



Lebanese Association of Certified Public Accountants

Quality Financial Reporting
Quality Assurance

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Quality Financial Reporting Serving the Economy

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Quality Financial Reporting

- **Quality Financial Reporting**
 - ❑ Sound Internal Control Environment
 - ❑ Tone of the Top
 - ❑ Monitoring
 - ❑ Risk Assessment

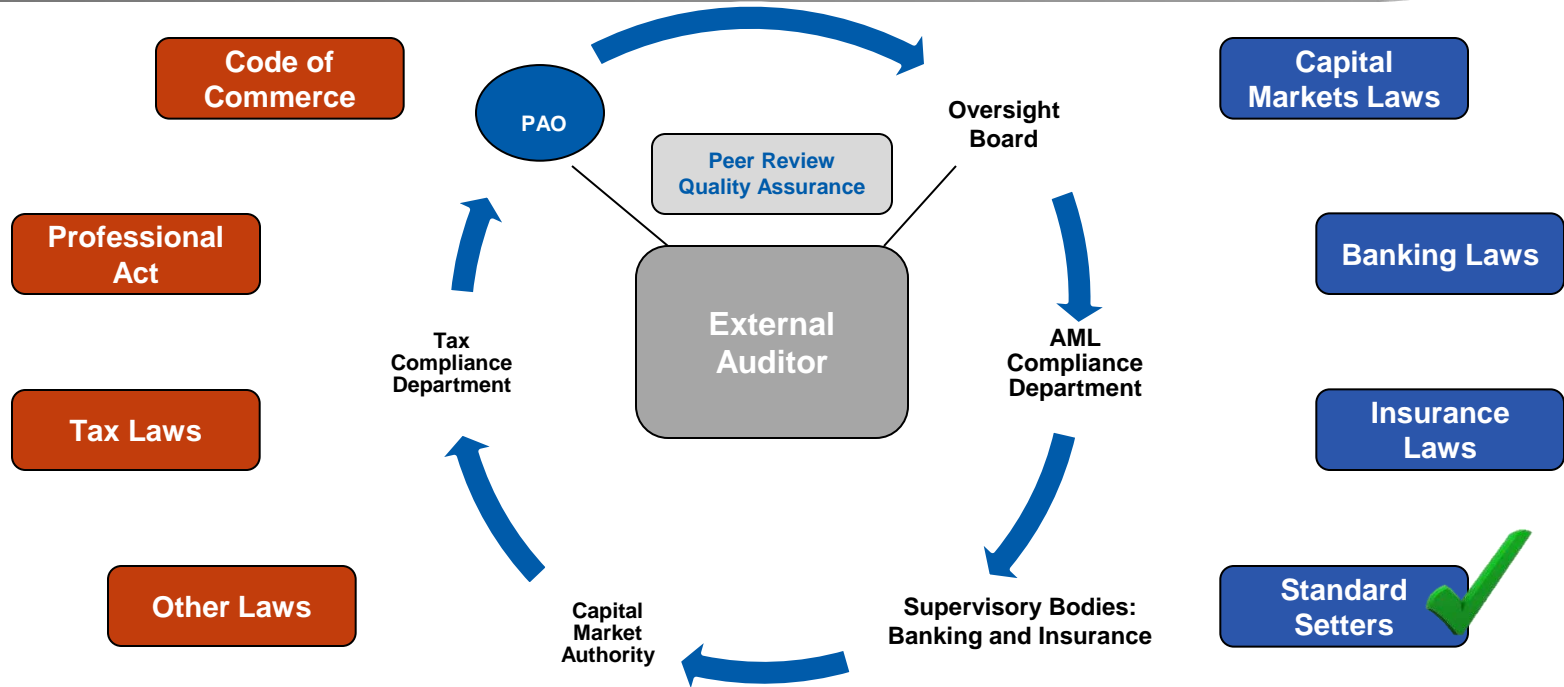
- **Quality Assurance Review System**



Quality Financial Reporting



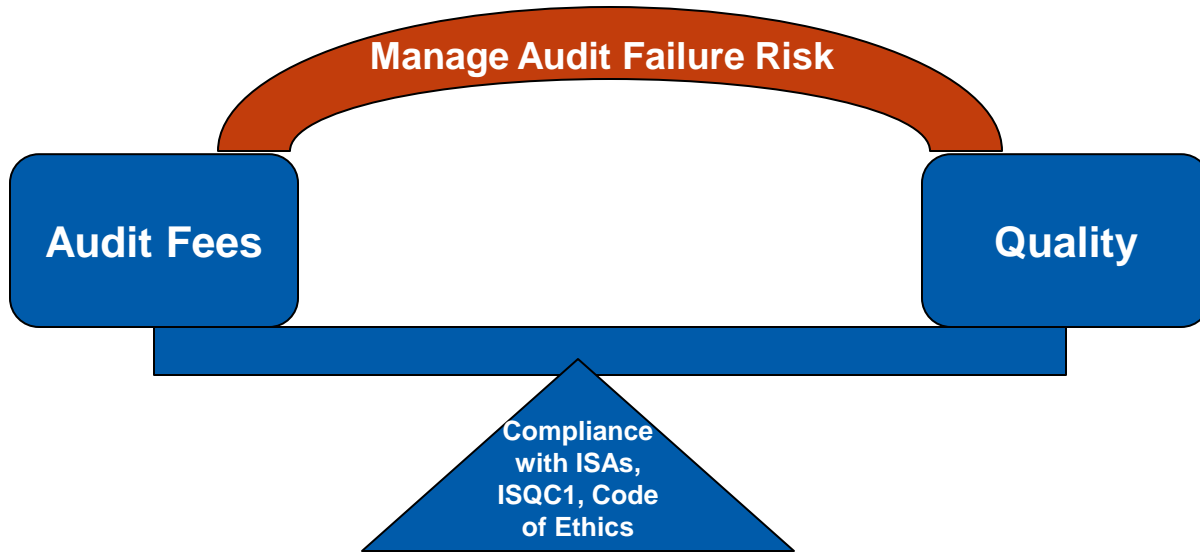
Audit Profession Framework



Challenges at the Audit Firm Level

Audit Failures

□ Growth and Practice Development Vs. Audit Quality



Challenges at the Audit Firm Level

Audit Failures

- ❑ Industry Knowledge and Expertise
- ❑ Independency Issues Comprises Auditors' Performance and Objectivity; Code of Ethics
- ❑ Maintaining and Developing Human Resources/ Employee Turnover
- ❑ Non Compliance with ISAs and ISQC1 Vs. Professional Fees



PAO Responsibility to Enhance the Quality of Audit

- ❑ Quality Assurance Program
- ❑ Quality Assurance: Substance Over Form
- ❑ Clear Understanding of Auditors' Responsibility as per Local Laws and Regulations



Conclusion

- Application of a Quality Assurance Review Systems within the firm (ISQC1, ISA 220)
 - Self Review, Leadership Responsibility within the Audit Firm
 - Ethical Requirements: Integrity, Objectivity, Professional Behavior, etc...
- PAO Commitment to ensure compliance with professional International Standards



Conclusion (Cont'd)

- Amendment of the local laws regulating the Profession and other relevant laws
- Ongoing Professional Coordination with Regulatory and Supervisory Bodies
- Advanced CPD and Training Programs
- Advanced Professional Admission and Licensing
- Setting Technical Departments
- Professional Involvement with Standard Setters: Comments on Exposure Drafts (IFRS and ISA)





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