銷 4 家事務所之登記，12 家事務所被要求應改善其品質管控政策及程序，23 位會計師遭暫時或永久停止執行業務，6 名會計師被禁止擔任事務所特定職位(如：品質管制複核會計師)及 14 名會計師被要求應參加額外之專業教育或訓練，最近較重大之懲戒案件如下

- 1、韓國 Deloitte 案(2019 年 10 月):該事務所於收到 PCAOB 之檢查通知後，對已發布查核報告案件之相關工作底稿進行竄改，案件之品質複核會計師亦有參與，且未向檢查員告知上開不當行為，本案遭 PCAOB 共處以 35 萬美金罰鍰。
- 2、墨西哥 BDO 案(2019 年 10 月):該事務所自 2015 年來，未將工作底稿及時歸檔，並對已發布查核報告案件之工作底稿仍做修改，且於 PCAOB 執行檢查時，提供檢查員誤導性之錯誤資訊，本案遭 PCAOB 共處以 52 萬美金罰鍰。
- 3、Marcum LLP and Alfonse Gregory Giugliano 案(2019 年 9 月):該等會計師於吸引投資者之 Microcap 大會上宣傳其審計客戶之投資潛力，已違反獨立性相關要求，本案遭 PCAOB 共處以 47.5 萬美元罰鍰。
- 4、墨西哥 PricewaterhouseCoopers 案(2019 年 8 月):該事務所之 6 名會計師向其銀行客戶貸款，且該事務所未將該等違反獨立性之行為告知客戶之審計委員會，亦未建立監督會計師獨立性及與客戶審計委員會適當溝通之政策及程序，本案遭 PCAOB 共處以 10 萬美元罰鍰。
- 5、William Trainor 案(2019 年 6 月):該會計師因對受查公司之財務報告相關內部控制制度有效性做出與事實不符之結論，經事務所提報 PCAOB 解聘該會計師後獲准，此為 PCAOB 與大型事務所首次對解聘會計師有一致共識。
- 6、Timothy M. Kosiek 案(2019 年 4 月):銀行業監理機關對該會計師審計客戶備抵損失提撥適足率有所疑慮之狀況下，該會計師未適當增提客戶之備抵損失數額，本案遭 PCAOB 共處以 2.5 萬美元罰鍰。
- 7、KPMG 案(2019 年 4 月):該事務所之道德及獨立性負責人於 PCAOB 檢

查前，竄改獨立性相關文件，本案遭 PCAOB 共處以 26 萬美元罰鍰。

- 8、Wayne J. Kaplan 案(2019 年 2 月):該會計師因執行案件品質管制複核時，未充分評估查核團隊對顯著風險領域之考量是否充分，而遭 PCAOB 譴責，並限制其於 2 年內不得再擔任品質管制複核之相關職位。

三、國際審計監理官年會會議運作方式

PCAOB 第 13 屆 2019 年國際審計監理官年會(The PCAOB 11th Annual International Auditor Regulatory Institute)，為 PCAOB 每年舉辦之國際會議且僅限各國審計監理官參與，主係以論壇(Forum)方式提供各國審計監理官一平臺，就影響投資者安全、全球金融市場健全及穩定之事務所監理與資訊揭露，分享其監理經驗且彼此提出問題進行討論。本屆(13 屆)PCAOB 於此論壇規劃 3 天會議議程(第 1 天為 PCAOB 會前簡介，第 2 天至第 3 天為研討會)，針對審計品質、審計產業現況和公司治理等議題進行討論，邀請 37 個非美國審計監理機構參與，各場次之與談人涵蓋審計監理經驗豐富之美國、英國、日本、法國及新加坡等監理官及專家人士等，營造各國審計監理官資訊交流之環境，鼓勵相互分享各國審計監理經驗及投資者保護之觀點及策略，並建立跨國合作討論之互動平臺。

參、PCAOB 審計監理會議之討論議題

本次會議主要聚焦於審計品質、事務所公司治理及審計科技等議題進行討論，內容包含如何提升外界對審計的信賴、審計品質之焦點及方向及新興科技於審計之應用及因應等，謹就相關重點進行摘要簡報：

一、專題演講：數位命運：數位新時代將如何改變人類的生活、工作和交流方式？ (How the New Age of Data Will Transform the Way We Work, Live, and Communicate)

「數位命運：數位新時代將如何改變人類的生活、工作和交流方式？(暫譯，Digital Destiny: How the New Age of Data Will Transform the Way We Work, Live and Communicate)」作者暨美國消費電子產品協會 (Consumer Technology Association) 首席經濟學家兼高級研究員 Shawn DuBravac 以其著作書名為題進行專題演講，D 作家演講內容略以：

D 作家回憶，小時候曾歷經一場嚴重車禍，他的母親不慎在開車時打瞌睡，致使車子偏離道路墜落懸崖，事故發生當下，內心之恐懼癱瘓了他所有的行動及思考能力，然而幸運的是，作者與他的家人奇蹟般地未發生任何傷亡。

根據統計數字，單就美國一個國家，2013 年就有 32,850 人不幸死於車禍事故，2012 車禍傷亡人數為 33,561 人，2011 年則為 32,367 人，若進一步將每年交通事故傷亡人數之統計範圍擴大到全球來看，根據世界衛生組織(World Health Organization, WHO) 公布之數據，2010 年全球死於道路交通事故之人數高達 124 萬人，約為美國之 4 倍，而這些悲劇之發生主係因人類之思考及行為，本身即存有某些偏誤或不完美所致。但讓我們重新思考，受益於數位科技時代之進展，車禍將可能不再是一個致命悲劇，未來每年之預期肇事率改善幅度將由僅 2、3 或 5% 的微小降幅，大幅提高到 50%、75% 或甚至是 90%，直至車禍事故完全消弭，而要實現這樣的前景，全部都要歸功於自動駕駛汽車(Driverless cars) 的發明與問世，透過將行駛中存有最大不確定性之人為要素去除，使得車禍事故發生機率大幅降低，且駕駛亦無須再將全副心力用於道路，時時刻刻注意交通狀況，而能將空出的雙手、心思及原先花費於開車的時間運用在其他重要事項。試想幾年後，當我們向後代子孫憶及過往時，他們將無法想像世界上

曾經因為道路交通事故，每年死傷至少超過 100 萬人。D 作家宣稱，這樣的景象將不單純僅是想像畫面，而是對於未來的真實描繪，科技之發展使得人類擁有將想像轉變為現實之能力。

數位科技對於人類來說已不是一個新發明或新詞彙，人類社會已於 21 世紀初正式邁入數位時代的第二個 10 年，數位浪潮不斷衝擊著現代社會，並帶來巨大變革，標誌著人類新時代的開始。歷史學家經常使用「革命(Revolution)」一詞來描述劇烈變動的年代，例如：第一次工業革命(First Industrial Revolution)及第二次工業革命(Second Industrial Revolution)，即是因為機器的發明，使人類生產與製造方式逐漸轉為機械化，而人類目前又再次經歷一個嶄新的革命時代，且此次革命將徹底改變並重新定義人類現有生活方式及週遭環境，我們將這個變動年代命名為「數位革命」，或稱呼其為「資訊科技時代」或「電腦時代」，然而名稱中所引述之代表性重大發明或革新，終有一天也將成為歷史印記，甚而被視作老舊古董。舉例來說，於 1998 年數位時代之開端，第一部高畫質電視於聖地牙哥一家零售商店開始販售，消費者為之風靡，緊接著，數位相機、數位音樂播放器(MP3)、行動電話及桌上型電腦等亦相繼問世。1998 年時美國僅有 41%的家庭擁有桌上型電腦，但到了 2015 年，家中配備有桌上型電腦之家戶數則已超過 90%；而 2000 年美國僅有 3%到 4%的家庭裝設有寬頻網路，然僅僅歷經 10 年，情況卻已完全相反，根據美國民調機構—皮尤研究中心(Pew Research Center)近期之調查結果顯示，目前僅剩 3%的家庭尚在使用撥接上網¹服務；又 2011 年，美國僅有 35%且較為富裕的人口持有智慧型手機，然而在經過短短幾年後的 2015 年，則已有將近 70%的美國人擁有智慧型手機，而智慧型手機的快速普及堪稱一罕見且前所未見的現象。並且，上述這些例子僅是數位時代帶來之眾多重大轉變中之冰山一角。

D 作家主張，未來人類將看到更多顛覆性且意想不到的變革，並以遠超越過去 10 年的驚人速度發展，這也是為什麼其稱呼目前為「數位時代的第二個 10 年」。D 作家進一步以「語言(language)」為例說明，即便世界上未有語言存在，人類腦中依舊具備感知、渴望或理解相同感覺之能力，然而為了向其他人傳達

¹ 係指通過本地電話線經由數據機連接網際網路，於 1990 年代網路剛興起時較為普及，但因收費昂貴、速度慢，漸被寬頻網路取代。

自身感受到的體驗、腦內存有之知識等各種訊息，就必須透過言語作為溝通媒介，口語(spoken language)之出現即係人類社會中首次轉譯及傳達數據資料的革命，使得人類得以簡易且快速地進行互動，繼而有效率地組織社會，並標誌著人類文明之開端。然而，口語卻存在著一項重大缺點，即無法自行並長久儲存，一旦說出口後轉瞬即逝，如要想將一段話中蘊含之資訊貯藏下來，則僅能仰賴人類之記憶力，遠古時代的祖先為了解決此種困境，爰發明了文字以記錄人類所欲傳達之訊息，方稍稍解決資訊存續之問題。惟文字紀錄依舊存在著抄錄、複製過程費力耗時之致命性缺點，而未能將人類智慧與知識廣為流傳，直至 19 世紀，隨著機械科技之發展，才出現相關技術提升文件複製效率，正式宣告進入第二次數據資料轉譯及傳輸革命。由此觀之，人類歷經如此長時間方獲致一次重大變革，更加突顯出數位革命之深遠意義及影響力。D 作家預測，下一個 10 年，人類之生活方式與生活週遭之事物將幾乎全部數位化(digitalization)，進入一個全數位世界(all-digital world)。這股數位浪潮已勢不可擋且無法逆轉，好比一旦世上出現風帆之存在，人們便不會再回頭使用人工費力地划槳前行；一旦創造出蒸汽機，馬匹的功用將僅被視為旅行的交通工具；而一旦發現了原子能源，人類便竭盡所能開發其功用，用作核子能源電廠原料甚或是極具毀滅性的炸彈，將資源蘊藏之效用及危險性發揮到極致。數位科技就如同那些歷史上曾經出現過的眾多革新發明，人類無法逆轉或抹滅已發生之事實，時代將不斷往前進，我們無法於這場潮流中置身事外，而這便是現今人類所面臨的「數位命運」。

數據資料係如地球自然資源一樣，原本即存在於人類之生活週遭環境之中，惟數位科技的出現賦予了人類使用及操縱數據之能力。2009 年，英國科技學家 Kevin Ashton 創造了「物聯網(Internet of Things)」一詞，意即透過電腦針對內嵌於物品之感測器蒐集到並傳送至網路上之數據資料進行處理及分析，使人類得以大量節省所需花費之時間及心力，卻仍能獲取資料中蘊藏之訊息，準確地得知物品何時需要被替換、整修或重置，繼而大幅改變人類現有之生活模式，又該名學者指出，為了優化電腦運算結果之精確性，電腦必須要能自行運用資料庫中儲藏之所有數據資料，而不僅限縮於人工輸入之資料，且「物聯網」要能發揮其價值，除了歸功於先進及快速發展之資訊科技技術外，其關鍵點更在於

網路與人類行為間的鏈結，即如何將電腦從物品中擷取、分析到的訊息，在正確時間、正確的裝置上傳達予正確的人，以協助人們做出正確之決策。此外，藉由蒐集、分析使用者過往之行為資料，將能進一步預測人們未來之行為模式及喜好。現今許多電子商務平台業者便利用數位科技，針對資料庫貯藏之顧客歷史購物記錄等資料進行運算分析，以獲取顧客之購物習性及喜好，繼而依照該等資訊，準確瞄準客戶需求，適時適切地將攸關內容呈現於使用者面前，並且因為大數據之出現及運用，銷售業者從原先僅能被動銷售商品之角色，轉為得以主動偵知客戶需求，吸引其前來消費，並透過不斷蒐集消費者之消費習慣及購物記錄，即時更新擴充資料庫，獲致更精準之結論，以穩固顧客忠誠度。

此外，隨著大數據分析技術(Big Data)應用之擴展，人們除了能夠即時獲知週遭環境之資訊，如：天氣、溫度、海拔高度以及精準定位等外，亦可超越時空之限制，隨時隨地獲取各種與生活息息相關之訊息。舉例而言：消費者至餐廳用餐時，可以透過搜尋網路評價，繼而根據網友推薦之熱門菜色進行點餐；或若某間商店同時存有實體店面及網路店面，且同時推出不同促銷活動，導致價格有所差異時，消費者可以先行前往實體店面實際接觸商品，體驗其材質、觸感等，再選擇最適通路下訂單，俾以最優惠之價格買到符合自身需求之商品；另透過分析行車紀錄器所記錄之駕駛者行車習慣，保險業者將能準確預估保險費用。

D 作家指出，資料處理程序之關鍵包含了 3V，即資料量(Volume)、資料處理速度(Velocity)及資料種類多樣性(Variety)。所謂資料量(Volume)，係指當資料庫內貯藏之信息愈多愈廣，運算之結果將更加精確且細緻；而隨著科技之進步，資料處理速度(Velocity)亦不斷革新，大幅縮短處理時間，舉例而言，使用者若想要下載一部 YouTube 影片，在 2G 網路時代，所需時間約為 26 個小時，進入 3G 時代後則只需花費 2 個小時進行下載作業，4G 時代更大幅縮減為 6 分鐘，到了 5G 時代甚至可能僅需要花費 5 秒即可完成；至於有關資料種類(Variety)部分，無論是整理過之序列資料或未整理過之原始資料，甚至是與所欲分析議題看似毫無相關之資料皆可作為處理之標的。結合上述三種特性，即係大數據分析技術之精髓所在。

數位科技之應用除節省了時間及人力需求外，並可簡化工作程序，提高工作效率。茲舉一例說明，在機器人(Robot)問世前，零售業者通常須待至營業時間結束後，再行以人工方式進行存貨盤點，清點商品庫存量，但隨著機器人技術之發展，並與數位科技加以結合，現今之零售業者則可隨時隨地進行存貨盤點，而無須等到商店打烊或年末關帳時方能執行存貨盤點作業，進而有效控管商品數量，提升庫存商品記錄之即時性及準確度，又此項功能若用於協助審計人員執行查核工作，將可大幅增加查核之效率及查核結果正確性。

D 作家並例舉數位時代之另一項重大革新—全球定位系統(Global Positioning System，下稱 GPS)之應用。數位地圖出現前，人們對於「地圖(map)」之概念及功用多僅限於瞭解大致地理位置，抑或作為教科書之教材，且傳統紙本地圖提供之資訊通常未臻精確，亦未能即時更新，往往待到使用時，圖面上記載之資訊與實際狀況已有所出入，導致地圖功用大打折扣。然而，隨著 GPS 系統之開展應用，重新賦予了地圖嶄新之定義，將地圖用途提升到另外一個層次，其用途不再侷限於地理課本上的教材，或是僅供參考，藉由轉譯衛星所觀測到並傳送回地球接收站之地理實況，電子地圖將能提供使用者更加準確之定位，GPS 系統並根據用路人目前所在位置及交通狀況規劃最適路線，即時導航以縮短人們花費於路程之時間，為人類創造出前所未有之地圖體驗。簡而言之，新科技之發展，將改變人類對傳統物品之定義，就如同 GPS 系統之問世，為地圖創造了更多的附加價值，繼而改變了人們對於地圖之概念，並增加對地圖之依賴性。

數位時代之來臨為世界之本質(Nature of World)帶來劇烈變化，資料量呈現幾何倍率增長、資料性質從離散式(Discrete)變成連續性(Continuous)、資訊之提供從間斷式(point-in-time)轉變為即時提供(real-time)。身處資訊爆炸之時代，為處理並有效運用這些龐大資料，即必須整合現有資料模組並建立新資料處理程序，俾發揮資料之最大功用。「數位命運」指稱的不僅係大量新穎裝置及發明之出現，更代表著人類透過數位科技操縱及運用數據資料能力之提升，其意味著人類社會中最急迫的某些議題，例如飢餓，疾病和安全等，終將得到解決辦法，就如同無人駕駛汽車之興起每年將可拯救地球上成千上萬之生命；意味著工作效率將會大幅改善；並意味著個人在行動、工作及健康等方面將比以往任何時

代擁有更多自由。

二、 為次世代之審計監理重新定位 PCAOB (Repositioning the PCAOB for the Next Decade of Audit Oversight)

本議題由 PCAOB 五位委員擔任與談人，並由國際事務處主任 Liza 主持，內容略以：

PCAOB 委員會主席 William D. Duhnke III 表示，PCAOB 自 2007 年起每年皆會由內部討論制定未來 5 年之策略計畫，但過往除了因應外部情事的重大變化或考量未來新興趨勢，每年的策略計畫通常不會有重大變動，然而在過去 15 年的發展後，PCAOB 已從起步階段相對邁入較成熟的狀態，爰就其組織的未來方向加以考量。在最近的策略規劃上，PCAOB 係透過問卷向外界徵詢建議，而回收之問卷來自投資人、公開發行公司管理階層、審計委員會成員、董事、學者專家、會計師及外國審計監理機關，顯示其對現今審計品質、審計專業環境之急遽變化及 PCAOB 改良其推動審計品質方法之關切，另外該委員會亦透過內部討論辨識關鍵績效指標，以判斷其策略目標之實現程度，現已初步確認未來 5 個核心價值分別為誠信(Integrity)、卓越(Excellence)、有效(Effectiveness)、合作(Collaboration)與問責制(Accountability)。

另 W 主席表示，PCAOB 與全球其他審計監理機關合作之過程中，瞭解不同檢查方法所可獲取之優點。以英國及荷蘭為例，英國財務報告理事會(The Financial Reporting Council, FRC)採用雙管齊下(two-pronged)之檢查方式，除對特定事務所之品質管制政策及所內審計個案抽選進行檢查外，另會抽選多家事務所進行主題式檢查，透過前開跨事務所之主題式檢查，FRC 瞭解不同事務所於特定主題領域之政策、程序及作法，亦可同時辨認事務所間之共同執行缺陷並確認實務可行之最佳做法；另荷蘭金融市場管理局(Netherlands Authority for the Financial Markets, AFM)之主題審查係圍繞著事務所的「三大支柱」(three pillars)－控制、行為與文化及內部監督進行，利用各支柱下的各檢查項目監督事務所之績效表現。縱上開監理方法不一定為 PCAOB 所採用，惟仍提供該委員會重新省思是否有其他方式可提高其監理品質。

另該委員會亦在思考其檢查方法可如何協助進一步提高審計品質，包括：

- 是否可更有效的利用經濟風險分析之研究成果以優化檢查重點及方法?
- 是否有效利用檢查結果及其他來源蒐集之資訊，並與公開發行公司之審計委員會、會計師事務所及投資人適當溝通?
- 對特定事務所的檢查時間及頻率，是否可考量其過往之審計品質而加以修改調整?
- 對查核所發現之缺失，是否可提供受查者更多改進指導?
- 檢查方法是否會使受查者導入非預期且不必要之成本，亦不會使其達成更高之審計品質?

PCAOB 委員 J. Robert Brown, Jr. 表示，隨著投資人用以經濟決策之資訊漸增，查核人員的角色及責任亦有演變，從年度財務報告查核逐漸擴展到期中財務報告核閱、財務報告相關內部控制制度(ICOFR)之審查，至於查核報告中引入關鍵查核事項(CAM 或 KAM)等，這些改變有助於維持資本市場需求與審計實務間的相關性(relevance)，惟今日市場投資人所使用的資訊非僅限於財務報告，其他類型的資訊對於預測企業未來現金流量也相當有用，其中包括非公認會計原則財務指標(下簡稱非 GAAP 指標)、關鍵績效指標、XBRL(eXtensible Business Reporting Language)及企業永續發展之相關揭露等(Sustainability Disclosure)等：

- 1、非 GAAP 指標：研究顯示，從 1996 年迄今標準普爾 500 指數公司(S&P 500)採用非 GAAP 指標的比率從 59%增加至 96%，主係一般公認會計準則架構下之揭露日益繁複，而使用非 GAAP 指標可提供投資人更簡明扼要的解釋及預測。

Reporting Year	# of Companies		% of Filers using Non-GAAP	# of Metrics Per Filing
	Presenting Non-GAAP Metrics	Not Presenting Non-GAAP Metrics		
1996	162	113	59%	2.35
2006	331	106	76%	3.47
2016	462	19	96%	7.45

表 1 標準普爾 500 指數公司採用非 GAAP 指標的變化

資料來源：Nerissa C. Brown, Shira Cohen and Adrienna A. Huffman(2018). Accounting Reporting Complexity and Non-GAAP Earnings Disclosure

- 2、關鍵績效指標：隨著大數據及科技進步，可衡量之關鍵績效指標大量增加，

該指標與財務報告通常沒有直接關係，如：航空公司準時績效、社群媒體用戶數量等，惟仍有助於評估公司業務績效及預測未來現金流量，特由是剛草創而尚未獲利之公司。

- 3、XBRL：該資訊係電腦可判讀之財務報告揭露標籤，其將資訊結構化可有效降低投資人資訊分析之成本，並提高不同公司間資訊的可比較性。
- 4、企業永續發展之相關揭露：自 1995 年以來，基於 ESG(Environmental, social, and governance)而投資的金額成長了 18 倍，由 6,390 億美元上升至 12 兆美元，主係該等資訊有助於投資人瞭解公司對於迫切風險之因應及長期經營模式。

上開其他類型資訊因未訂有一致性之標準且未經查核，其品質、準度、完整性及一致性仍有待提升，部分地區現已對該等資訊開始有一定要求，如歐盟已要求事務所驗證(verify)公司所提供的 ESG 資訊，PCAOB 既有的 AS 2710 審核標準亦要求查核人員對公司年報中的其他資訊進行閱讀及考量，以免與財務報告間存有重大矛盾，惟隨著其他類型資訊影響投資人決策日深，查核人員僅對該等資訊閱讀並考量是否足夠已有重行討論之必要，PCAOB 認為可參考關鍵查核事項之討論模式，由其擔任討論主持人，於蒐集相關評論及反饋後再制訂相關規範，縱對該等討論最終可能並未改變現有規範，惟討論過程仍有助於投資人釐清對其它資訊品質之擔憂，以及資本市場需求與審計實務間的相關性。

PCAOB 委員 James G. Kaiser 表示，據美國會計師協會下審計品質中心 2019 年的調查，83%的受訪者認為會計師作為最有效保護投資人的角色，較 2011 年的 67%已顯著上升 23.88%，顯示投資人對審計品質的信心已大幅提升，PCAOB 現並提出 5 項目標以因應市場環境變化及監理需求：衡平缺失之發掘及預防以促進審計品質之提升、預測並因應新興科技及其相關風險及機會、透過利害關係人的積極參與以提高監理之透明度及可及性(accessibility)、提升及優化使用資訊的能力、發展、授權並獎勵內部員工以強化組織文化。

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Independent auditors who audit publicly traded companies	67%	70%	72%	75%	76%	81%	84%	81%	83%
Independent audit committees of publicly traded companies	63%	65%	69%	71%	71%	77%	82%	80%	81%
Financial analysts	60%	63%	65%	68%	68%	76%	80%	79%	81%
Financial advisors and brokers	66%	66%	69%	70%	73%	75%	79%	75%	78%
Credit rating agencies	49%	54%	57%	64%	67%	76%	71%	71%	75%
Stock exchanges	48%	50%	55%	70%	73%	76%	82%	77%	75%
Corporate management of publicly traded companies	51%	48%	52%	54%	62%	68%	69%	63%	64%
Government regulators and oversight	39%	39%	50%	50%	49%	54%	58%	62%	63%
Investigative journalists	58%	60%	62%	58%	59%	68%	65%	69%	63%
Corporate boards of directors	47%	46%	49%	49%	59%	61%	63%	59%	57%
Congress		N/A		24%	23%	34%	32%	44%	40%

表 2 投資人認為最有效保護其權益之角色

資料來源：Center For Audit Quality (2019). 2019 MAIN STREET INVESTOR SURVEY.

其中就新興科技部分，考量數據分析、機器學習、區塊鏈及流程機器人 (Robotic Process Automation) 等已大幅改變企業環境及資訊產製方式，PCAOB 刻研究上述事項對審計品質之影響，及既有規範是否妨礙審計科技之發展以決定是否須修訂相關規範。與事務所初步討論之結果，認現行新興科技主要應用於風險評估階段，而現行規範尚無妨礙該等新技術之採用，惟隨演算法及區塊鏈於審計上的應用越來越普遍，PCAOB 將密切注意相關指導及規範之適用性。

另就網路安全議題，PCAOB 現有規範已要求會計師應瞭解公司財務報告相關內部控制就資訊技術相關風險之因應，並回應已評估之重大不實表達風險，如於查核期間發生網路攻擊事件，會計師應評估財務報告相關內控是否正常運作與對財務報告之影響，惟相關風險評估及查核規範是否足以應對該等風險，PCAOB 刻正蒐集資訊瞭解會計師決定網路安全對財務報告重大不實表達風險影響之流程，以決定相關規範是否有修訂必要。

三、PCAOB 檢查之新方向 (What is New in PCAOB Inspections)

PCAOB 註冊及檢查處執行長 George Botic 表示，2018 年間 PCAOB 共檢查了 160 多間會計師事務所並複核約 700 件之查核案件，其中有超過 60 家之會計師事務所及 170 件查核案件係於美國境外執行檢查，經綜整常見之查核缺失發生於：

- 1、財務報告相關內部控制制度：相關內部控制測試結果之有效與否將直接影響證實測試查核程式之性質、時間及範圍，惟部分查核人員於複核受查公司特定估計及假設之合理性時，未瞭解或評估相關控制設計及執行之原因；亦未瞭解受查公司是否設有防止財務報告產生重大誤述之相關控制。
- 2、執行風險評估程序：鑒於財務報告舞弊產生之重大不實表達，通常係因高估收入產生，因此查核人員於執行相關風險評估程序時，應盡專業上應有之注意並設計查核程序適當因應該等風險，惟部分查核人員於測試收入交易時，樣本僅限於一定金額以上或是靠近年底者，而未考量是否須抽核其他類型之樣本；另部分查核人員僅憑公司開立之發票即據以同意認列收入，而未複核該等發票之開立與合約條款是否相符，亦未對貨物（服務）是否已提供給客戶取得證據。
- 3、會計估計：由於會計估計通常涉及使用不可觀察輸入值、複雜的評估模型及主觀判斷，因此於查核過程中應由較資深的查核團隊成員全程參與並盡其專業懷疑，會計估計缺失常見發生於備抵損失、企業合併及金融工具等議題，如查核人員未適當評估重要假設之合理性，或未對受查公司（包含專家報告）所使用之輸入值進行驗證。
- 4、案件品質管制複核：PCAOB 大部分所發現之缺失發生於此類，該等缺失主係經品質管制複核之案件仍未能辨識相關查核缺失，其原因包括品質管制複核成員於與查核案件團隊討論中過於信任，或是品質管制複核成員僅複核案件之查核彙總備忘錄，而該等方式無法看出查核團隊是否於查核過程中盡其專業注意。

另外 PCAOB 於檢查過程亦發現，事務所領導階層如能對其員工提供有效之工具、訓練及指導者，其所被檢查出的缺失相對較少，這些良好的具體作法包括：

- 1、擴展問責制至查核團隊以外人員：為促使涉查核案件之其他人員對其工作負責，部分事務所規定如於內部或外部之檢查結果指出查核案件涉有缺陷，將視品質管制複核人員、技術專家或行政人員等參與案件之程度，而給予上開人員不同程度之懲處。

- 2、 修訂指引以協助查核人員辨認及評估重大不實表達風險：部分事務所為更有效的辨識重大不實表達風險，爰修訂各狀況下查核人員所應採取的確切步驟，如：與專門團隊討論。所訂定的風險評估程序步驟越嚴謹，其查核品質通常亦正面提升。
- 3、 修改訓練計畫：部分事務所已修改過往的員工訓練方式，由一般的課堂講授改由受訓者親自複核存有查核缺失之工作底稿，以更有效的使受訓者瞭解實務上可能存在的查核缺失。
- 4、 由非屬查核團隊之資深查核者提供協助：根據 PCAOB 的觀察，那些由非查核團隊之資深查核者參與風險評估設計或複核風險評估因應的查核案件，查核品質通常較高，因該等獨立人員之複核可作為查核報告出具前再次確認是否有誤之預防性措施。
- 5、 建立專業人才網路以因應新興風險：為因應新興科技及新會計準則之挑戰，部分事務所已建立一套向內部或外部專家學者諮詢之制度，該等諮詢結果可提供查核人員對新興領域之洞見並可更有效的因應相關風險。
- 6、 就重大判斷領域提供新的查核工具：部分事務所已就做成重大判斷前，所須取得的證據性質及程度予以圖表化供查核人員使用，並已告知使用者應於不同狀況下將該圖表適當調整而非將其作為檢查表使用，該等工具可有效協助查核人員避免常見之審計缺失。

基於前述 2018 年的檢查結果，PCAOB 業規劃 2019 年的檢查重點領域包括：

1、 品質管制制度：

- (1) 複核事務所品質管制制度設計、執行及監督的有效性、事務所的組織結構、業務複雜程度及所內人員的知能及經驗，以決定是否足以支持查核品質及適當回應風險。
- (2) 深入辨識及複核事務所承接及續任查核案件、追蹤考核、案件執行及人力資源管理之程序，以確認影響查核品質至關重要的因素。
- (3) 瞭解事務所是否設計並執行適當的行為準則作為法規遵循之依據，以避免

舞弊、賄賂或其他違反法規之情事直接且重大的影響財務報告所列金額。

- 2、獨立性：過去的檢查中多次發現事務所或會計師有關獨立性方面之缺失，顯示事務所及其人員對獨立性相關要求未盡瞭解或並未設計適當控制以預防該等缺失之發生，爰此 PCAOB 已設計查核程序以確認事務所如何保持其形式及實質之獨立性、教育所內人員有關獨立性之要求、追蹤考核(monitoring)有關獨立性之遵守情形以及評估非審計服務對於獨立性之影響。
- 3、反覆發生缺失之領域：PCAOB 於美國境內及境外檢查的過程中，仍持續發現財務報告相關內部控制制度、收入認列、備抵損失及會計估計等相關領域之缺失，為確認事務所是否從根本採取適當步驟因應該等缺失，PCAOB 將瞭解事務所利用之工具、技術或是原因分析方法、防止該等缺失重複發生之預防性措施及如何監督該等改進程序之時程及進度。
- 4、其他重點審查領域：就受查公司之外部環境變化，會計師是否將其納入風險評估考量及評估與公司管理階層主張有無矛盾之處；對新興數位資產(digital asset，如：加密貨幣、首次代幣發行等)之風險，會計師對案件承接續任、資源管理及審計規劃之考量程序及事務所提供數位資產的相關服務是否將影響其審計案件之獨立性；就美國首次採用關鍵查核事項之新式查核報告，將審查事務所之實程序及是否符合相關準則規範等。

四、新的方向—品質管制系統(Quality Control System: A New Direction)

PCAOB 之審計長 (Chief Auditor) 兼專業準則辦公室 (Professional Standards Office) 執行長 Megan Zietsman 表示，可靠之財務報告對資本市場投資者之信心及促進公眾利益極為重要，並有賴於嚴謹且獨立之審計把關，而審計之品質取決於有效之品質管制系統，該系統旨在確保審計工作有充分的資源支持、由訓練有素之人員適當評估及因應相關風險，並且由事務所及時追蹤考核以確保查核品質。

現行 PCAOB 採用之品質管制標準係 2003 年採用美國會計師公會 (AICPA) 審計標準委員會既有之品質管制標準規範，當時之制訂背景係供事務所間之同業評鑑所使用，其內容 5 大要素分別為：

- (一) 獨立、正直與客觀性 (Independence, integrity, and objectivity)：事務所應制訂政策及程序以合理保證專業人員在所有要求的狀況下均應保持實質與形式上之獨立性，正直地履行其專業職責並保持其客觀性。
- (二) 客戶及案件之承接續任 (Acceptance and continuance of clients and engagements)：事務所應建立政策及程序以合理保證最小化與管理階層缺乏誠信之客戶接觸之可能性，換言之，事務所於承接客戶並提供服務時應有所選擇。
- (三) 案件之執行 (Engagement performance)：事務所應制訂政策及程序，以合理保證查核人員所執行之工作符合相關法令規範、專業標準及事務所品質標準。
- (四) 人員管理 (Personnel management)：事務所在分派查核工作時，應考量人員所需監督之性質及程度。一般而言，受工作分派的人員如能力或經驗越佳，則所需之直接監督越少。
- (五) 追蹤考核 (Monitoring)：事務所應建立政策及程序，以合理確保上述四項要素已經之政策及程序經適當設計並有效實施。

惟 2003 年迄今審計環境與受查公司皆產生重大變化，資料的數據化與擴散

性(proliferation)使得提供審計服務的時間、地點及方式不再受限於傳統方式，公司治理之架構及領導理論亦有演進，其中大型事務所已就上開變化著手修改所內品質相關規範，雖該自發修訂品質規範之行為值得鼓勵，惟各所訂定之品質規範標準不一，且 PCAOB 之檢查結果仍有發現大量缺失，又現有品質管制標準訂定時未考量外部監理、執法環境、執行審計案件所用技術、事務所管理及組織架構以及服務中心使用頻率等影響審計品質之重大因素，爰該委員會認為已應適時修訂新的品質管制標準。

鑒於國際審計準則委員會(International Auditing and Assurance Standards Board, IAASB)較早已就國際審計品質管制標準 1 號「事務所層級之品質管制」(International Standard on Quality Management 1, Quality Management for Firms, 下稱 ISQM 1)提出草案並徵詢外界意見，且考量企業全球化程度日深，制定一套與 ISQM 1 存有不必要差異之品質管制標準可能有礙審計品質之提升，爰 PCAOB 擬將 ISQM 1 作為其新品質管制標準制定之起點，並就美國對品質控制系統之要求額外補充，以訂定其新品質管制標準。

現發布之 ISQM 1 草案採風險導向，其架構並調整為可適用於不同規模及複雜程度之事務所（稱之「可增擴性」Scalability），其內容並修改為 8 大要素：

- (一) 治理與領導 (Governance and Leadership)：事務所應於其文化、活動、領導、決策過程及組織結構等方面協助其他要素之設計執行。
- (二) 風險評估程序 (The Firm's Risk Assessment Process)：事務所應瞭解對其達成品質目標有不利影響之狀況、事件、作為及不作為，並考量事務所及其服務案件之性質及狀況，以提供辨識及評估風險之基礎。
- (三) 相關職業道德規範 (Relevant Ethical Requirements)：事務所應設立相關品質目標以履行其遵守職業道德規範之相關責任，包含事務所人員應瞭解並履行相關道德規範，事務所並應即時辨認及回應違反相關道德規範之情形。
- (四) 客戶關係與特定案件之承接續任 (Acceptance and Continuance of Client Relationships and Specific Engagements)：事務所應建立相關品質目標以

確保客戶關係及特定案件之承接續任在該狀況下係為妥適，包含事務所所有足夠的能力評估考量客戶之正直性及道德觀、案件之狀況及性質以及事務所擁有足夠的資源執行案件等。

(五) 案件執行 (Engagement Performance)：事務所應建立相關品質目標以確保執行案件之品質，包括 1.案件會計師已履行其管理及實現案件品質之責任，並於案件執行過程充分並適當地參與 2.案件執行團隊已於規劃及執行案件時行使專業判斷並盡專業懷疑，以做出妥適之查核結論 3.查核案件之相關文件已適當的整理保存等。

(六) 資源 (Resource)：事務所應建立相關品質目標以適當取得、發展、使用、維持、分配及指派人力技術資源，俾利品質管制系統之設計與執行及時可行。

(七) 資訊與溝通 (Information and Communication)：事務所應建立相關品質目標以取得、產生或使用品質管制系統之相關資訊，並與事務所內外部及時溝通，俾利品質管制系統之設計與執行及時可行。

(八) 監督及修正程序 (Monitoring and Remediation Process)：事務所應建立相關品質目標以評估其他品質管制系統要素之設計與執行，已被有效且及時的實施，並對相關人員予以課責。



圖 1 ISQM 1 品質管制系統要素間之關係

資料來源：Proposed International Standard on Quality Management 1. IAASB

與 ISQM 1 不同的是，PCAOB 預計新的品質管制標準將保留現行品質管制系統中，ISQM 1 未規範或規範未盡詳細之處（如：技術培訓和專業能力），並對 PCAOB 近期檢查過程發現的新興問題及風險予以回應，此外將提供更明確的指引供事務所遵循，以及配合美國其他法令規範予以修正等。惟目前新的品質管制標準尚處觀念階段，PCAOB 刻徵詢各方利害關係人之意見，以確保標準之制定過程可完整考量各方觀點，從而提升標準之可及性及透明性。

五、跨境審計監理之發展及挑戰(Developments and Challenges in Cross-Border Regulation)

本議程由日本 CPAAOB 秘書長 Hideki Ito、加拿大 CPAB 執行長 Carol Paradine、英國 FRC 監理官 David Rule 及瑞士 FAOA 執行長 Frank Schneider 擔任與談人，並由 PCAOB 國際事務處主任 Liza McAndrew Moberg 主持，內容略以：

所謂跨境聯合檢查係指登記設立於某國(當地國)之公司，有於境外發行國外存託憑證，該境外國家之審計監理機關即與當地國合作，對該公司之財務報表審計案件進行聯合檢查，該議題一直以來受到各國審計監理機關之關注，各國於合作及取得相關文件資料之過程中亦面臨諸多挑戰。議程中，與談人首先就各該國目前之跨境聯合檢查數目及監理情形進行簡要說明。

接著，加拿大 CPAB 執行長 Carol Paradine 表示，CPAB 近期與中國審計監理機關針對 CPAB 是否有權檢查加拿大掛牌上市之中國公司，並取得相關之審計文件及工作底稿進行溝通，惟中國方面抱持保留態度且合作意願不高，而未予同意。另外，有關跨境聯合事務所檢查執行數目偏低之原因，主係加拿大 CPAB 在國際間未若美國 PCAOB 一樣具有足夠之執法能量及權力，及囿於尚未與部分國家簽訂合作協議等因素，故而無法有效執行及增加跨境聯合事務所檢查。

另英國 FRC 執行長 David Rule 表示，英國公司多數為國際性企業，於境外設有子公司或分公司，跨境營運蓬勃發展，然而，FRC 面臨著與加拿大 CPAB 相同之困境，同樣受到境外執法權力不足等限制，而未能對負責查核設於境外子公司或分公司之會計師事務所進行跨境聯合事務所檢查，目前國際上僅有美國 PCAOB 具備此種強制力及執法能量。

至有關如何解決各國審計監理機關進行跨境聯合事務所檢查面臨之困境及挑戰，與談人呼應先前議程中所提及與討論之數位科技應用議題，透過運用數位科技，將能顯著減少跨境聯合事務所檢查所需之龐大金錢開銷，及節省大量交通時間，進而提高執行跨境聯合事務所檢查效率及效果。另外，在國際間設立有多個聯盟分所之聯合會計師事務所，亦應主動且積極地建立相關之數位審計及資訊安全政策，由事務所總部作整合性控管，採用分權及集權式管理並蓄且相互均衡之模式，俾確保各聯盟所在數位時代仍能維持應有之審計品質，達到品質控管目標。加拿大 CPAB 之 P 執行長表示，集團查核會計師普遍未執行足夠之查核作業程序，而未盡到其專業上應有之責任及注意義務；日本 CPAAOB 秘書長 Hideki Ito 亦表示，身處數位新時代，會計師事務所於執行查核案件時，應著重於數位審計下之風險評估，並審慎考量評估結果，據以調整查核程序及方法，以確保審計品質。

最後，瑞士 FAOA 執行長暨國際審計監理官論壇(IFIAR)主席 Frank Schneider 表示，IFIAR 及美國 PCAOB 將持續關注跨境審計監理議題，並針對目前及未來可能面臨之挑戰探討及研擬改善方案，暨控管相關程序。

六、新興科技對審計品質帶來之影響及風險(Audit Quality Risks Related to Emerging Technologies)

本議程由 PCAOB 檢察部門副主席 Christine Gunia、道瓊(Dow, Inc.)財務及稅務執行長 Ron Edmonds、未具名公司之審計委員會成員 Blythe McGarvie 及羅格斯大學商學院(Rutgers Business School)副教授 Helen Brown-Liburd 擔任與談人，並由 PCAOB 理事會成員 James G. Kaiser 主持，內容略以：

隨著新興科技(Emerging Technology)之發展，除將資料分析技術(Data Analysis)應用於風險評估外，人工智慧技術(Artificial Intelligence, AI)問世，亦為審計方法開展了一條嶄新的康莊大道，未來在 AI 之協助下，審計人員執行審計工作將呈現全然不同之景象及態樣，茲舉例說明：利用圖形及圖表呈現資料分析之結果，協助辨認資料趨勢、相關性及離群值等，使得查核證據之取得變得更加便捷及可靠、利用 iPhone 即可隨時察看及搜尋查核財務報表之相關及必要資訊、自動審計技術之運用等，未來透過科技將改善甚至徹底改變審計工作

之執行政序與模式。

復以公司治理觀點而言，通常較大型之會計師事務所具備較為充裕之資金及人力等資源，故而能對新興科技進行較多投資，發展相關分析工具及技術，用以協助暨提升查核工作執行之效率及效果。惟目前會計師事務所新進之審計人員多屬熟悉資訊科技之年輕世代，已相當習慣使用電子產品，這群年輕世代普遍存有過度依賴數位審計技術執行查核工作之情形，並對於運用科技產製出之結果深信不疑，加之若在承受查核時間有限之壓力下，則將更傾向於逕行接受該等結果，而較為欠缺保持專業上懷疑態度之意識。

因此，新興科技為審計方法帶來重大突破的同時，亦使查核工作之執行面臨新挑戰。審計技術之進步與發展影響並改變了審計人員於進行判斷時之標準及依據，然而，PCAOB 檢察部門副主席 Christine Gunia 特別強調，即便不斷有新式審計技術出現用以協助審計人員執行查核工作，惟於評估是否已取得足夠之查核證據以獲致查核結論時，仍須仰賴會計師及審計人員之專業判斷，此種專業上之懷疑態度係機器及科技所無法取代的，且係會計師肩負之最重要責任。另根據觀察發現，在網路及手機普及前，查核團隊出外勤執行查核工作時，成員間多倚賴溝通之方式針對查核遭遇之困難或議題進行交流，但資訊科技產品之問世及發展，使得成員間之溝通頻率大幅減少，取而代之的反而是各自拿起手機搜尋問題之解決辦法。

羅格斯大學商學院副教授 Helen Brown-Liburd 分享自身教學經驗，目前有愈來愈多的大學及學院開設如資料分析及人工智慧等資訊科技相關課程，講授新興審計技術之實務及應用，由於審計技術的進步提升了查核證據及統計結果之精確度及可信賴性，令許多尚未接觸到業界實務之學生，莫不對審計軟體強大之功能感到驚嘆，而對審計技術萌生出仰賴心理。鑒此，B 副教授提出，學校於教授相關審計新興技術課程時，應特別強調及提醒，無論科技發展得多麼先進及審計軟體功能有多強大，對於審計軟體產出之結果仍應保持批判性思考及懷疑態度，審視是否已取得足夠且適切之證據以支持其結論。身為一名審計人員，資訊科技並非我們所專擅之領域，然而即便不瞭解審計軟體背後之運作原理，我們仍應隨時反問所見證據之真實性及適足性，同時並應理解，審計工

具及技術無論如何發展，功能上仍舊存有其極限及先天限制，故涉有會計判斷之部分還是必須仰賴人類進行評估。舉例來說，審計人員應用資料分析技術於風險評估，分析結果顯示某些重要會計項目未存有重大風險，此時，審計人員應保持懷疑態度，重新檢視分析過程及結果之合理性及可靠性，方可獲致正確結論，而不應逕行信賴該等結果。為了提醒自己能夠隨時維持批判性思考，B 副教授並建議，審計人員應準備一份檢視清單，以便確認已針對存有疑義之部分進行詢問及進一步查核。

最後，與談人指出，數位科技時代下，人類認知將徹底被推翻，如傳統上，信用卡大多由銀行所核發並幾乎獨占此項業務，惟行動支付技術出現後，蘋果公司(Apple Inc.)即推出 Apple Card，將金融業務與資訊產品作結合，搶占信用卡業務這塊大餅。另外，使用科技時我們亦應時時保持警惕，瞭解到科技並非萬能，AI 運算結果即便看似合理，其中亦可能隱藏著錯誤，會計師事務所應教育審計人員，為其建立正確觀念，科技僅係輔助工具，查核結論之作成仍須仰賴會計師之專業判斷，俾確保財務報表資訊之正確性暨提升查核品質，故會計師之職責將不會因為科技之變動而有所減輕或改變。

七、投資人對未來審計發展之觀點(Investor Perspectives on Audit of the Future)

本議程係由機構投資人評議委員會副主席 Amy Borrus、特許金融分析師協會(CFA Institute)全球財務報告政策部門高階主管 Sandra J. Peters 及美國勞工聯盟及工會組織(AFL-CIO)公司及資本市場部門副主席 Brandon Rees 擔任與談人，並由理事會成員 J. Robert Brown, Jr. 主持，內容略以：

為利投資者瞭解暨評估會計師執行審計案件之情形，機構投資人評議委員會副主席 Amy Borrus 建議，應將審計品質指標 (Audit Quality Indicator, AQI) 透明化，藉由事務所本身、審計監理機關以外之第三方力量，有效控管會計師事務所之審計品質，並提升外界對於審計專業之信賴。然而，會計師事務所與投資者間經常存有期望落差，主係因每個人對於品質之要求及標準皆不盡相同，故而難以為「審計品質(Audit Quality)」一詞給予明確定義，且投資者對於會計師之角色，及會計師與公司間之相對關係間亦常抱持著偏誤之觀念，包括：投資者認知會計師應執行之查核程序，常與會計師必須執行之查核程序間產生不

一致之情況；或投資者認為會計師係公司之外部審計人員，應負責監督公司之營運情形及確保財務狀況之穩健，避免管理階層有不法或是舞弊等損害投資者利益之情事，然經審視審計準則公報規定，並未規範會計師之職責包含主動偵測公司管理階層是否存有舞弊情形；另投資者普遍對國際聯盟會計師事務所間之權責劃分抱持錯誤觀念，設立於不同國家之國際聯盟所，雖然擁有相同之事務所品牌名稱，實際上各分所間係屬個別獨立之法律個體，惟各分所仍須遵循總部訂定之品質管制政策並受其管理。

此外，B 副主席表示，數位科技之發展亦改變了投資者對於會計師查核工作及審計品質之期望，在科技及新興審計技術之輔助下，會計師應能對財務報告提供更高之確信度，且查核時程將大幅縮短，資訊之提供將更為即時，提升財務報告及查核報告之有用性。

CFA Institute 全球財務報告政策部門高階主管 Sandra J. Peters 提出，受限於審計市場結構特性，會計師事務所與企業間為服務提供者及客戶之關係，且會計師公費係由企業所支付，導致會計師之獨立性經常遭受到投資者質疑，多數投資者認為，會計師事務所對於公司存有財務依賴性，其角色似乎更近似於公司聘僱之外部審計人員，在牽涉到利益關係之前提下，會計師將無法完全以客觀及公正之角度查核公司之營運及財務情形，以維護投資者及公眾利益。針對會計師獨立性不足之疑慮，P 主管建議，會計師事務所承接審計案件仍須兼顧獲利性，惟不應超過正常利潤範圍，故監理機關可要求會計師事務所揭露其收費標準，增加會計師審計及非審計服務公費之透明度，俾利投資者評估會計師收取費用之合理性，避免會計師因收取過高公費，而與客戶間產生利害關係及經濟上之依賴，進而傾向於重視客戶利益。另為進一步提升會計師之獨立性，監理機關應要求會計師事務所及會計師應定期進行輪調作業，會計師事務所或會計師與公司間長期存有業務往來關係，除可能影響案件執行品質外，亦會減少審計市場之競爭程度，導致會計師產業出現寡占情形。

AFL-CIO 公司及資本市場部門副主席 Brandon Rees 指出，投資者亦愈來愈重視企業所發布之非財務性資訊，如企業社會責任報告書(Environment, Social Responsibility and Corporate Governance Reporting)以及非 GAAP 指標等，該等報

告及非 GAAP 指標可彌補財務報告內容及傳統 GAAP 財務指標之不足，提供投資者更多關於企業營運情形之資訊，或管理團隊經營目標及理念等，作為評估及預測企業財務表現之輔助工具。

最後，與談人指出，會計師事務所應瞭解投資大眾才是他們提供審計服務之最終客戶，故當以維護公眾利益作為其終極目標，會計師承接委任案件前並應先與投資者進行溝通，俾針對投資者需求適切地執行查核工作。另反過來檢視投資者部分，多數投資者僅一味著重於會計師是否有超收審計公費之情形，質疑企業與會計師事務所間之獨立性，而未深入瞭解會計師事務所及審計市場之結構與特性，亦對會計師專業信賴產生負面影響，故若欲增加大眾對會計師之信賴程度，無論是會計師產業抑或投資者皆應反思、檢討自身作為，並輔以監理機關訂定完善規範，如要求揭露審計公費、查核工作時程等資訊，以提高審計市場透明度，期藉由市場、產業及監理三方共同努力，強化各國審計品質。

肆、 結論與建議

一、 持續注意美國及國際審計品質管制標準之推動進展

鑒於會計師之審計品質有賴於嚴謹且有效之品質管制標準把關，我國前已參考國際品質管制準則第 1 號「會計師事務所查核、核閱財務報表及執行相關服務之品質管制」(International Standard on Quality Control 1, 2007 年 7 月發布，下稱 ISQC 1) 訂定審計準則公報第 46 號「會計師事務所之品質管制」規範事務所審計品質管制標準，惟 IAASB 考量日益複雜之審計環境、推陳出新的科技技術以及風險導向之審計方法等，刻正著手訂定 ISQM 1 以取代現行 ISQC 1 並於 2019 年 2 月發布徵詢意見稿，美國 PCAOB 亦發布新品質管制標準之修訂概念，向各界利害關係人徵詢意見以研擬相關草案，本會將密切注意各國推動審計品質標準之重大議題及進程，並配合我國實務及參考國外推動經驗，評估各國後續發布之品質管制標準有無值得我國借鏡之處。

二、 持續注意事務所檢查結果對審計品質之具體改善情形

按監理機關執行事務所檢查之目的，係為改善查核品質、健全事務所品質管制制度及預防可能審計失敗之潛在風險，透過檢查機制發揮公共監督之功能，維持審計品質，進而提升公眾對會計師查核意見及財務報導之信心，惟 PCAOB 於檢查過程中發現事務所於部分領域反覆發生缺失，檢查效益似屬有限。為確保我國實務檢查結果對事務所之審計品質有具體協助，本會業要求受查事務所對檢查發現缺失建立內部控管機制予以管控，並建議事務所可採根本原因分析方法(Root Cause Analysis)並建立完善之根本原因分析架構(Root Cause Analysis Framework)，以協助辨識缺失發生之根本原因。此外，為防止受查事務所於相同領域反覆發生缺失，本會擬持續追蹤各受查事務所對防止類同缺失再次發生所採取之有效措施，並分析事務所檢查彙整結果之常見缺失領域是否已有改善，據以評估現行檢查方法及結果是否應適時調整以協助整體審計品質之提升。

伍、 參考資料

中文部分：

1. 林雅婧及黃瑞貞（民 103）。「出席美國公開發行公司會計監督委員會第 8 屆國際審計監理官年會報告」，行政院所屬各機關因公出國人員出國報告。
2. 張雅琿及邱茗困（民 104）。「出席美國公開發行公司會計監督委員會(PCAOB)第 9 屆 2015 年國際審計監理官年會報告」，行政院所屬各機關因公出國人員出國報告。
3. 林靜怡及王宏瑞（民 105）。「出席美國公開發行公司會計監督委員會(PCAOB)第 10 屆 2016 年國際審計監理官年會報告」，行政院所屬各機關因公出國人員出國報告。
4. 彭嘉衛（民 106）。「出席美國公開發行公司會計監督委員會（PCAOB）第 11 屆 2017 年國際審計監理官年會報告」，行政院所屬各機關因公出國人員出國報告。
5. 陳英閔及許素綾(民 107)。「出席美國公開發行公司會計監督委員會(PCAOB)第 12 屆 2018 年國際審計監理官年會報告」，行政院所屬各機關因公出國人員出國報告。

英文部分：

1. Center For Audit Quality (2019). 2019 Main Street Investor Survey.
2. Nerissa C. Brown, Shira Cohen and Adrienna A. Huffman(2018). Accounting Reporting Complexity and Non-GAAP Earnings Disclosure

陸、 附錄

附錄一、第 13 屆 2019 年國際審計監理官年會議程

(20179PCAOB International Institute Agenda)

附錄二、第 13 屆 2019 年國際審計監理官年會之議題簡報內容

1. PCAOB Inspections
2. Public Company Accounting Oversight Board

2019 International Institute on Audit Regulation



Program Agenda: Introductory Session

Tuesday, December 3, 2019

9:30 – 10:00 **Registration**

10:00 – 10:10 **Welcoming Remarks**

Duane M. DesParte, Board Member

Liza McAndrew Moberg, Director, Office of International Affairs

10:10 – 12:00 **PCAOB Inspections**

Juli Ravas, National Associate Director, Division of Registration and Inspections

Bob Busch, Inspections Leader, Division of Registration and Inspections

The speakers will provide an overview of the principles underlying the PCAOB inspections program and will outline the phases of an inspection, including review of quality control structures, audit engagement reviews, preparation of inspection reports and evaluation of quality control remediation.

12:00 – 12:45 **Lunch (on site)**

12:45 – 2:00 **PCAOB Inspections – Continued**

2:00 – 3:30 **Enforcement and Investigations**

Rebecca Mealey, Associate Director, Accountant, Division of Enforcement and Investigations

Michael Occhuizzo, Assistant Director, Attorney, Division of Enforcement and Investigations

In this session, you will hear how the Division of Enforcement and Investigations operates, the types of sanctions the PCAOB can impose on audit firms and how the PCAOB Enforcement Division works with the SEC Division of Enforcement.

**PCAOB Headquarters
1666 K Street, NW
3rd Floor
Washington, DC**

3:30 – 3:45

Coffee and Networking Break

3:45 – 4:15

Office of Economic & Risk Analysis: *Risk Assessment Factors*

Saad Siddiqui, Associate Director, Economic Modeling, Office of Economic and Risk Analysis

The speaker will provide an overview of the factors that are considered, and how the data is assembled, in assessing risk factors for PCAOB inspections.

4:15 – 4:45

Wrap Up Questions

An opportunity to ask any questions that you may have from any of the sessions.

**PCAOB Headquarters
1666 K Street, NW
3rd Floor
Washington, DC**

2019 PCAOB International Institute on Audit Regulation:

“Repositioning Audit Regulation
for the Future”

December 4–5, 2019



Agenda

Wednesday, December 4, 2019

8:30 – 9:15 Registration and Breakfast

9:15 – 9:30 Welcome: PCAOB Chairman William D. Duhnke III

9:30 – 10:45 PCAOB Board Panel: “Repositioning the PCAOB for the Next Decade of Audit Oversight”

- **William D. Duhnke III**, Chairman, PCAOB
- **J. Robert Brown, Jr.**, Board Member, PCAOB
- **James G. Kaiser**, Board Member, PCAOB
- **Duane M. DesParte**, Board Member, PCAOB
- **Rebekah Goshorn Jurata**, Board Member, PCAOB

Moderator: **Liza McAndrew Moberg**, Director, Office of International Affairs, PCAOB

10:45 – 11:15 Coffee Break

11:15 – 12:00 Keynote: **Shawn DuBravac**, PhD, Author of *Digital Destiny: How the New Age of Data Will Transform the Way We Work, Live, and Communicate*

12:00 – 1:15 “What is New in PCAOB Inspections: An Interview with **George Botic**, PCAOB Director of Registration and Inspections”

Moderator: **Ralf Bose**, Chief Executive Director, Auditor Oversight Body, Germany

1:15 – 2:15 Lunch

2:15 – 3:30 Panel Discussion: “Quality Control Systems: A New Direction”

- **Thomas Seidenstein**, Chair, International Auditing and Assurance Standards Board
- **Eugene Theron**, Associate Director, Division of Registration and Inspections, PCAOB
- **Megan Zietsman**, Chief Auditor and Director of Professional Standards, PCAOB

Moderator: **Duane M. DesParte**, Board Member, PCAOB



Agenda

Wednesday, December 4, 2019

3:30 – 4:00 **Coffee Break**

4:00 – 5:30 **Panel Discussion: “Enforcement: A Focus on Quality Management”**

- **Sam McCoubrey**, Senior Counsel, Division of Enforcement and Investigations, PCAOB
- **Michael Rosenberg**, Associate Director, Division of Enforcement and Investigations, PCAOB
- **Ryan Wolfe**, Senior Associate Chief Accountant, U.S. Securities and Exchange Commission

Moderator: **Mark Adler**, Acting Director, Division of Enforcement and Investigations, PCAOB

5:30 – 7:00 **Welcome Reception**

NAHB Atrium

Thursday, December 5, 2019

8:00 – 8:45 **Breakfast**

8:45 – 10:00 **Panel Discussion: “Developments and Challenges in Cross-Border Regulation”**

- **Hideki Ito**, Secretary General, Certified Public Accountants and Auditing Oversight Board, Japan
- **Carol Paradine**, Chief Executive Officer, Canadian Public Accountability Board, Canada
- **David Rule**, Executive Director of Supervision, Financial Reporting Council, United Kingdom
- **Frank Schneider**, Chief Executive Officer, Federal Audit Oversight Authority, Switzerland

Moderator: **Liza McAndrew Moberg**, Director, Office of International Affairs, PCAOB



Agenda

Thursday, December 5, 2019

10:00 – 11:15

Panel Discussion: “Audit Quality Risks Related to Emerging Technologies”

- **Christine Gunia**, Deputy Director, Division of Registration and Inspections, PCAOB
- **Ron Edmonds**, Controller and Vice President of Controllers and Tax, Dow, Inc.
- **Blythe McGarvie**, Audit Committee Member
- **Helen Brown-Liburd**, Associate Professor, Rutgers Business School

Moderator: **James G. Kaiser**, Board Member, PCAOB

11:15 – 11:45

Coffee Break

11:45 – 12:00

Discussion with the SEC Chief Accountant Sagar Teotia

Introduction: **Rebekah Goshorn Jurata**, Board Member, PCAOB

12:00 – 1:15

Panel Discussion: “Investor Perspectives on the Audit of the Future”

- **Amy Borrus**, Deputy Director, Council of Institutional Investors
- **Sandra J. Peters**, Senior Head, Global Financial Reporting Policy, CFA Institute
- **Brandon Rees**, Deputy Director of Corporations and Capital Markets for the AFL-CIO

Moderator: **J. Robert Brown, Jr.**, Board Member, PCAOB

1:15 – 2:00

Lunch

2:00 – 3:00

Introducing New PCAOB Directors: Q & A

- **Eric Hagopian**, Chief Information and Data Officer, PCAOB
- **Dr. Nayantara Hensel**, Chief Economist and Director, Office of Economic and Risk Analysis, PCAOB
- **Torrie Matous**, Director, Office of External Affairs, PCAOB

Moderator: **Liza McAndrew Moberg**, Director, Office of International Affairs, PCAOB

PCAOB

Public Company Accounting Oversight Board

Wi-Fi: NAHB-Guest

Username: **PCAOB@NAHB.com**

Password: **PcAoB123**

To ask questions, visit: pcaob.cnf.io

2019 International Institute on Audit Regulation

PCAOB Inspections

Juli Ravas

National Associate Director, Division of Registration and Inspections

Bob Busch

Inspection Leader, Division of Registration and Inspections

December 3, 2019

Disclaimer

One of the benefits of today's session is that you will hear firsthand from PCAOB staff members. You should keep in mind, though, that when we share our views, they are those of the speakers alone, and do not necessarily reflect the views of the Board, its members or staff.

Topics for Discussion

- Overview
- PCAOB Functions
- Inspection Programs
- Inspection Process
- Other Matters

Overview

- PCAOB is a private-sector, nonprofit corporation created by the Sarbanes-Oxley Act of 2002 to oversee accounting professionals who provide independent audit reports for publicly traded companies.
- Sarbanes-Oxley Act authorized PCAOB to:
 - Register audit firms
 - Write or adopt auditing standards
 - Inspect audit firms
 - Investigate, conduct disciplinary proceedings, and impose sanctions on auditors and audit firms, as needed
- In 2010, Dodd-Frank Act authorized PCAOB to oversee the firms that audit brokers and dealers.

Mission

The PCAOB oversees the audits of public companies and SEC-registered brokers and dealers in order to protect investors and further the public interest in the preparation of informative, accurate, and independent audit reports.



At a Glance (as of October, 2019)

Statutory Mission

- Registration
- Standard Setting
- Inspections
- Enforcement

2019 Budget

- Staff: 838
- \$273.7 million

Registered Firms

1,802 Firms

- 934 U.S.
- 866 Non-U.S. in 85 countries

2019 Inspections

Planned: 249 issuer audit firms; 847 audits

- 12 annual firms
- 111 triennial U.S. firms
- 61 triennial non-U.S. firms

65 broker dealer firms; 105 audits

International Inspections

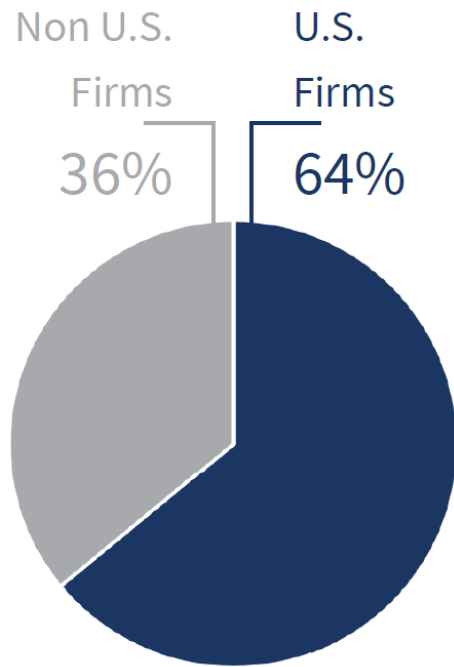
The PCAOB has conducted inspections of one or more registered firms located in the following non-U.S. jurisdictions:

1	Argentina	18	Hong Kong*	35	Norway
2	Australia	19	Hungary	36	Panama
3	Austria	20	India	37	Papua New Guinea
4	Bahamas	21	Indonesia	38	Peru
5	Belize	22	Ireland	39	Philippines
6	Bermuda	23	Israel	40	Russian Federation
7	Bolivia	24	Italy	41	Singapore
8	Brazil	25	Jamaica	42	South Africa
9	Canada	26	Japan	43	Spain
10	Cayman Islands	27	Kazakhstan	44	Sweden
11	Chile	28	Republic of Korea	45	Switzerland
12	Colombia	29	Luxembourg	46	Taiwan
13	Denmark	30	Malaysia	47	Thailand
14	Finland	31	Mexico	48	Turkey
15	France	32	Netherlands	49	Ukraine
16	Germany	33	New Zealand	50	United Arab Emirates
17	Greece	34	Nicaragua	51	United Kingdom

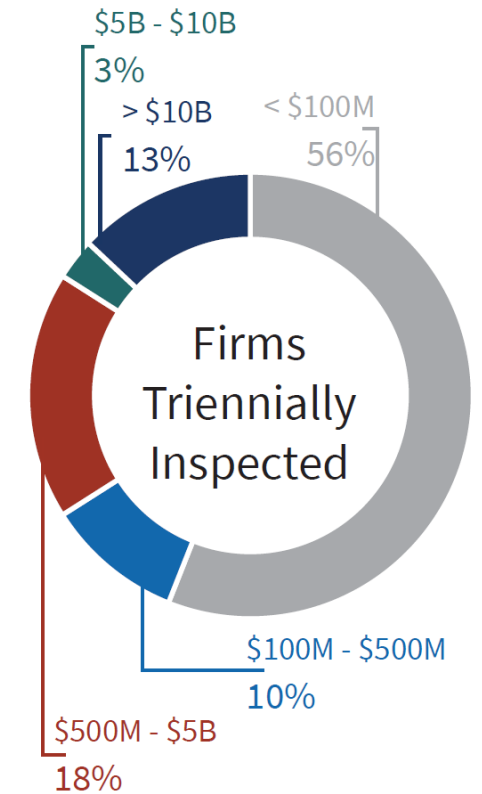
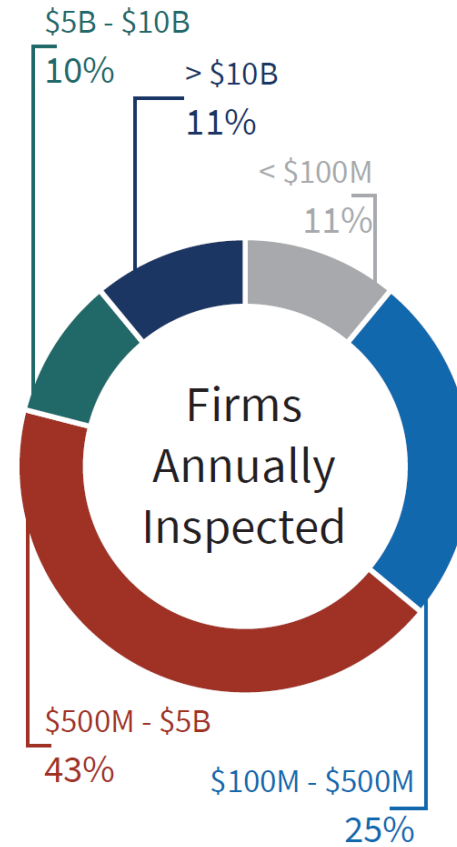
* Restrictions to access

Snapshot of 2018 Inspections

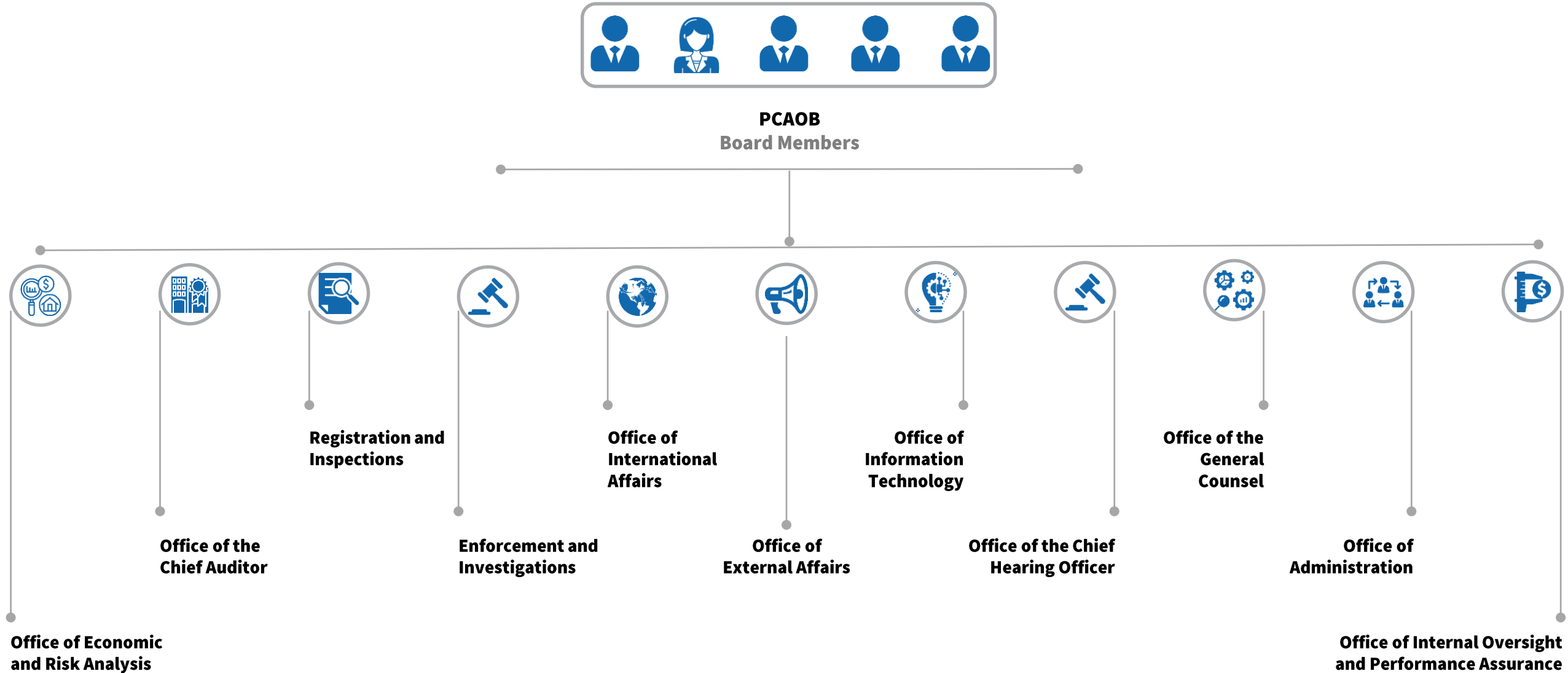
Mix of Firms Inspected in 2018



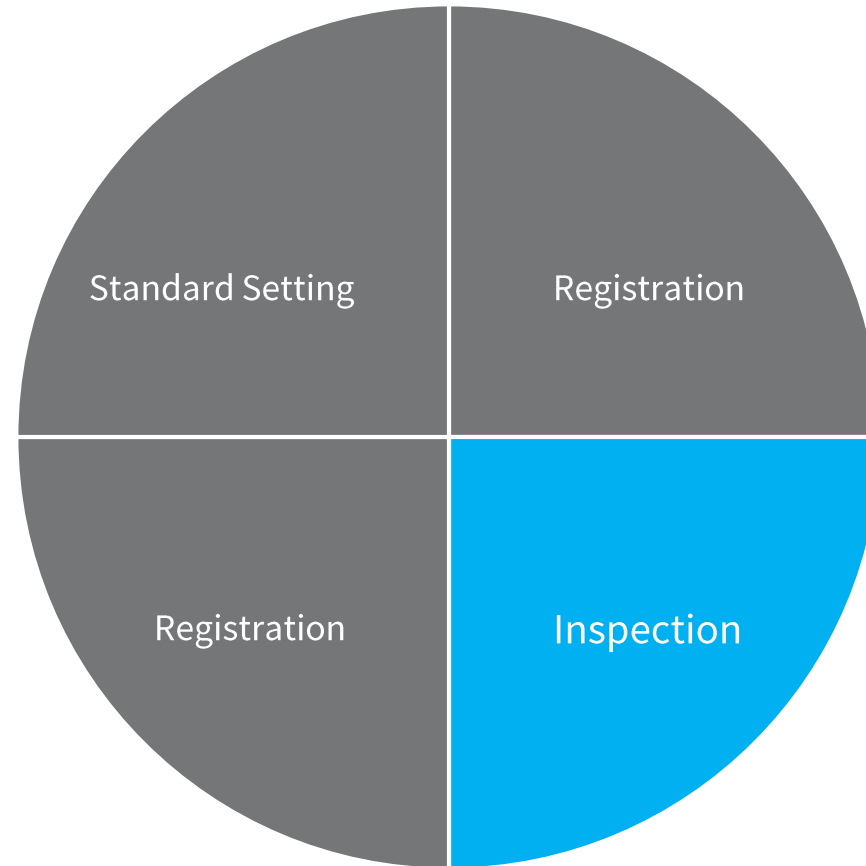
Revenue of Public Interest Entities Audits Inspected in 2018



Structure



PCAOB Functions



Registration

Who is required to register?

Any accounting firm, U.S. or non-U.S., that prepares or issues an audit report for an issuer or for an SEC-registered broker or dealer, or plays a substantial role in those audits

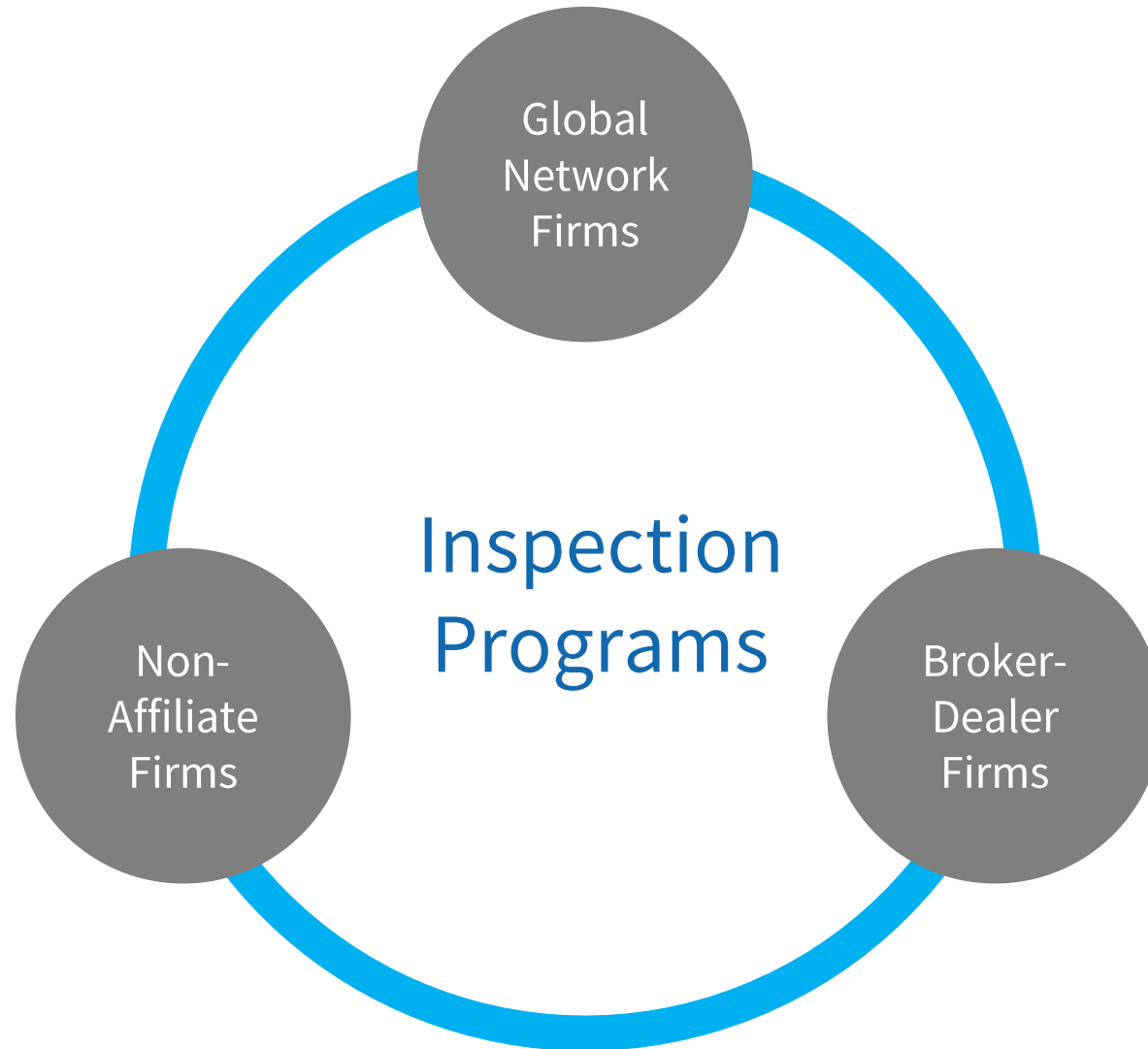
What reports are firms required to file with the PCAOB?

- Annual reporting (Form 2)
- Special reporting (Form 3 or 4)
- Form AP, Auditor Reporting of Certain Audit Participants

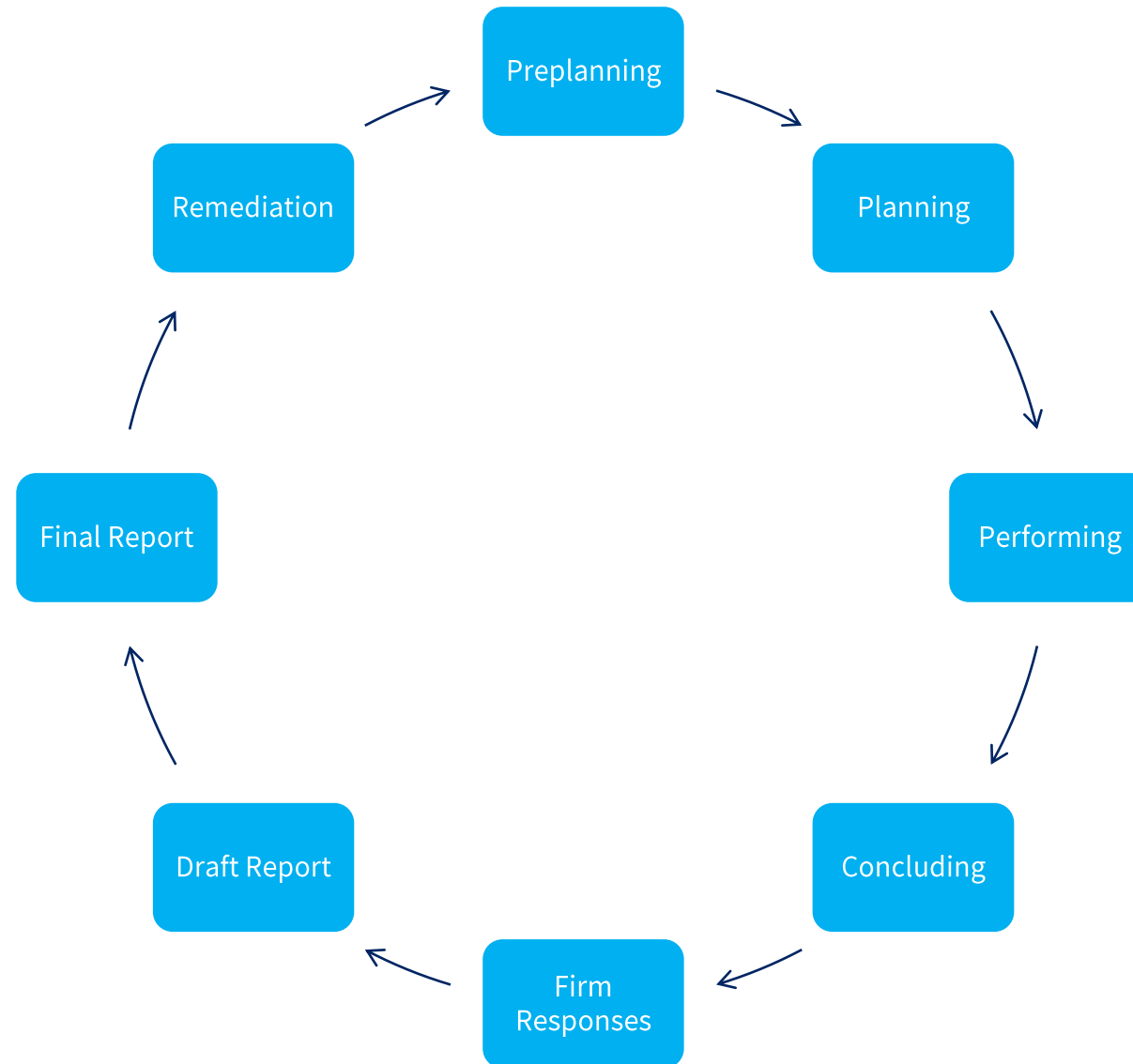
Early Planning

- Inspection year planning begins in April of the preceding year
- Consideration begins with statutory mandated firms, driven by signing of audit opinions
- Firms that have had a history of poor quality are considered for early inspection
- This information is basis for building budget which is refined throughout the year

Inspection Programs



Inspection Process



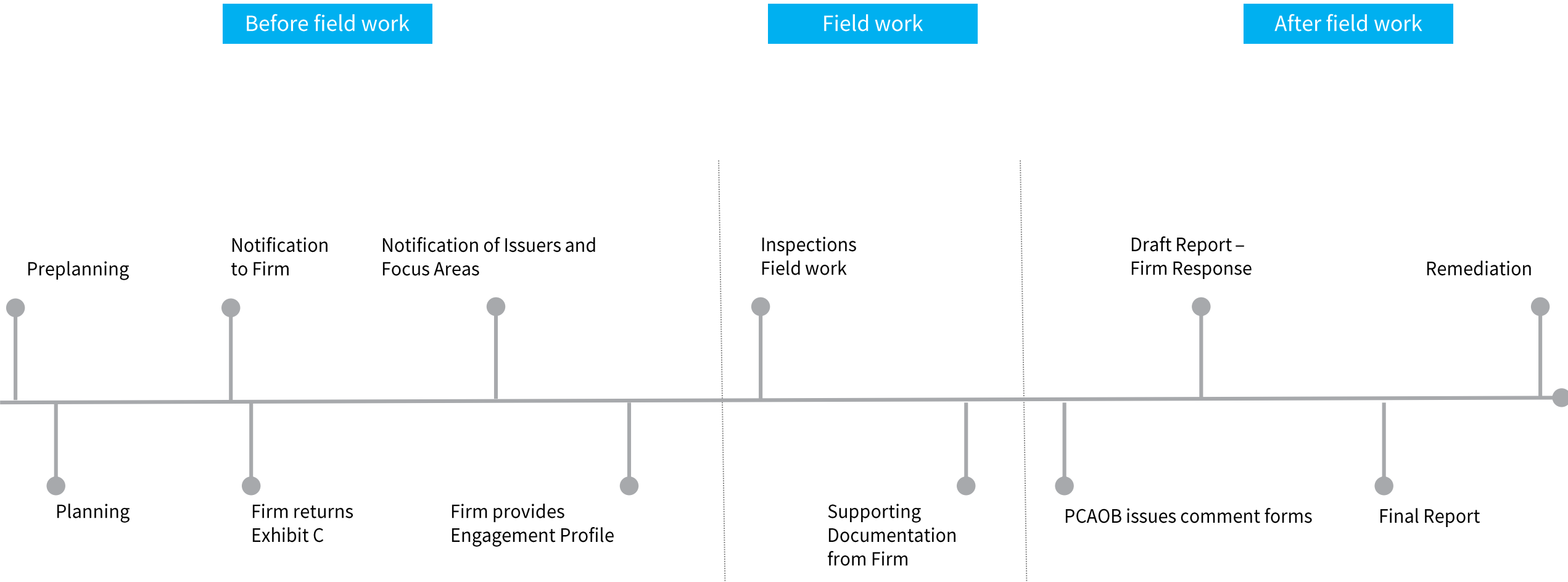
Inspection Process Overview

- Designed and performed to provide a basis for assessing the degree of compliance by a firm with applicable requirements in auditing companies listed on a U.S. exchange (“issuers”)
- Two elements to every inspection:
 - **Firm level** - Review of policies and procedures related to the firm’s system of quality control
 - **Engagement level** - Review of selected issuer audit engagement clients (including substantial-role and referred work engagements – work on consolidated subsidiaries)

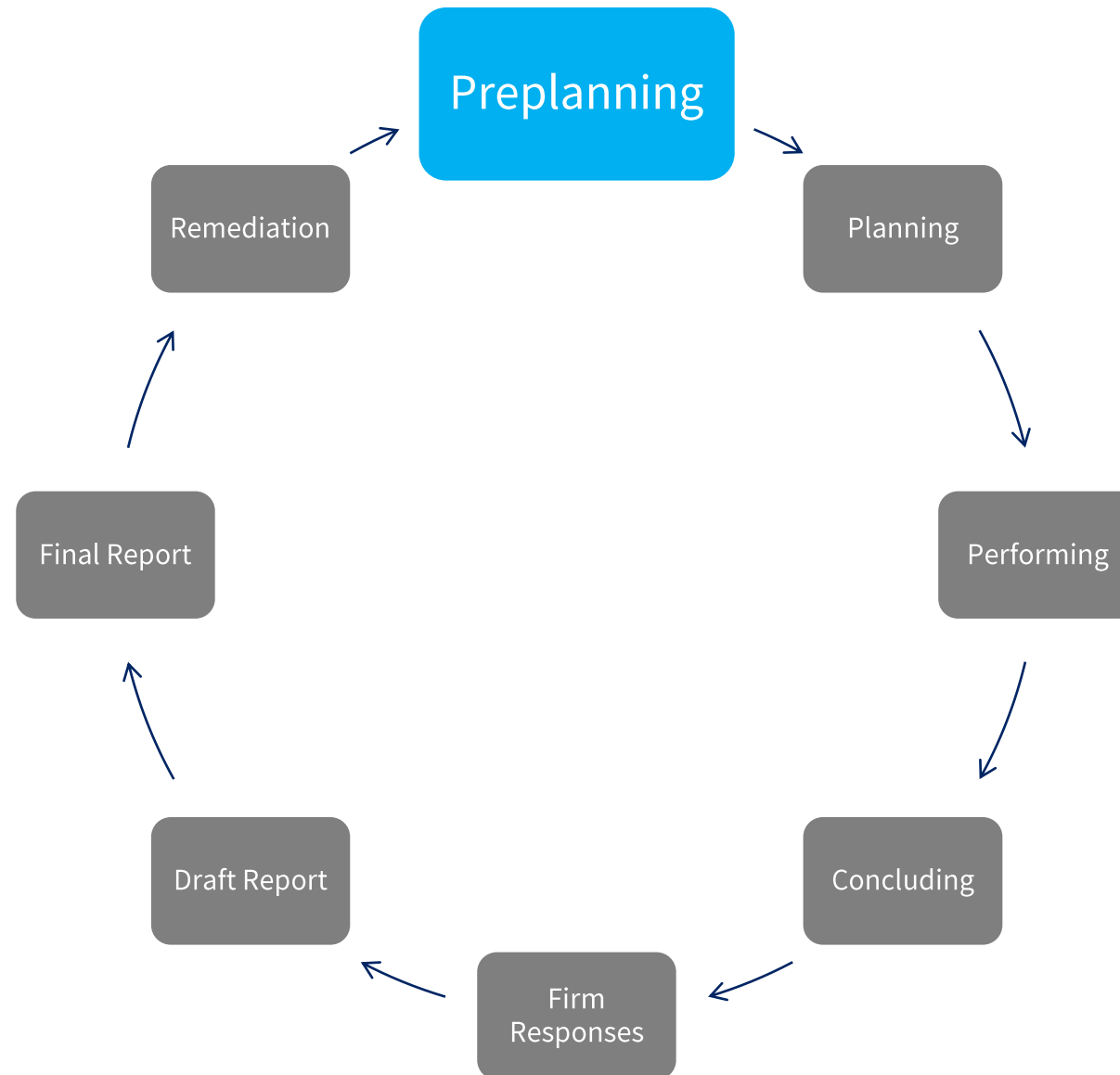
Inspection Process Overview

- Setting the Right Tone with Firms
 - Effective inspections require cooperation of the firms
 - Cooperation by the firms is dependent on how we conduct inspections
 - Firms are in the best position to bring about the improvement in audit quality we seek
 - Legally required – cooperation helpful

Indicative Timeline for Coordination



Preplanning



Preplanning

Considerations

- Annually inspected firms (>100 issuers)
- Triennially inspected firms (100 or fewer issuers)
- Whether the firm is an affiliate of a global network
- Nature and number of issuer audit engagements (e.g. industry, size, complexity)
- Amount of referred work and substantial role engagements
- Number of years since the prior PCAOB inspection
- Statutory mandate
- Team size and any visa requirements

Preplanning

Considerations (Continued)

- Joint or PCAOB only inspection
- Finalize firm(s) to be inspected and align timing
- Determine duration of inspection
- Confirmation of field work locations
- Notification letter(s) to the firm
 - Timing of transmission
 - PCAOB Letter and Exhibits A, B, and C
 - Period under inspection
 - Completed Exhibit C return date to PCAOB
- For joint inspections:
 - Establish touchpoints with foreign regulators
 - Review most recent inspection reports
 - Consider coordination with local regulator

PCAOB Notification Letter

- Notification to firm, sometimes jointly with local regulator
- What's included:
 - Period under inspection
 - Fieldwork dates
 - Brief description of the inspection process
 - Request for other information
 - Exhibit A – Firm specific information
 - Exhibit B – Policies and Procedures
 - Exhibit C – Issuer Information Template
 - Deadlines
 - Contact information

PCAOB Notification Letter – Exhibit A (Firm specific information)

For the period under inspection, we request certain information related to the firm’s system of quality control, that includes items such as:

- Organization charts and descriptions
- Access to minutes or agendas of partner meetings, financial information, presentations related to quality controls, and communications and/or activities demonstrating tone at the top
- Business relationships, affiliation arrangements, ownership structure, support for number of offices and professional staff
- Regulatory communications, including litigation against firm or personnel.
- Access to partner compensation, evaluation and assignment of responsibilities

PCAOB Notification Letter – Exhibit A (Firm specific information)

Continued

- Independence matters
- Client acceptance and continuance
- Consultations
- Professional development
- Practice monitoring
- Engagement quality reviews

PCAOB Notification Letter – Exhibit B (Policies and Procedures)

We also request the firm's policies and procedures. If they are part of a global network, we request updates, additions or changes to reflect local requirements, if any. Examples of information we request:

- Documentation relating to the system of quality control, policies, procedures, and practice aids
- Monitoring program documentation
- Description of processes related to development and revision of audit policies, procedures, and practice aids
- Training – sufficient knowledge of U.S. GAAP and PCAOB standards
- Use of other auditors
- Client acceptance and continuance, including firm's risk rating model

PCAOB Notification Letter – Exhibit C (Issuer Information Template)

The issuer information template is an excel schedule we ask the firm to complete to list all issuer clients, substantial role engagements, and referred work engagements for the period under inspection. We consider this document to plan and select the work we will be inspecting. The template includes matters such as:

- Issuer or parent name and CIK,
- Year-end reported on during inspection period and audit report date
- Accounting and auditing standard followed
- Partner and Quality Reviewer name
- Engagement information (hours, other offices, revenues, assets, U.S. market capitalization, IT systems, language of work papers, inclusion of ICFR, inclusion in monitoring programs of firm, internally inspected, restatements)

Planning





- Factors Considered in Risk-Based Selections:
 - Economic Trends
 - Company or Industry Developments
 - Issuer Market Capitalization
 - Audit Firm and Audit Partner
 - Inspection History

Planning

Selection of Audit Engagements – Overview

PCAOB gains an understanding of the firm’s issuers, substantial-role, and referred work engagements subject to inspection by reviewing:

- Issuer Information Form (Exhibit C) prepared by the firm:
 - An Excel spreadsheet that includes all issuers, substantial-role and referred work engagements
- Results of research (risk indicators) conducted by the PCAOB’s Office of Economic Risk and Analysis (“ERA”)
- Publicly available information such as Annual Reports (e.g. — Form 20-Fs and Form 10-Ks) and other SEC filings, issuer website, and press release information
- Information from firm’s annual report submissions (Form 2) to PCAOB and/or Form AP

Accessing Data in Auditor Search

AuditorSearchSM

AuditorSearch is a public database of engagement partners and audit firms participating in audits of U.S. public companies.

[Advanced Search](#)
Enter Issuer (Name, CIK, Ticker), Firm (Name, ID, Country), Engagement Partner (Name)

SEC Filer **PROCTER & GAMBLE CO**
CIK 0000080424 TICKER PG

GOODWIN PROCTER LLP
CIK 0001470831

PROCTER & GAMBLE PROFIT SHARING TR & ESOP LONG TERM INCEN TR
CIK 0000918867

Date Range: Sort By: [Rectangular Snip](#)

1-10 of 17 results

FORM AP FILING	ENGAGEMENT PARTNER	ISSUER	FIRM	YEAR
Aug. 22, 2019	Jeffrey Dean Potts	PROCTER & GAMBLE Co (PG 0000080424)	Deloitte & Touche LLP (34) <input type="button" value="other participating firms"/>	2019

Planning

Selection of Audit Engagements – Factors Considered

- Nature, size, and complexity of issuers and industry coverage
 - Relative investor risk, based on market capitalization
 - Relative size of issuers (primarily in terms of total revenues, assets, and market capitalization)
- Issuer specific information received by the PCAOB, including any tips
- Previous inspection results: internal, external, including local regulator inspections and any remediation results (as appropriate)
- Coverage of audit partners that audit issuers (i.e. listed pies)
- Issuers with significant foreign operations, particularly when the firm relies on work performed by other firms for a significant portion of the audits
- Issuers with complex and unusual accounting transactions and those possessing high levels of risk

Selection of Audit Engagements – Factors Considered (Continued)

- Issuers with recent restatement activity
- Initial issuer audit engagements
- Issuers with material weaknesses
- Issuers with going concern opinions
- Issuers that have digital assets (i.e. crypto assets)
- On joint inspections – consideration of other regulator selections
- Nature type and work performed on referred work and substantial role engagement

Selection of Engagements – Focus Areas

- For issuers whose audit report contained a going concern opinion, consideration is also given to any areas with elevated risks of embedded losses such as:
 - Valuation of accounts receivable and any related revenue recognition issues
 - Valuation of inventory
 - Debt classification
 - Recovery of recorded value of assets
- Specific consideration is given to audit areas in which common deficiencies or risks have been identified, including:
 - Revenue recognition
 - Fair value measurements for financial and non-financial instruments
 - Business combinations
 - Management estimates, including:
 - Impairment of goodwill, indefinite-lived intangible assets, and other long-lived assets
 - Allowance for loan losses, for issuers in the financial services industry
 - Income taxes, including recoverability of deferred tax assets, the outcome of uncertain tax positions, and tax contingency reserves
 - Other-than-temporary impairment of certain investments

Planning

Selection of Engagements – Focus Areas (Continued)

- Stock-based compensation
- Use of the work of other auditors and principal auditor considerations
- Areas involving the use of specialists or other auditors
- Identified specific PCAOB focus areas for the inspection year
- Consideration of further understanding of cyber incidents
- Areas covered by new accounting or auditing pronouncements

Selection of Engagements – Focus Areas (Continued)

- Recently adopted standards and rules
 - Disclosure of Engagement Partners and Other Accounting Firms Participating in Audits in Form AP
 - New Auditor's Report
 - Auditing Accounting Estimates, Including Fair Value Measurements
 - Auditors' Use of the Work of Specialists

Planning

Other Planning Considerations

- Archiving Consideration
 - If the 45-day documentation assembly period, as described in PCAOB Auditing Standard 1215, Audit Documentation, will not have expired prior to the start of inspection procedures, obtain confirmation from firm (in writing) that engagement is ready for inspection
- Inspection fieldwork is generally one to two weeks for domestic, and two to four weeks (or two periods of two-weeks) for international inspection
- Assignment of inspection personnel/ team size:
 - Inspection team sizes vary but generally consist of six inspectors including systems auditing resources, if necessary
 - Whether firm is an affiliate of a global network
 - Team sizes increases when inspecting specialized industries such as Financial Services
 - Plan for obtaining principal auditor instructions and reporting packages for substantial role and preferred work selected
 - Industry and other experience requirements of inspectors
 - PCAOB Team Leader is primary contact in field

Other Planning Considerations (Continued)

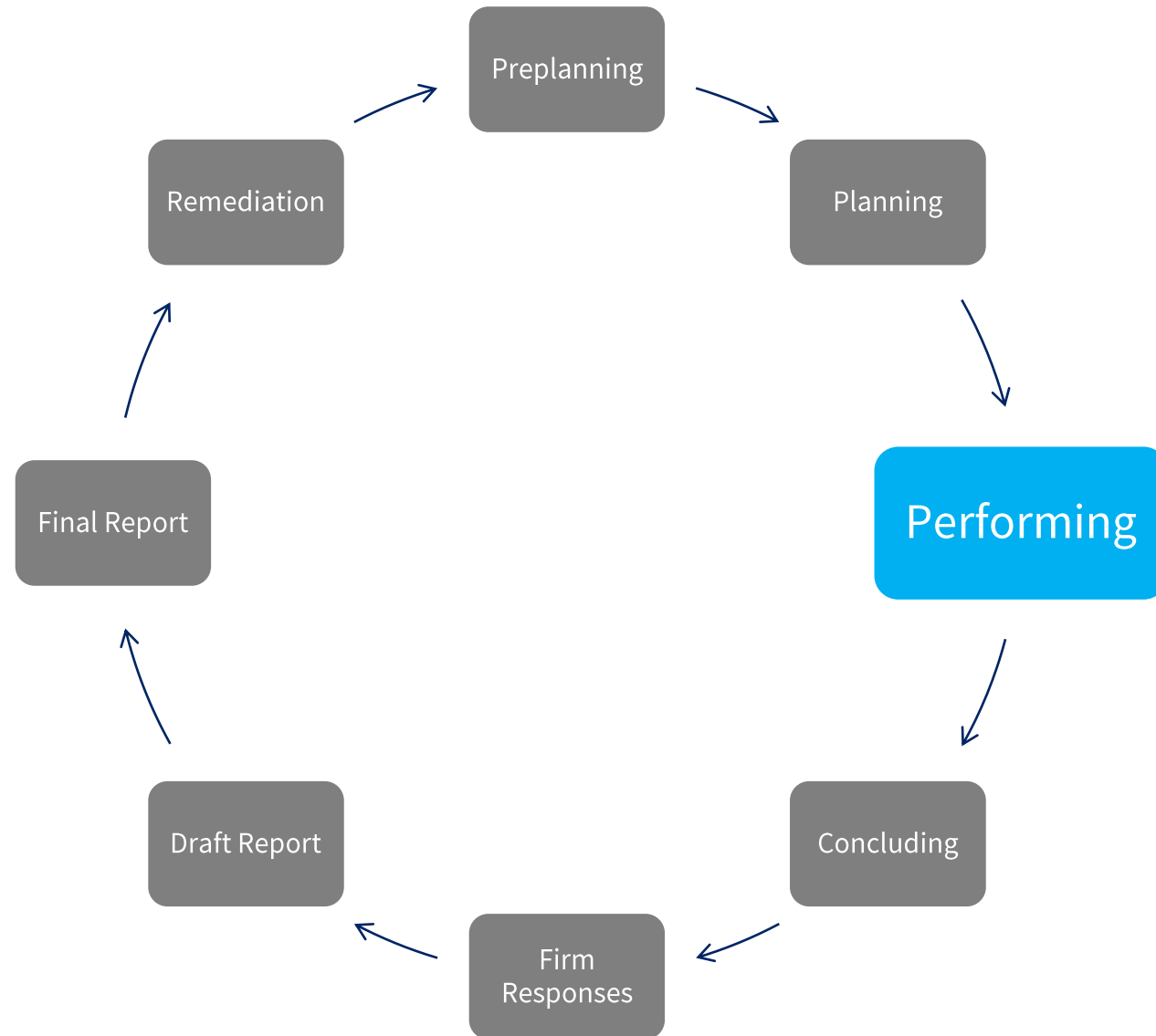
- For international inspections:
 - Document request protocols
 - Language skills and cultural familiarity of inspectors
 - Translators, if required
- Independence confirmations of inspectors
- Documentation of planning procedures and signoff

Planning

Communications with Firm

- Selection of issuers and focus areas
 - Ensure complete set of audit files are ready on the first day; consider early access to working papers
 - Assignment of number of inspectors to engagements for computer set up
 - Communication of team for security access
- Scheduling of opening and status meetings
- Scheduling of interviews for quality control procedures
- Explanation of approach toward inspection
- Daily standing meetings with audit partner (good practice)
- Logistics (working hours, access to offices, internet connectivity, conference rooms, telephone, printers)
- Engagement profiles and Attachment A
- Discuss any concerns to access of work papers (i.e. legal privilege, redaction, etc.)
- PCAOB Connectivity Letter relating to information technology access
- Any visa requests

Performing Inspections



Performing Inspections

- System of quality control procedures:
 - Addressed through interviews and selected evaluation and testing procedures
 - Interviews generally with firm leadership such as:
 - Managing Partner – Office
 - Partners In-charge of Assurance
 - Partners In-charge of Risk Management
 - Partners In-charge of Training
 - Partners In-charge of Independence
 - Partners In-charge of Root Cause
 - Partners In-charge of Human Resources (partner compensation, evaluation, admission, and discipline)
 - Results are documented in our inspection methodology work programs (both electronic and manual)

Performing Inspections

Quality Control Areas Inspected

- Tone at the top
- Practices for partner evaluation, compensation, admission, promotion, assignment for responsibilities and disciplinary actions
- Independence
- Client acceptance and continuance
- Internal inspections program (Monitoring Program)
- Practices for establishment and communication of audit policies, procedures, and methodologies
 - Includes training, and methodology and tools related to risk assessment, or changes for the new auditors reporting model (this includes critical audit matters/ new accounting standards/ archiving procedures)

Performing Inspections

Quality Control Areas Inspected (Continued)

- The supervision by firms' audit engagement teams of the work performed by other auditors (including affiliates and non-affiliates of the firm)
- Consultations
- Engagement Quality Review
- Archiving

Note: Depending on specific facts and circumstances, additional areas may be considered.

Performing Inspections

Quality Control System Procedures

Tone at the top

- Assess whether actions and communications by leadership demonstrate commitment to audit quality
 - Interview firm leadership
 - Review selected information including, for example:
 - Code of conduct
 - Documents measuring and monitoring audit quality
 - Internal and external communications

Partner evaluation and compensation

- Assess whether design and process encourages an appropriate emphasis on audit quality and technical competence
 - Analyze detailed information on partners
 - Review personnel files and evaluations

Performing Inspections

Quality Control System Procedures (Continued)

Independence and Non-audit Services

- Evaluate firm's policies and procedures in relation to compliance with applicable independence requirements
 - Firm's internal monitoring system
 - Partner rotation program
 - Independence consultations
- Review both through materials kept at firm level, as well as engagement level

Client Acceptance and Continuance

- Evaluate whether policies and procedures reasonably assure firm is not associated with issuers whose management lacks integrity and that firm takes on engagements within its professional competence
 - Client acceptance and continuance documentation
 - Risk mitigation
 - Audit planning
- Review both through materials kept at firm level, as well as engagement level

Performing Inspections

Quality Control System Procedures (Continued)

Firm's internal inspection program

- Evaluate effectiveness of internal inspection program
 - Results of recent internal inspections
 - Steps taken to address deficiencies
 - Consideration of PCAOB findings on same engagements

Audit policies, procedures, and methodologies

- Evaluate whether processes could be expected to promote audit quality and enhance competence
 - Development and maintenance of audit methodology and practice aids
 - Training programs
 - Technical resources available
 - Confirmation process
 - Risk assessment

Performing Inspections

Quality Control System Procedures (Continued)

Supervision of other auditors for audits of foreign subsidiaries

- Evaluate processes used to ensure audit work performed by other auditor is effective and in accordance with PCAOB standards
- Policies and procedures
- Guidance related to planning and administering multi-location engagements

Consultation – Assess effectiveness of firm’s consultation process

- Review of certain consultations

Engagement quality review

- Evaluate procedures for training, assignment, monitoring

Archiving

- Evaluate compliance with and understanding of the policies and procedures regarding archiving

Performing Inspections

Inspection of Engagements

Objectives

- Determine whether the firm obtained sufficient appropriate evidential matter in accordance with PCAOB standards to support its audit opinion or interoffice/ inter-firm report
- Identify deficiencies, if any, in the components of the engagements inspected
 - Quality of work performed and the related documentation in specific areas
 - Understand and assess the knowledge, ability, and skills of the firm's engagement teams
 - Whether the work was performed and reviewed on a timely basis
- Determine whether the results of the reviews indicate deficiencies in the design or operation of the firm's system of quality control over audits
- Review selected focus areas in considerable depth
- Interview those who performed and reviewed the work, including staff level professionals and specialists, such as tax, information technology, valuation (i.e., not partner and managers only)

Performing Inspections

Inspection of Engagements (Continued)

- Audit committee communications (issuer audit engagements only)
 - Assess whether engagement team is making the required communications regarding the conduct of the audit to those who have responsibility for oversight of the financial reporting process. Ensure compliance with standards.
- Risk of fraud
 - Assess whether engagement team reviewed nonstandard journal entries and performed other procedures to detect any incorrect, unauthorized or inappropriate entries that may materially misstate the financial statements and to detect evidence of possible material misstatement due to fraud
- Waived adjustments
 - Assess whether engagement team, in concurring with the client's decision not to record potential audit adjustments, gave appropriate consideration to both quantitative and qualitative aspects of materiality
 - Assess whether engagement team communicated all potential and recorded audit adjustments to the principal auditor (substantial-role and referred work engagements only)
- Audit documentation and communication among firms participating in a group audit
 - Assess whether engagement team received, reviewed, and appropriately responded to communications from the principal/ group auditor
- Cyber incidents
 - Understand if a cyber incident occurred, discuss with engagement team and determine if response was appropriate

Performing Inspections

Critical Audit Matters

- A critical audit matter is any matter arising from the audit of the financial statements that was communicated or required to be communicated to the audit committee and that:
 - Relates to accounts or disclosures that are material to the financial statements, and
 - Involved especially challenging, subjective, or complex auditor judgment
- Communication requirements: Communication of each CAM in the auditor's report to include –
 - Identification of the CAM;
 - Description of the principal considerations that led the auditor to determine that the matter was a CAM;
 - Description of how the CAM was addressed in the audit; and
 - Reference to the relevant financial statement accounts or disclosures

Performing Inspections

Critical Audit Matters (Continued)

- Effective Dates:
 - First Effective Date: Large accelerated filers with fiscal years ending on or after June 30, 2019
 - Second Effective Date: Audits that have a fiscal year ending on or after December 15, 2020
- Three core objectives of the initial inspections:
 - Understanding the policies and procedures that firms have put in place to support and monitor the effective implementation of CAM requirements
 - Understanding how selected audit teams implemented CAM requirements
 - Gathering information to support monitoring of CAM requirements implementation

Performing Inspections

Use of Inspection Guides

Use of inspection guide on each focus area

- A tool to assist inspectors in determining whether the audit work performed and the evidence thereof was sufficient to support the firm's conclusion in accordance with auditing standards and rules.
- It provides a framework when conducting inspection; updated periodically
- Examples of evaluative questions:
 - “Do you agree that the engagement team identified those controls for testing that were important to the engagement team's conclusion about whether the issuer's controls sufficiently addressed the assessed risk of misstatement for each relevant assertion? (Ref: AS 2201.14, .22, and .39-.41)”
 - “Do you agree that sufficient substantive procedures were performed for the period between interim and year-end when interim testing was performed? (Ref: AS 2301.45-.46)”
- Disagree response; may result in an inspection finding

Performing Inspections

Deficiency Identification

- Comment form is a written document to formally communicate inspection observations, such as a finding, to the firm
- What is a finding?
 - Significant, observed audit, accounting, and/or quality control deficiencies that were communicated in writing to an inspected firm
 - Generally, these will be included in a formal inspection report
- How do you decide whether a potential issue is significant enough to warrant issuing a comment form?
 - Materiality of account or class of transactions as included in the financial statements
 - Planning materiality as determined by the firm
 - Risks associated with account/financial statement assertion
 - Audit response and level of evidence that
 - Firm complied with auditing standards and
 - Issuer complied with generally accepted accounting principles

Performing Inspections

Deficiency Identification (Continued)

- Critical Thinking Framework
 - How material is the account or class of transaction to which the deficiency relates?
 - What are the risks associated with the account or assertion that required an audit response?
 - Does the level of evidence in the audit work papers (or persuasive other evidence) support that the firm complied with standards?
 - How does the deficiency relate to prior-year findings or current-year themes at the firm?
- Documentation vs. Performance
 - Is it reasonable that audit procedures could have been performed without documentary evidence?
 - How does the engagement team assert that the work was properly supervised and reviewed if no documentary evidence is available to support or refute undocumented procedures?
- Engagement Quality Review Involvement

Performing Inspections

Deficiency Identification (Continued)

- Types of Findings:
 - Misapplication of GAAP
 - Audit standards deficiency
 - Quality control design deficiency (or a theme)
 - Independence deficiency

Performing Inspections

Deficiency Identification (Continued)

- Misapplication of GAAP
 - Sufficient evidence for inspection team to conclude that likely material uncorrected misstatements in the financial statements
 - Sufficient evidence to quantify a significant portion of the departure from GAAP although the entirety of the departure may not be quantifiable
- Audit Standards Deficiencies
 - Firm did not perform audit procedures required by (or in accordance with) PCAOB standards
 - The failure to perform sufficient audit procedures or obtain sufficient appropriate audit evidence to support opinion on the financial statements and/or internal control over financial reporting

Performing Inspections

Deficiency Identification (Continued)

- Quality Control Deficiencies
 - Significant deficiencies in the design of the firm's quality control policies and procedures
 - Recurring indications of potential quality control deficiencies (even if not individually significant)
 - Due to nature and frequency appear to be systemic deficiencies in the firm's system of quality control
- Independence Deficiencies
 - Failure to satisfy SEC and/or PCAOB independence criteria

Performing Inspections

Audit Committee Outreach

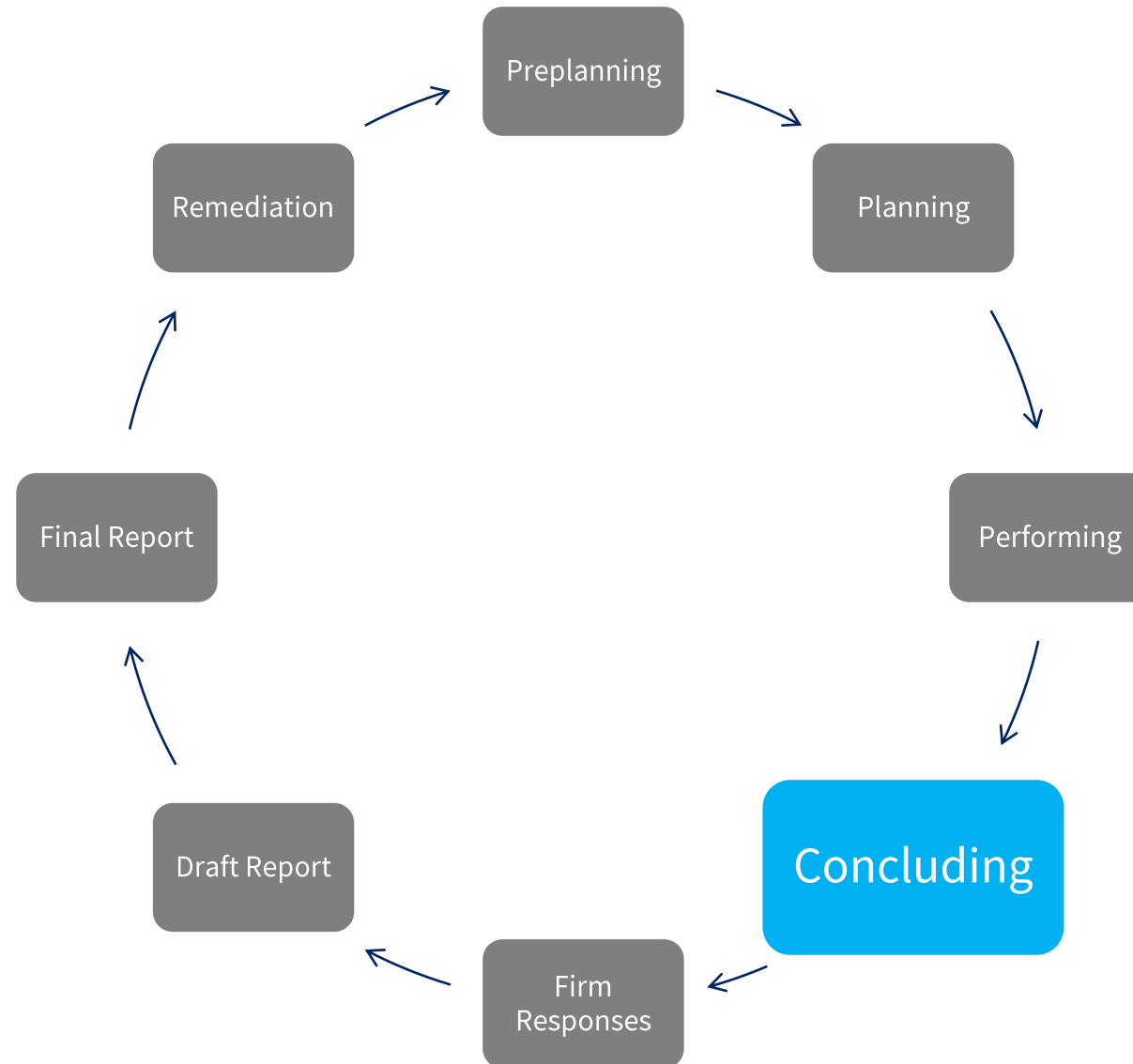
- Audit Committee Outlook
- Conversation with Audit Committee Chairs of U.S. Inspected Issuers
- Offered opportunity to speak with inspection team on broad audit quality topics including:
 - Audit committee perspectives on the auditor
 - Audit quality indicators
 - New accounting and auditing standards
 - Technology and innovation

Performing Inspections

Ongoing Standard-Setting Projects
(As of October, 2019)



Concluding



Concluding

- Status meeting with the engagement team towards the end of fieldwork
- Status meeting related to quality control toward end of fieldwork
- Determine if interview with Engagement Quality Reviewer (EQR) is required (culpability determination)
- Communicate inspection observations to the firm
- Plan on next steps such as comment form process, copies of working papers to support a finding, reporting and remediation process, etc.
- Confirm timeline for transfer of work paper support

Concluding

Prepare and Issue Comment Forms

- Comment forms are initial output of the inspections process and are the supporting foundation of the inspection report
- Inspector's role is to ensure that assessment is full, fair, and accurate
- Draft comment forms and issue to firm upon completion of internal reviews (generally no later than ten business days following the completion of the non-site inspection visit and receipt of work papers)
- Firm is given 10 business days to respond

Concluding

Prepare and Issue Comment Forms

- Content of comment forms (Three Primary Sections — Facts, Issue(s), and Firm Response)
 - Describe the Facts surrounding the identified matter including:
 - Brief description of the issuer's business
 - Description of the financial statement accounts or class of transactions; materiality
 - Relevant financial statement assertions
 - Risks of material misstatements, significant or fraud risk identified
 - Procedures performed by firm and documented in work papers, as appropriate
 - Statements should be factually supportable

Prepare and Issue Comment Forms

PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD INSPECTION COMMENT FORM

Firm: AFirmaLikeNoOther LLP Date: July 29, 2019
Office: Maintown, Favorite Country Issuer's FYE: December 31, 2018
Issuer: JustaNotherIssuer Corporation Control Number: JNI-MDC-01

PCAOB Comment – Facts:

JustaNotherIssuer Corporation (the "Issuer") operates rehabilitation clinics that provide physical, occupational, and speech rehabilitation services, critical illness recovery hospitals, and rehabilitation hospitals.

At December 31, 2018, the Issuer reported total assets of \$12.0 billion, and net operating revenues and net income of \$10.2 billion and \$1.6 billion, respectively, for the year then ended. The engagement team established overall materiality at \$35.0 million and performance materiality at \$25.0 million.

Risk Assessment

The engagement team assessed inherent risk as significant related to the occurrence of revenue, and planned for high controls reliance and a medium level of substantive evidence.

The engagement team identified a risk of fraud related to fictitious revenue transactions. The engagement team orally represented to the inspection team that it considered likely sources of potential misstatement ("LSPMs") related to (1) revenue recognized for services not provided, (2) inaccurate service types, and (3) inaccurate number of patient visits.

Freestanding Clinics revenue process in RT

The Issuer used its in-house revenue application to process \$1.4 billion of the \$1.7 billion of clinic Revenue Transactions ("RT") and its Oracle EBS ("Oracle") application for its period end financial reporting. The engagement team tested information technology general controls ("ITGCs") over these applications and concluded they were designed and operating effectively. The Issuer also used the Bill Services ("BS") application, a clinical software program that recorded patient treatment information (e.g. service dates, services provided, therapist notes, etc.). The engagement team documented in its ITGC scoping memo that the BS application was not subject to ITGC testing procedures.

With respect to the Issuer's process related to new patient intake and determining patient revenue at clinic locations, Patient Service Specialists manually entered patient

Concluding

Prepare and Issue Comment Forms

- Describe the Issue(s):
 - State the firm's failure or what the firm should have done
 - Description of nature and significance of identified deficiency with a focus on specific accounting principle and accounting standard involved
 - The likely effect of the deficiency on the financial statements

Prepare and Issue Comment Forms - Excerpt

PCAOB Comment – Issue:

1. The engagement team failed to obtain appropriate evidence that is sufficient to obtain reasonable assurance about whether material weaknesses existed as of the date of management's assessment, as required by Auditing Standard No. 2201, *An Audit of Internal Control Over Financial Reporting that is Integrated with an Audit of Financial Statements*, and therefore, it failed to support its audit opinion on the effectiveness of internal control over financial reporting. Specifically, with respect to the occurrence of revenue for services provided at the clinics and processed by the Issuer's RT revenue application –
 - a. The engagement team failed to identify and test any controls over the accuracy and completeness of the types and quantities of services manually entered by therapists into the BS application.
 - b. Control C-1 was not designed to address risks related to the accuracy and completeness of the information transferred from BS to RT and used to record revenue in RT, and the engagement team failed to identify and test any controls that did so. Specifically, while control C-1 was configured to automatically stop the processing of transactions within RT for claims missing certain information or attachments, this control did not address the transfer of the types and quantities of service information that was manually entered into BS and transferred to RT.
 - c. The engagement team failed to test the aspect of control C-1 that addressed the accuracy and completeness of the data included in the Stat Report and used in the operation of control C -7.
2. As a result of the above control testing deficiencies, the engagement team failed to perform sufficient substantive procedures to test the occurrence of this revenue for the year ended December 31, 2018 as required by AS 2301, *The Auditor's Responses to the Risks of Material Misstatements*, and AS 2315, *Audit Sampling*. Specifically, the engagement team failed to support its planned high controls reliance approach in determining the extent of substantive procedures to perform over the occurrence assertion of Freestanding Clinics revenue processed in RT.

PCAOB Reviewer:	Inspec Right	<i>/s/ Inspec Right</i>
	_____	_____
	Printed Name	Signature and Date
		July 29, 2019
PCAOB Inspection Leader:	Seema Light	<i>/s/ Seema Light</i>
	_____	_____
	Printed Name	Signature and Date
		July 29, 2019

Concluding

Prepare and Issue Comment Forms (Continued)

- Firm's response and remedial actions
 - Consideration of omitted procedures after the report date (AS 2901) and/or Subsequent discoveries of facts existing at the date of the auditor's report (AS 2905)
- Implication on Firm's system of quality control
 - Request the firm to describe the relevant control(s) (e.g., policy and procedure) within the firm's system of quality control that was designed to prevent or to detect and correct the issue(s) and also describe the risk that the control was designed to mitigate.
- Signature of firm as to agreement or disagreement with facts and issues, as well as an indication as to why it disagrees, if applicable

Concluding

Evaluate Firm's Response to Comment Forms

- Upon receipt of responses to comment forms:
 - Evaluate responses and dispose each relevant assertion the firm makes
 - Did the firm fully respond to all points in comment form?
 - Are the firm's assertions and conclusions reasonable?
 - Summarize impact, if any, on identified deficiency
 - Does the response cause the inspector to revisit the conclusion?
 - Conclude as to whether comments should be:
 - Included in report as a specific issuer comment
 - Included in report as a quality control comment
 - Excluded from report
 - Document analysis of the above

Concluding

Assemble Inspection Documentation

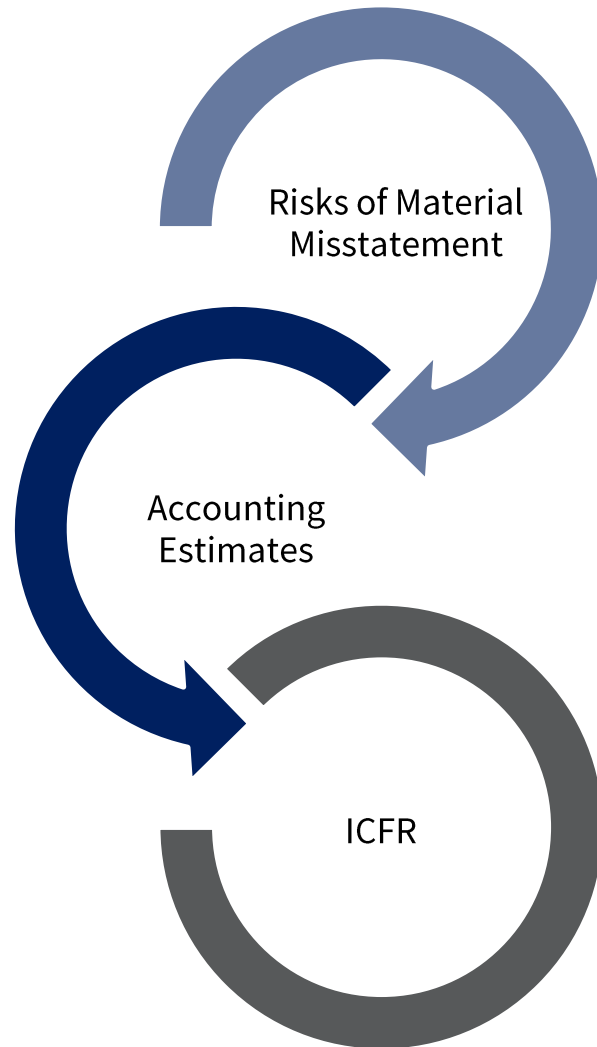
- Finalize documentation and assemble inspection working papers/files:
 - Planning
 - Quality control system procedures
 - Engagement specific procedures
 - Administrative procedures and supervision
 - Notes on interviews with firm leadership
 - Notes of interviews and meeting with audit engagement teams
 - Copies of selected work papers related to identified deficiencies
- Inspection documentation should provide
 - Nature and timing of inspection procedures performed
 - Who performed the work and when
 - Who reviewed the work
- Consideration of good practices or effective procedures
- Enforcement referrals, if any
 - Non cooperation
 - Work paper alteration

Concluding

Coordination with Local Regulator

- Discuss findings
- Coordination of list work papers required to support comment forms
- Regulator oversight of redactions as needed and facilitation of transfer of copies in accordance with local data protection laws and SOP, if applicable
- Confirmation of timeline of transfer of support with firm and/or regulator
- Discuss comment form process

Common Areas of Inspection Findings

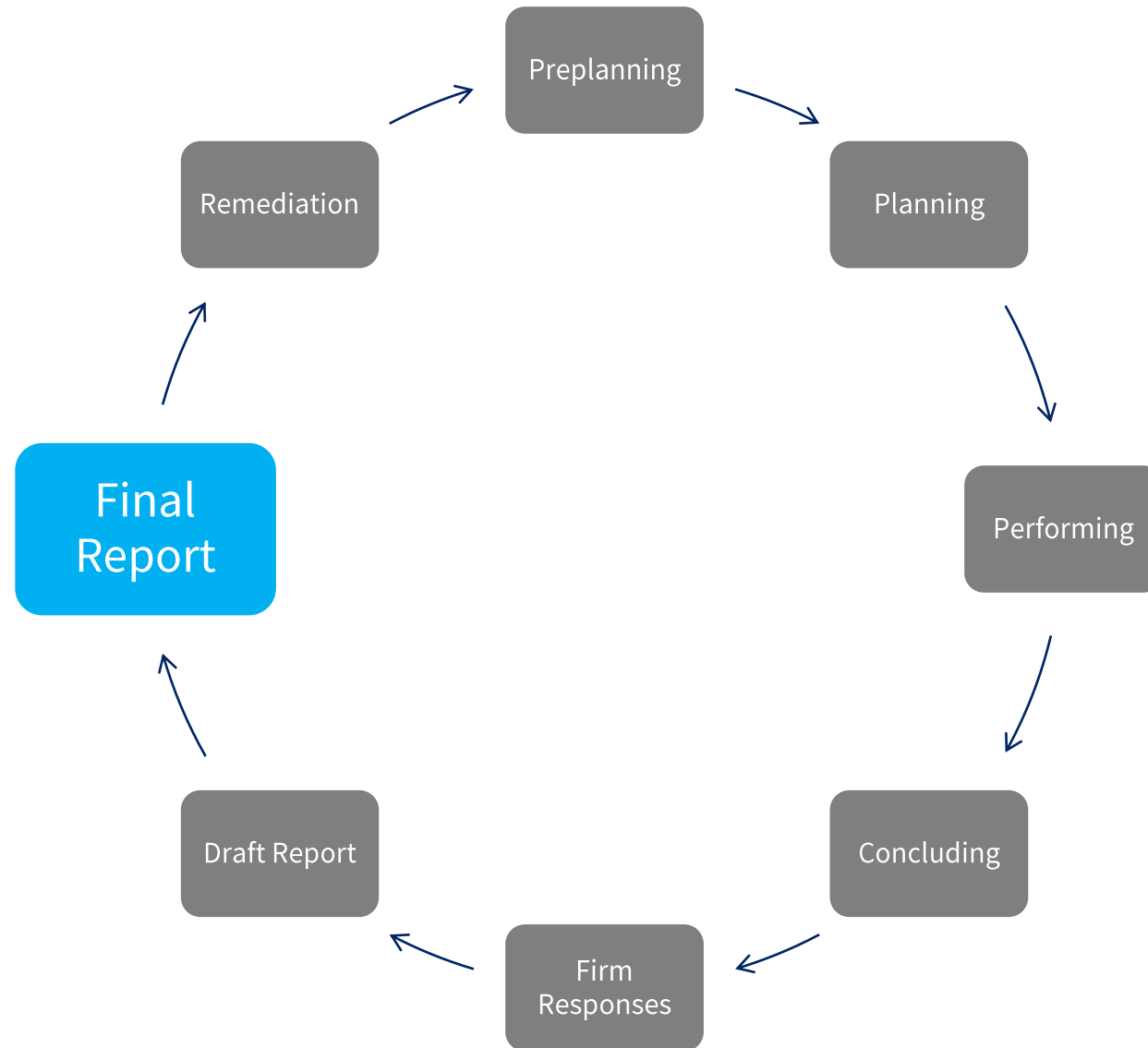


Assessing and Responding to Risks of Material Misstatement

Auditing Accounting Estimates, including Fair Value Measurements

Auditing Internal Control Over Financial Reporting

Reporting



Reporting

Inspection Report Components

- Part I (Public) – Contains description of inspection procedures and certain observations
- Part II (non public) – Contains detailed discussion of inspection results, including:
 - Further details behind Part I findings
 - Issues related to quality controls
 - Other audit performance issues
- Part III (non public) – Contains post inspection procedures
- Part IV (can include public and nonpublic content) – Contains response of the firm to draft inspection report

Note: Report template format is undergoing revision, but remains substantially the same.

Prepare Draft Inspection Report

- Inspection team prepares draft inspection report
 - Several layers of review within PCAOB:
 - Factual accuracy of report scrutinized
 - Firm's response to comment forms reviewed again
 - Inspection report may not include all comment forms:
 - Inspection observation reworded
 - New observation
 - Quality control deficiencies
 - Supervision and review

Reporting

Review Regulator Report

- Before PCAOB draft report is issued to the firm, for inspections of non-U.S. firms, we coordinate with the local regulator (if applicable) and consider their findings to determine the need for additional inspection procedures, such as:
 - Including findings in PCAOB inspection report, as appropriate, if not previously known or evaluated
 - Re-evaluating overall inspection conclusions to determine whether systemic audit performance or quality control exist that were not otherwise reflected in the PCAOB inspection report

Reporting

Issue Draft Inspection Report and Evaluate Responses

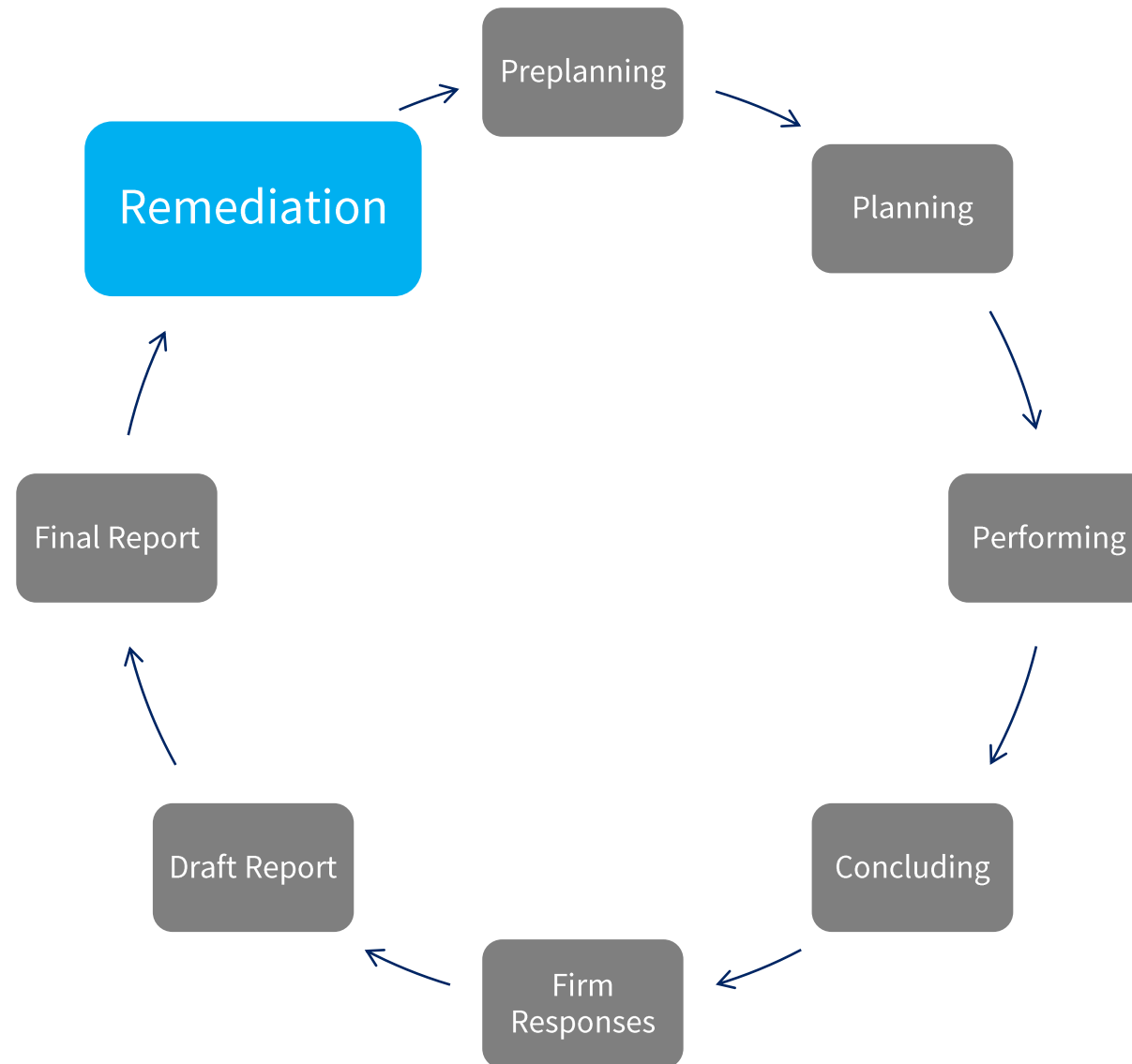
- Draft report is issued to firm
- Firm has 30 days to respond to draft report
 - Firm's responsibility to ensure response received by the PCAOB within the 30-day period
 - Another opportunity to respond to the inspection observations
 - Can impact the inspection report
- Firm response treated similarly to inspection report
 - Firm can designate portions of response that it requests be public and portions that it requests be non-public
 - PCAOB contact person provided in transmittal letter
 - No draft responses accepted
- Confidentiality requests

Reporting

Issue Final Inspection Report

- Report presented to the Board
 - After review is completed, the report is submitted for the Board's consideration
 - The Board issues the final report
- Full report sent by PCAOB Secretary directly to firm; staff sends copy to non-U.S. regulator if protocols allow
- Public part of the report is posted on the PCAOB website, and the full report is transmitted to the:
 - SEC
 - State regulatory authorities in states where the firm is licensed (if the firm is licensed domestically)
- The public portion of the report is not posted on the website until after the expiration of the period in which the firm may seek SEC review, if the firm does not seek SEC review

Remediation



Remediation

Remediation of Quality Control Defects

- PCAOB Rule 4009
 - Firm may submit evidence or otherwise demonstrate that it has improved its quality control systems, and remedied such defect no later than 12 months after the issuance of the Board's final inspection report
 - If the firm satisfactorily addresses criticisms or defects in the quality control system, the Board shall provide notice of that determination to the SEC and to any appropriate state regulatory authority in receipt of any portion of the final inspection report
 - The Board shall notify the firm of its final determination concerning whether the firm has addressed the criticisms or defects in the quality control system of the firm identified in the final inspection report to the satisfaction of the Board
- PCAOB Release No. 104-2006-077, The Process for Board Determinations Regarding Firm's Efforts to Address Quality Control Criticisms in Inspection Reports (March 21, 2006)
- Staff Guidance Concerning the Remediation Process (Nov. 18, 2013)

Remediation

Remediation of Quality Control Defects

- The portions of the Board's inspection report that deal with criticisms of or potentials defects in quality control systems that the firm has not addressed to the satisfaction of the Board shall be made public by the Board
 - Upon the expiration of the 12-month period if the firm fails to make any submission
 - Upon the expiration of the period in which the firm may seek SEC review of any board determination, if the firm does not seek SEC review of the Board determination

Remediation

Remediation Touch Points – Example Interaction

- Final Inspection Report is issued by the PCAOB to a registered firm
- Firm would like to discuss remediation process and address related questions with PCAOB
- Firm wishes to send information to PCAOB to address quality control criticisms noted in PCAOB inspection report
- PCAOB responds to the firm
- PCAOB sends firm letter six months prior to remediation deadline notifying the firm that its final remediation submission is due in six months
- PCAOB sends firm letter 45 days to remediation deadline notifying the firm that its final remediation submission is due in 45 days
- Firm submits final remediation response to PCAOB
- PCAOB sends firm notice of receipt of final remediation response
- PCAOB notifies firm of its recommendation to the Board as to the firm's remediation submission
- Board reviews PCAOB staff recommendation and makes decision as to whether or not it deems the remediation to be satisfactory

Remediation

Common Remedial Actions by Firms

- Modifications to audit methodology –
 - Revisions to audit program guides, work paper templates, and the development of other tools and practice aids
- Additional training provided to partners and staff
- Modifications to firm-wide policies and procedures
- Increased monitoring

Other Matters



Other Matters

Inspection Staff Training

- Inspectors are mostly experienced auditors; at least audit managers at firms
 - Upon hiring, training on how to conduct an inspection
 - Inspection process and documentation
 - Mission of PCAOB; understanding Firm's perspective
 - Interactions with firms and other inspectors
 - First inspection: On-the-job learning or “shadowing” with experienced inspectors
 - Periodic soft skills training: building confidence, business writing, self-developments
 - Periodic technical training: independence, new accounting/auditing standards, current or emerging topics, specialized industry
 - Annual inspectors training (3-day in Washington DC)

Other Matters

Inspection Software Tools

- Use a hosted secure server as document management and reporting system; It's a central repository of inspection documents
- Access requires username and password
- Inspectors only have access to the assigned firm inspection and specific inspection files necessary to perform his/her duties.

Other Matters

PCAOB Transformation Activities

- Drive continuous improvement in audit quality by addressing prevention, detection, and oversight on firms' remediation
- Be continuously innovative, nimble, and flexible with technology and automation
- Reimagine and redesign structure and operations, while focusing on objectives, people, process, and technology

Other Matters

Joint International Inspections

- Joint inspection – executed jointly with home country regulator’s independent inspectors
- Rule 4012 allows the PCAOB to rely upon the inspections work of a home-country regulator
- Degree of reliance depends upon:
 - Independence and rigor of home-country system of oversight
 - Discussions between the PCAOB and home-country regulator on inspection programs
- Not a “check-the-box” approach
- Will look at the structure and operations of the system as a whole

Other Matters

International Inspections and Coordination with Local Regulators

- For international inspections, degree of interaction during the inspection varies due to multiple factors, including whether an agreement is in place for sharing of confidential information
- Most extensive form of interaction is a joint inspection, with PCAOB and the home country regulator's independent inspectors in the field at the same time
- Examples of coordination:
 - Planning logistics, including whether teams will be in the field at the same time
 - Plans for communication throughout the process.
 - Regular dialogue during the inspection, including discussion of potential findings

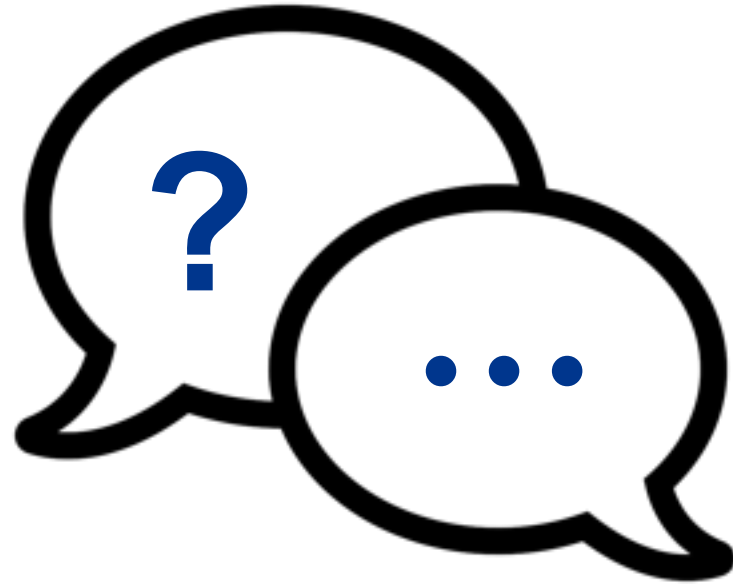
Other Matters

Rule 4012: Independence and Rigor Five Principles

- Adequacy and integrity of the system
- Independence of the system from the accounting profession
- Independence of the funding of the system
- Transparency of the system
- Enforcement record, if not premature

Criteria listed in Rule 4012 are illustrative, not exhaustive.

Questions



PCAOB Contacts

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Visit our website to subscribe or update your communication preferences www.PCAOBUS.org

Thank You

Public Company Accounting Oversight Board

December 3, 2019



Rebecca J. Mealey, Associate Director, Accountant

Michael C. Occhuzzo, Assistant Director, Attorney

PCAOB Division of Enforcement and Investigations

Disclaimer

The views expressed are those of the speakers alone and do not necessarily reflect the views of the Board, its members, or its staff.

PCAOB Functions

- Register and inspect audit firms
- Set standards
- Investigate and discipline
 - Audit firms and
 - Individual auditors

PCAOB Enforcement (Roadmap)

- Staff
- Jurisdiction
- Sources
- Coordination
- Informal Inquiries & Formal Investigations
 - Investigative Tools
- Disciplinary Hearings and Appeals
- Recent Cases

Staff

- The Division of Enforcement and Investigations (“DEI”) consists of 62 budgeted staff, including attorneys, accountants, and support staff
- Staff are based in Washington, D.C., New York City, and Chicago

Functions

- Investigate possible violations by registered public accounting firms or their associated persons of
 - any provision of the Sarbanes-Oxley Act
 - the rules of the Board
 - the applicable provisions of the securities laws, including the rules of the Commission issued under the Act, or
 - PCAOB professional standards
- Recommend that the Board institute litigated or settled disciplinary proceedings
- Litigate before a Board hearing officer and, on appeal, before the Board
- Manage the Board's tips process

Jurisdiction

- Registered Public Accounting Firms
 - Audits of issuers
 - Audits of brokers and dealers
- Associated Persons of Registered Firms
- Definition of the term “associated person” – One who, in connection with preparing or issuing any audit report
 - shares in the profits of, or otherwise receives compensation from the firm, or
 - participates in “any activity” of the firm
- Jurisdiction extends to registered firms and associated persons outside of the US

Sources of Investigations

- DEI Public Source Analysis
 - Public disclosures by issuers
 - Media reports, blogs, and analyst reports
- Tips
- Other PCAOB divisions and offices
 - Division of Registration and Inspections
 - Office of Economic and Risk Analysis
- External Referrals (SEC & FINRA)

Case Identification Tools

Sources

- Lexis Securities Mosaic
- Audit Analytics
- Paid news source subscriptions (i.e., Factiva, WSJ)
- Paid investment research tools (i.e., Seeking Alpha)
- PCAOB-generated reports
- Stanford Securities Class Action Clearinghouse

Internal Tracking and Process Management

- SharePoint

Coordination (General)

- DEI coordinates with the US SEC, US Department of Justice, US federal functional regulators, and state regulators
- DEI also coordinates with FINRA on matters relating to brokers and dealers
- Where authorized by a statement of protocol or other agreement, DEI coordinates with foreign auditor oversight bodies in cases involving non-US-based audit firms or issuers

Coordination with US SEC

- The PCAOB regularly and closely coordinates its work with the US SEC
- Although there is no formula for when the PCAOB versus the SEC will investigate an auditor or an audit firm, these situations typically fall into the following categories
 - Dividing the labor – PCAOB investigates the auditor's conduct and SEC investigates issuer and other parties
 - Parallel cases against auditor
 - PCAOB deferral to SEC
 - SEC deferral to PCAOB

Confidentiality

- PCAOB inspections, investigations and contested disciplinary proceedings are confidential under the Sarbanes-Oxley Act
- Any sanctions imposed in a contested disciplinary proceeding can be appealed to the Board, the SEC, and up through the federal court system
- If a respondent petitions for SEC review, any sanction is stayed pending further action by the SEC
- SEC review proceedings generally are public, but the Act prohibits the Board from publicly reporting the sanction unless and until the SEC lifts the stay

Common Types of Matters

- Violations of auditing standards
 - Failure to obtain sufficient appropriate evidence, exercise due care or professional skepticism (ignored red flags or contrary audit evidence)
 - Failure of a firm's system of quality control to operate effectively, including the firm's monitoring function
- Independence violations
- Failure to cooperate with an inspection/investigation
- Cross-border matters
- Delinquent filers/payors

Overview of Investigative Process

- Most matters start as informal inquiries—staff cannot compel information
- If a matter warrants a significant use of resources, or parties are not complying with requests, staff can request an order of formal investigation from the Board
- Fact finding includes obtaining and reviewing work papers, other documents and information, and testimony
- If evidence of serious violations exists, staff communicates alleged violations either verbally or in a charging letter (similar to SEC Wells process)
- Potential respondents can submit a statement of position in response to the charging letter

Informal Inquiries

- *Requests* issued to
 - Auditors
 - Issuers
- May include
 - Document requests
 - Interrogatories
 - Interview/testimony requests

Formal Investigations

- Authorized by the Board
- Accounting Board *Demand*
 - Documents and other information
 - Interrogatories
 - Requests for Admissions
 - Testimony
- Accounting Board *Requests* to Issuers

Investigative Tools

- Relativity
 - eDiscovery Software
- FI Tools
 - Extracts metadata from native files
- CaseMap Suite
 - Transcript management, timeline creation, and evidence chronologies
- BriefCatch
 - Legal writing software
- Babylon
 - Translation software

Investigative Tools

- **Relativity**

- **eDiscovery Software**

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Relativity

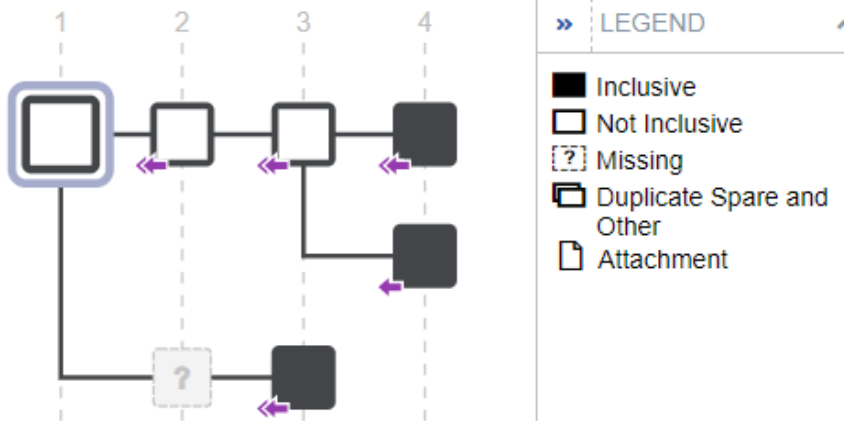
- Key Word Search
- Email Threading
- Concept Searching
- Document Clustering
- Active Learning

Relativity – Key Word Search

- Search simultaneously on metadata and document content
- dtSearch operators
 - Proximity searches
 - Fuzzy searches
 - Credit card number recognition
 - Phone number recognition
 - Email address recognition

Relativity – Email Threading

1	Joan Veselack SST Storage Injection Contract for Choice	03/07/2000 9:49 PM	Joan Veselack	dkinney@columbiaenerg; Germany;Scott Goodell	SEND	SST Storage Injection Contract for Choice - PLEASE READ
2	Colleen Sullivan Re: SST Storage Injection Contract for Ch	03/08/2000 4:43 PM	Colleen Sullivan	Joan Veselack	REPLY-ALL	Re: SST Storage Injection Contract for Choice - PLEASE READ
3	Scott Goodell Re: SST Storage Injection Contract for Ch	03/16/2000 6:34 PM	Scott Goodell	Colleen Sullivan	REPLY-ALL	Re: SST Storage Injection Contract for Choice - PLEASE READ
3	Chris Germany Re: SST Storage Injection Contract for Ch	03/09/2000 9:05 PM	Chris Germany	Colleen Sullivan	REPLY-ALL	Re: SST Storage Injection Contract for Choice - PLEASE READ
4	Chris Germany Re: SST Storage Injection Contract for Ch	03/16/2000 7:00 PM	Chris Germany	Joan Veselack	REPLY	Re: SST Storage Injection Contract for Choice - PLEASE READ
4	Colleen Sullivan Re: SST Storage Injection Contract for Ch	03/20/2000 4:47 PM	Colleen Sullivan	Scott Goodell	REPLY-ALL	Re: SST Storage Injection Contract for Choice - PLEASE READ

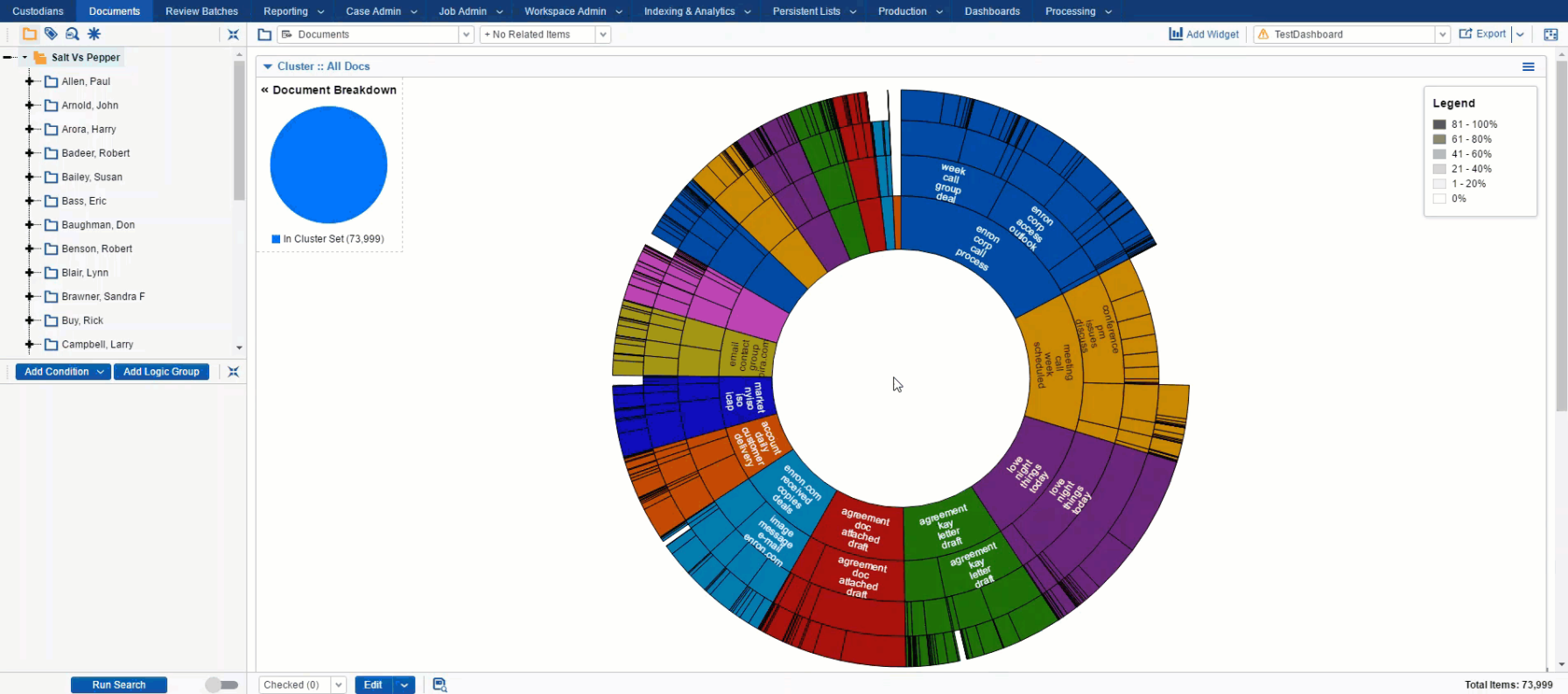


- Orders emails into conversations
- Highlights “Inclusive” Emails
- Visualize branching

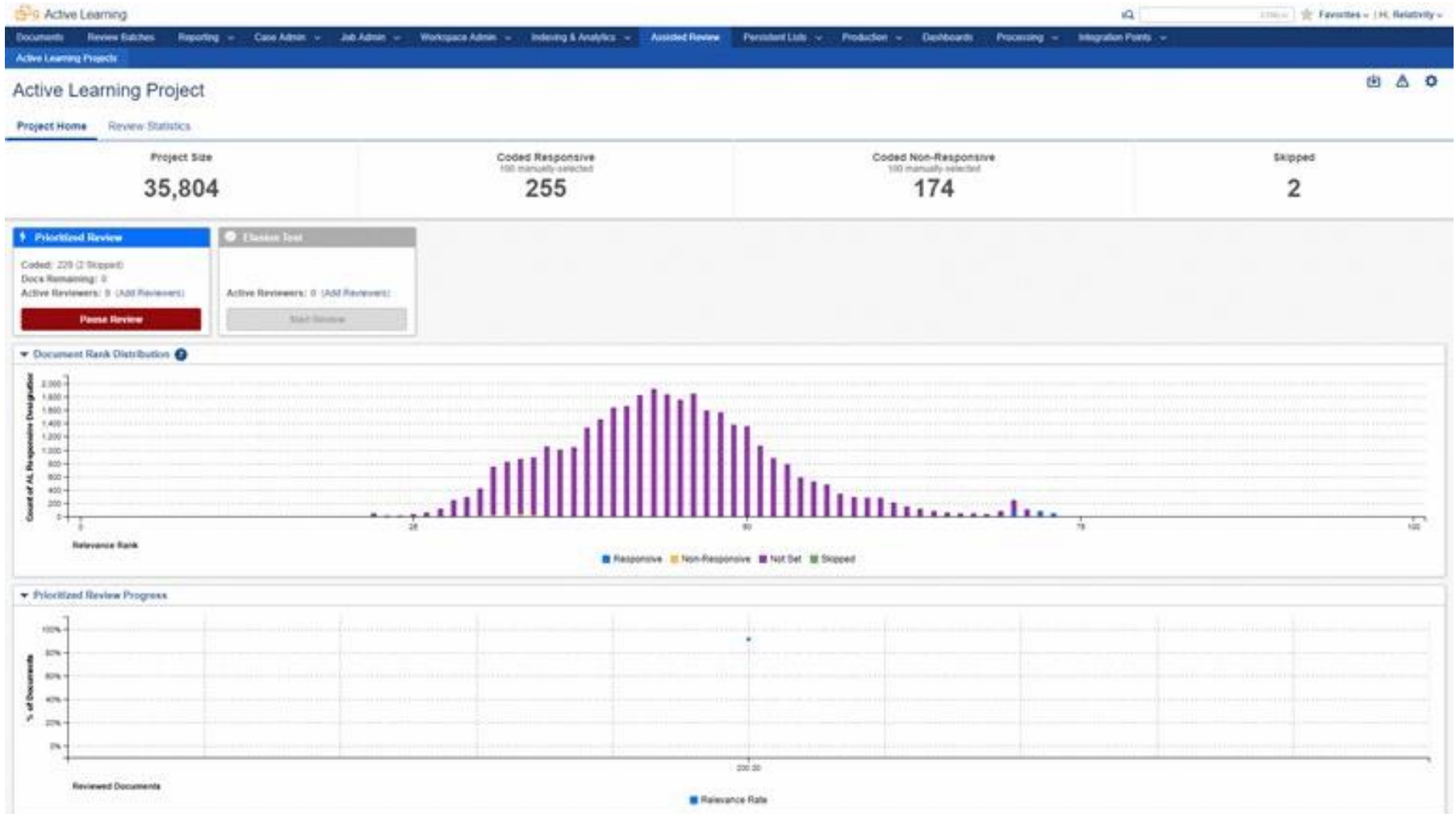
Relativity – Concept Searching

- Allows you to search by using phrases, sentences, or paragraphs
- Used to find other documents that contain text that is contextually similar to a chosen phrase
- Returns documents with conceptually similar text that are ranked based on similarity

Relativity – Document Clustering



Relativity – Active Learning



Investigative Tools

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FI Tools

	A	B	C	D
1	Filename+Ext	Created	Modified	Description
2	Commuter Claim Form.pdf	3/5/2019 9:15	3/5/2019	Adobe Portable Document Format
3	Virtual_Desktop_Access.pdf	2/28/2019 16:30	2/28/2019	Adobe Portable Document Format
4	2019 New Hire Benefits Presentation and Other Documents.msg	2/28/2019 16:29	2/26/2019	MS Outlook Message
5	ToDo.xlsx	3/5/2019 10:20	3/5/2019	MS Excel 2007-2010 Spreadsheet (Open XML)
6	Relativity Manuals	2/27/2019 8:56	2/28/2019	Disk Directory
7	IFIAR	3/1/2019 10:33	3/1/2019	Disk Directory
8	VerificationDocs.pdf	3/1/2019 11:02	3/1/2019	Adobe Portable Document Format
9	rollover.txt	2/28/2019 16:29	3/1/2019	Text File
10	Dependent Verification Document Requirements.pdf	2/28/2019 13:39	2/28/2019	Adobe Portable Document Format
11	IT Training Hand-Out.pdf	3/1/2019 9:26	3/1/2019	Adobe Portable Document Format
12	Datadeliverystandards052716.pdf	2/27/2019 16:42	2/27/2019	Adobe Portable Document Format
13	Datadeliverystandards052716.pdf:Zone.Identifier	2/27/2019 16:42	2/27/2019	Zone Identifier Stream (NTFS ADS)
14	RemoteAccess-New.docx	2/28/2019 16:30	2/28/2019	MS Word 2007-2010 Document (Open XML)

- Retrieves many metadata fields from a targeted location
- Can be exported to Excel to help identify documents that were created or modified after audit documentation completion date.

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CaseMap Suite – CaseMap

Hawkins - LexisNexis CaseMap

SmartAssist

FILE HOME REPORTS CASE TOOLS VIEW

Cut Copy Paste New Fact New Record Delete Issue Linking Review Linked Files Research Text Formatting Symbols Editing Facts

CASE SHORTCUTS < FACTS 30 RECORDS

Search

Favorites

- FACTS (30)
- All Objects (62)
- Persons (15)
- Documents (36)
- Issues (13)

All Shortcuts

- FACTS (30)
- Objects
 - All Objects (62)
 - Persons (15)
 - Organizations (4)
 - Documents (36)
 - Other Physical Evidence (0)
 - Events (0)
 - Places (0)
 - Pleadings (1)
 - Proceedings (5)
 - Other Discovery (1)
 - Demonstrative Evidence (0)
 - Other Objects (0)
- Issues (13)
- Questions (7)
- Research
 - Authorities (5)
 - Extracts from Authorities (5)
 - Authorities and Extracts (5)

CASE SHORTCUTS

SEARCH RESULTS

Date & Time	Fact Text	Source(s)	Material	Status	Linked Issues	Evalu
TBD	Test Fact					
Mon 11/25/2002	William Lang meets Philip Hawkins while touring Converse Chemical Labs plant in Bakersfield .	Deposition of William Lang, 25:14;	Yes	Disputed by: Us		
12/??/2002	William Lang invites Philip Hawkins to visit Anstar Biotech Industries facilities in Irvine.	InterviewNotes.	No	Prospective	Wrongful Termination	
01/??/2003	William Lang offers Philip Hawkins Sales Manager position at Anstar Biotech Industries.	InterviewNotes, Email from Phil Hawkins at...	Yes	Undisputed	Retaliation	
Mon 01/13/2003	Philip Hawkins joins Anstar Biotech Industries as a Sales Manager.	Anstar Biotech Industries Employment	Yes	Undisputed		
Mon 12/01/2003	Philip Hawkins promoted to Anstar Biotech Industries VP of Sales.	InterviewNotes.	Yes	Undisputed	Retaliation	
Fri 01/09/2004 to Wed 01/21/2004	Philip Hawkins negotiates draft Hawkins Employment Agreement with William Lang.	Hawkins Employment Agreement.	Yes	Undisputed	Wrongful Termination	
02/??/2004	William Lang tells Philip Hawkins that he has changed his mind regarding the Hawkins Employment.	Philip Hawkins, Deposition of William...	Yes	Disputed by:	Wrongful Termination	
03/??/2004	Susan Sheridan has dinner with Linda Collins and complains about Anstar Biotech Industries management.	Deposition of Linda Collins, 33:15.	Unsure	Disputed by:		
Wed 05/11/2005	Philip Hawkins receives Hawkins Performance Review from William Lang. Is rated a 1 *Outstanding	Hawkins Performance Review	Yes	Undisputed	Wrongful Termination, Deserved Termination	
06/??/2005	William Lang makes decision to reduce size of staff.	Deposition of Karen Thomas 43:19	Yes	Disputed by: Us	Hawkins Specific	
07/??/2005	Susan Sheridan is terminated.	Deposition of Philip Hawkins.	Yes	Undisputed	Pattern & Practice	
Mon 07/04/2005	Philip Hawkins allegedly makes derogatory remarks about Linda Collins to Karen Thomas during Anstar...	InterviewNotes.	Yes	Disputed by:	Deserved Termination	
Tue 07/12/2005	Anstar Biotech Industries second quarter sales announced. Sales have dropped by 8%.		Unsure	Undisputed	Demotion, Deserved Termination	
Sat 07/30/2005	Philip Hawkins demoted to sales manager.	Deposition of Philip Hawkins, 24:18	Yes	Undisputed	Demotion	
Tue 08/02/2005 #1	Philip Hawkins and William Lang meet.	????	Unsure	Undisputed	Hawkins Specific	

abc CAPS NUM

CaseMap Suite – TimeMap

The screenshot displays the LexisNexis TimeMap interface. The title bar reads "Visual1 - LexisNexis TimeMap". The ribbon includes "FILE", "HOME", "TIME SCALE", and "VIEW". The "HOME" tab is active, showing options for "Clipboard", "Insert", "Font", "Paragraph", "Linked Files", "File Viewers", and "Editing".

The main workspace is titled "Hawkins Chronology" and is in "TIMELINE VIEW". A vertical timeline at the bottom shows dates from Nov 25, 2002 to Jan 11, 2003. Three fact boxes are visible:

- Nov 25, 2002**: William Lang meets Philip Hawkins while touring Converse Chemical Labs plant in **Bakersfield**. Source(s): Deposition of William Lang, 25:14; InterviewNotes, Email from Phil Hawkins at 20050923 1514 to William Lang.
- Dec ??, 2002**: William Lang invites Philip Hawkins to visit Anstar Biotech Industries facilities in Irvine. Source(s): InterviewNotes.
- Jan ??, 2003**: William Lang offers Philip Hawkins **Sales Manager** position at Anstar Biotech Industries. Source(s): InterviewNotes, Email from Phil Hawkins at 20050923 1514 to William Lang.

The left sidebar shows "Defaults" with buttons for "Date" and "Fact" in various colors. At the bottom, the status bar indicates "Pages Wide 15", "Zoom", "Fact Count: 30", and "Fact Density: 14%".

CaseMap Suite – TextMap

Hawkins - LexisNexis TextMap

FILE HOME REPORTS TRANSCRIPTS CASE TOOLS VIEW

Clipboard Import Transcript Import/Export More Import More Export

New Annotation New Fact New Redaction Play Video Find Realtime

TRANSCRIPTS DEPOSITION OF PHILIP HAWKINS 7 ANNOTATIONS

Arrange By: Transcript Name A on top

Source	Note	Linked Issues	Linked Fact	Text	Created By	Creation Time Stamp
Pg: 4 Ln: 14 - 22	Basic info about the witn...	Background	No	Q Would you state y...	Chris Attorney	1/15/2008 5:00:23 PM
Pg: 10 Ln: 10 - 16	This annotation is linked ...	Wrongful Termination, Re...	No	Q At the time of this ...	Chris Attorney	1/15/2008 12:00:54 PM
Pg: 19 Ln: 7 - 12	This is an example of an ...	Wrongful Termination	No	Q And then the 20th ...	Chris Attorney	1/15/2008 11:22:46 AM
Pg: 21 Ln: 21 - Pg: 22 Ln: 1	Another example note. A...	Possible Impeachment	No	Q Okay. And did yo...	Chris Attorney	1/15/2008 11:23:45 AM
Pg: 25 Ln: 21 - 23		Transfer, Demotion	No	Q Had you ever seen...	Chris Attorney	1/15/2008 4:41:15 PM

1:1 STATE OF FLORIDA
DEPARTMENT OF LABOR AND EMPLOYMENT SECURITY
OFFICE OF THE JUDGE OF COMPENSATION CLAIMS
DISTRICT "C"

5 CLAIM NO: 263-55-6571
6 EMPLOYEE: PHILIP M. HAWKINS
7 EMPLOYER: ABI

9 CARRIER: STATE OF FLORIDA

10 D/A: 12/10/00

11 STATE OF FLORIDA)
12 COUNTY OF DADE)

15 Deposition of PHILIP MARK HAWKINS, taken
16 on behalf of the Employer/Carrier, pursuant to
17 Amended Notice of Taking Deposition, on Thursday,
18 October 21, 2000, commencing at 10:00 a.m., at
19 4741 Atlantic Boulevard, Suite F, Miami,
20 Dade County, Florida, before Cindy Cooker, a Notary
21 Public in and for the State of Florida at Large.

2:1 APPEARANCES

4 PETER S. ARNDT, ESQUIRE
Arndt & Arndt
One National Drive

WORD SEARCH FULL TEXT SEARCH
Enter Search Word

00
000
001
02
05
07
08
1
10
100
106
10th
11
12
123
13
13th
1400
1492
14th
15
1500
15th
16th
17
18th
1959
1976
1000

TRANSCRIPTS EXHIBITS & VIDEO ANNOTATION DETAIL

Transcripts: 4 Pages 1 - 2 of 1 - 40 User: Chris Attorney

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 - Translation software

BriefCatch

The screenshot shows a Microsoft Word document titled "17-130_4f14.docx [Compatibility Mode] - Word". The BriefCatch extension is active, displaying a sidebar with the following text: "Opinion of the Court", "days of testimony and argument, Judge Elliot issued an initial decision concluding that Lucia had violated the Act and imposing sanctions, including civil penalties of \$300,000 and a lifetime bar from the investment industry. In his decision, Judge Elliot made factual findings about only one of the four ways the SEC thought Lucia's slideshow misled investors. The Commission thus remanded for factfinding on the other three claims, explaining that an ALJ's 'personal experience with the witnesses' places him 'in the best position to make findings of fact' and 'resolve any conflicts in the evidence.' App. to Pet. for Cert. 241a. Judge Elliot then made additional findings of deception and issued a revised initial decision, with the same sanctions. See *id.*, at 118a.", "On appeal to the SEC, Lucia argued that the administrative proceeding was invalid because Judge Elliot had not been constitutionally appointed. According to Lucia, the Commission's ALJs are 'Officers of the United States' and thus subject to the Appointments Clause. Under that Clause, Lucia noted, only the President, 'Courts of Law,' or 'Heads of Departments' can appoint 'Officers.' See Art. II, §2, cl. 2. And none of those actors had made Judge Elliot an ALJ. To be sure, the Commission itself counts as a 'Head[] of Department[]' *Ibid.*; see *Free Enterprise Fund v. Public Company Accounting Oversight Bd.*, 561 U.S. 477, 511-513 (2010). But the Commission had left the task of appointing ALJs, including Judge Elliot, to SEC staff members. See *supra*, at 1. As a result, Lucia contended, Judge Elliot lacked constitutional authority to do his job."

The BriefCatch sidebar also displays a notification: "Passive voice. Is it clear who or what is performing the action here? If not, rewrite in the active voice, focusing on the actor, not the action." Below this notification are buttons for "Change", "Ignore", "Ignore All", and "Next". At the bottom of the sidebar, it shows "0 changes, 0 ignores".

The BriefCatch Statistics panel displays the following metrics:

- READING HAPPINESS SCORE: 95 / 100
- SENTENCE LENGTH INDEX: 100 / 100
- FLOW INDEX: 100 / 100
- PUNCHINESS SCORE: 100 / 100
- PLAIN ENGLISH INDEX: 90 / 100

At the bottom of the panel, there is a link: [How to improve these scores](#)

Investigative Tools

- Relativity
 - eDiscovery Software
- FI Tools
 - Extracts metadata from native files
- CaseMap Suite
 - Transcript management, timeline creation, and evidence chronologies
- BriefCatch
 - Legal writing software
- **Babylon**
 - **Translation software**

Babylon

The screenshot shows the Babylon online translation tool interface. At the top left is the Babylon logo and version number 'V. 10.5.0.12'. At the top right is a 'Menu' button with a minus sign, a square icon, and an 'X' icon. The main content area is divided into two sections: 'Term' and 'Text'. The 'Term' section contains a paragraph of Spanish text. The 'Text' section contains the English translation of that text. Below the text sections are language selection dropdowns for Spanish and English, a bidirectional arrow icon, and a green 'Translate' button. At the bottom of the interface are icons for a smartphone, a document, and a shopping cart, along with a diagonal line icon in the bottom right corner.

babylon V. 10.5.0.12 Menu — □ X

Term

En un lugar de la Mancha, de cuyo nombre no quiero acordarme, no ha mucho tiempo que vivía un hidalgo de los de lanza en astillero, adarga antigua, rocín flaco y galgo corredor. Una olla de algo más vaca que carnero, salpicón las más noches, duelos y quebrantos los sábados, lentejas los viernes, algún palomino de añadidura los domingos, consumían las tres partes de su hacienda. El resto della concluían sayo de velarte, calzas de velludo para las fiestas con sus pantuflos de lo mismo, los días de entre semana se honraba con su vellori de lo más fino. Tenía en su casa una ama que pasaba de los cuarenta, y una sobrina que no llegaba a los veinte, y un mozo de campo y plaza, que así ensillaba el rocín como tomaba la podadera. Frisaba la edad de nuestro hidalgo con los cincuenta años, era de complexión recia, seco de carnes, enjuto de rostro; gran madrugador y amigo de la caza. Quieren decir que tenía el sobrenombre de Quijada o Quesada (que en esto hay alguna diferencia en los autores que deste caso escriben), aunque por conjeturas verosímiles se deja entender que se llama Quijana; pero esto importa poco a nuestro cuento; basta que en la narración dél no se salga un punto de la verdad.

Text

In a village of la Mancha, whose name I do not want to remember, there lived not long since a in the lance old buckler, and a grayhound corridor. A pot of something more beef than mutton, a salad on most nights, scraps on Saturdays, lentils on Fridays, and a pigeon, consumed the three parts of his ranch. The rest della concluded sayo of velarte, hairy shims for the holidays with their pantuflos of the same, weekdays are honored with its vellori what finer. He had in his house a housekeeper past forty, a niece under twenty, and a lad for the field and square, which used to saddle the hack as well. The age of this gentleman of fifty years, he was of a hardy, dry meat, gaunt-; very early riser and hunting. They want to say that I was the nickname of jaw or Quesada (that there is a difference in the authors that deste case written), although credible conjecture is called Quijana; but little importance to our tale; it is enough that in the narrative of the does not leave a point of truth.

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Evaluation of Evidence and Next Steps

- Review Evidence
- Charging Process
 - Notice to firm/associated person
 - Statement of position
- Settlement discussions
- Closure
- Recommendation to the Board
 - Litigated order
 - Settled order

Disciplinary Proceedings

- Hearings (trials) are conducted by the Board Hearing Officer to determine whether firms or associated persons violated regulatory requirements and should be disciplined
- Any sanctions imposed by the Hearing Officer can be appealed to the Board, the SEC, and up through the federal courts

Disciplinary Proceedings

- Expedited Rule 5110 Proceedings
 - Fail to comply with an ABD
 - False material declaration
 - Abuse Board process/obstruct an investigation
 - Otherwise fail to cooperate

Disciplinary Proceedings

- Confidential proceedings
- OIP
- Response
- Rule 5422 production
- Prehearing motions
- Hearing
- Post hearing briefs/argument
- Decision of Hearing Officer

Sanctions

- In a disciplinary proceeding, the Board may
 - impose a **censure**
 - **suspend** or **permanently bar** an individual from association with a registered public accounting firm
 - **temporarily or permanently revoke** a firm's registration
 - **temporarily or permanently limit** the activities, functions, or operations of a firm or individual
 - appoint an independent **monitor**
 - impose a **civil monetary penalty**
 - require additional professional **education or training**
 - and/or impose **any other sanction** per Board rules

Sanctions

- Effect of suspension or bar - Respondent cannot:
 - Associate with a registered firm
 - Associate with an issuer or broker-dealer in an accounting or financial management capacity

Higher Priority Matters

- Matters involving significant **audit violations**, including a lack of due professional care and professional skepticism
- Matters relating to the **independence** and integrity of the audit
- Matters threatening or eroding the **integrity of Board processes**
- Deficiencies in a firm's **quality control** policies and procedures
- Matters involving **new and evolving** accounting and auditing issues

Improperly Altered Work Papers

- The Board has issued many orders concerning failures to cooperate with an inspection or investigation
- In April 2016, PCAOB staff released Staff Audit Practice Alert No. 14, *Improper Alteration of Audit Documentation*
- As of October 31, 2019, the Board has settled or finalized adjudications involving non-cooperation with approximately 29 firms and approximately 70 associated persons

Cross-Border Matters

- Roles played by the international affiliates of global network firms in the audits of US-listed companies
- Audits in which international affiliates may have played a substantial role
- Appendix K reviews
- Approximately 37 percent of settled PCAOB disciplinary orders in 2019 (as of Oct. 31, 2019) involved non-US auditors

Admissions

- DEI considers requiring an admission in certain types of matters where heightened accountability and acceptance of responsibility are in the public interest
- DEI anticipates that most of its settlement recommendations will continue to include orders stating that the respondent neither admitted nor denied the Board's findings

Extraordinary Cooperation

- Extraordinary cooperation is voluntary and timely action beyond compliance with legal or regulatory obligations
- It includes self reporting violations before the conduct comes to the attention of the Board or another regulator, taking remedial or corrective action to reduce the risk of similar violations recurring, and providing substantial assistance in the PCAOB's investigative processes
- It may result in reduced charges or sanctions

Enforcement Actions

- During 2018, the Board issued 20 settled disciplinary orders, involving 13 registered firms and 19 individuals
- In 2019, the Board has issued 27 settled orders to date (October 31, 2019), involving 16 registered firms and 25 individuals

Recent Matters

- Deloitte Korea – Noncooperation (10-2019)
 - Firm violated QC standards, partners violated auditing standards and failed to cooperate with a PCAOB Inspection
 - After notice of PCAOB Inspection, engagement team backdated work paper sign-offs to conceal post-issuance work and added handwritten descriptions to hard-copy work papers
 - Firm censured and received a \$350,000 penalty, plus undertakings. Credited for extraordinary cooperation
 - Partners involved were censured, received 2 year bars, and \$10,000 penalties.

Recent Matters

- BDO Mexico – Noncooperation (10-2019)
 - Firm violated QC standards, auditing standards and Board cooperation rule; partners caused or directly violated same standards
 - Repeatedly failed to archive work papers; altered work papers for two audits, and failed to cooperate with Inspection
 - Firm received \$500,000 penalty, plus undertakings. Credited for extraordinary cooperation.
 - Six partners received 1 to 3 year bars and \$5,000 to \$10,000 penalties

Recent Matters

- Marcum matters – Independence (09-2019)
 - Auditor independence violations by two firms and one partner
 - Marcum LLP & Marcum Bernstein & Pinchuk LLP held investor conferences where firm partners touted investment in firm audit clients
 - Marcum LLP received \$450,000 penalty and required to engage independent consultant
 - Firm's head of independence received \$25,000 penalty
 - Marcum Bernstein & Pinchuk LLP received \$50,000 penalty

Recent Matters

- PricewaterhouseCoopers, S.C. (Mexico) (08-2019)
 - Several firm partners not independent from bank audit client
 - Firm failed to timely report violations to audit committee and did not have sufficient QC
 - Firm received \$100,000 penalty, plus undertakings
- William Trainor (06-2019)
 - EY US partner failed to obtain sufficient audit evidence
 - Identified control deficiencies and should have known compensating controls were not effective, but still relied on controls.
 - One year bar with restrictions on re-admittance, \$25,000 penalty, 40 hours CPE

Recent QC Matter

- KPMG Bermuda (04-2019)
 - QC violations related to independence, maintenance of documents, and training
 - Firm misplaced independence affidavits prior to PCAOB Inspection, then obtained backdated versions that were made available to Inspectors
 - Firm received censure, \$250,000 penalty, plus undertakings
 - Firm's head of Ethics & Independence was censured, received \$10,000 penalty, and prohibited from any role in Firm's QC system for 2 years

Litigated Matters

- No recent public orders
 - Litigation process is confidential
- Number of settled orders we discussed began as litigated proceedings
 - KPMG Bermuda
 - Trainor
 - Marcum matters

Questions

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