

Minutes of Meeting GGI ARCPG

1. Where and When

Where	When	Time
Parco dei Principi Grand Hotel, Room Estensi, Rome	2012, 19th October	14.00-15.30 hrs

2. Attendees

Name	Company / Country	Name	Company / Country
According to participation list			
Augustin, Marian	Slovakia	Neste, David	United States
Bankroft, Peter	United Kingdom	Othman, Ayman	Saudi Arabia
Boivin, Mario	Canada	Papapetrou, Ioannis	Greece
Catalano, Joseph	United States	Parsons, Gavin	United Kingdom
Charles, Henry	United Kingdom	Riera, Ramon	Spain
Chia, KC	Malaysia	Röhrmann, Tobias	Germany
Clemens Dr., Olaf	Germany	Safayev, Sobir	Uzbekistan
Dooper, David Gerard	The Netherlands	Shao, Xuechun	China
Draper, Norman	Australia	Smart, James J.	United States
Drawetz, Stefan	Austria	Sokos, Sotiris	Greece
Engelmann, Wolfgang	Germany	Stroeken, Fred	The Netherlands
Frank, R. Matthew	United States	Stromberg, Annette	France
Frank, Robert H.	United States	Szalacha, Jędrzey	Poland
Geiger Dr., Thomas	Germany	Tezuka, Yoshihiko	Japan
Hickey, Clayton	Australia	Thorn, Yves	Luxembourg
Ho, Ben	China	Umehara, Tetsuya	Japan
Jakoby, Brigitte	Germany	Vizcaino, Armando	United States
Jaloliddin, Nasriddinov	Uzbekistan	Wasilewski, Krzysztof	Poland
Jones, Andrew	United Kingdom	Wilhelm, Claudine	Luxembourg
Kieckbusch, Rainer	Mexico	Wiltcher, Guy	Isle of Man
Klein, Michael	United States	Winters, Simon	United Kingdom
Levy, Paul	United Kingdom	Wong, Ricky	Hong Kong
Makeieva, Olena	Ukraine	Wong, TL	Malaysia
Marwah, Ragh	India	Yoshida, Haruki	Japan
Mastrocola, Richard	United States		

3. Meeting Agenda

1. Introduction
2. Presentations/Discussions
 - 2.1 Auditing in China
 - 2.2 Compliance Services in today's world
 - 2.3 GGI Audit Questionnaire 2012: First results
3. Elections of PG Chairperson and Vice-Chairpersons
4. Upcoming Meetings

4. Actions

Step	Who	What	When
1.	Thomas Geiger	Thomas Geiger opened the meeting and welcomes all participants.	N/A
2.1	Tony Shao	<p>Tony Shao from the Horizon Group, China, is presenting "Audit Practice in China". His presentation covers a description of the audit market in China, the provided audit services and auditing and accounting standards to be applied in China.</p> <p>In China there are roundabout 8.000 CPA firms that offer audit services with about 44,0 Billion RMB revenues in total. The Top 100 CPA firms incorporate about 63 % of total revenues.</p> <p>Tony also points out that the charged rates differ strongly between the Big Four, the local top 10 and the rates in average.</p> <p>Regarding audit services there is a business guidance for CPA services from 2010 that distinguishes 11 categories of 262 items for CPA firms to provide including 158 items for audit and 104 items for non-audit services.</p> <p>The 11 categories are e.g. Securities, Finance & Insurance, SOE (State owned Enterprises), FIE (Foreign Invested Enterprises) etc.</p> <p>Furthermore Tony explains several audit services for FIE such as annual audits, foreign currency verification, profit/loss audit of Qualified Foreign Institutional Investor investments to FIE, liquidation audits and other audits e.g. paid-in-capital verification or P/L tax audits.</p> <p>Tony also points out that PRC GAAP is widely converged with IFRS (except turning back the provision for long term assets).</p> <p>The Chinese Auditing Standards (CAS) are in full convergence with ISA.</p>	N/A
2.2	Fred Stroeken	Fred Stroeken from Stroeken Rossieau B.V., The Netherlands, is speaking about Compliance Services including	N/A

		<p>examples for compliance activities, success stories etc. He points out that compliance services bear a lot of business opportunities for members due to the fact, that these services are “low hanging fruit” in his point of view. Assisting clients to fulfill their compliance requirements regarding financial statements, reporting and processes allows the members to take a position besides clients’ auditors.</p> <p>Members exchanged their thoughts on these topics, particularly regarding the software support for compliance services and marketing aspects such as offering compliance services throughout a separate company.</p>	
2.3	Thomas Geiger	<p>Thomas Geiger from Munkert & Partner, Germany, is presenting the first results of the audit questionnaire 2012 that was sent out to all CPA member firms. 73 questionnaires were sent back, which cover 44 different jurisdictions. Just some of the questions have been evaluated so far. The completion of the evaluation will be time consuming, because in some cases inconsistencies have to be clarified and some answers are in need of an explanation.</p> <p>The first results show that IFRS is quite common across the different countries and the adoption processes from Local GAAP to IFRS are quite advanced. The situation regarding the auditing standards is quite similar. The vast majority of the members apply International Standards on Auditing (ISA) or local auditing standards which are fully compliant with ISA.</p> <p>Concerning the size of audit departments of the CPA member firms it can be said that most of the members have up to 20 employees rendering audit services. In 4 cases more than 60 people working in the audit department.</p> <p>Regarding quality controls most of the members apply the International Standard on Quality Control 1 (ISQC 1) or similar local quality standards.</p> <p>The questionnaire also documents that our members have a varied experience regarding different industries and specific accreditations. The large part is offering their audit services supported by audit software, but from diverse providers.</p> <p>It is planned to complete the evaluation in spring 2013 and to present the results at the GGI European Conference in</p>	Spring 2013

		Lisbon. Then it has also to be decided by the PG members - after clearance with GGI Head Office - in which format the results should be published.	
3.	Claudio Cocca/ attendees	Under the supervision of Claudio Cocca Thomas Geiger has been re-elected concordantly as Global chairperson for another two years. Fred Stroeken (The Netherlands) and Seres Baum (Brazil) were (re-) elected also concordantly as the Global Vice-chairpersons of the PG.	N/A
4.	Thomas Geiger	Next meetings of the PG are in Bangkok at the GGI Asian Regional Conference on December 14, 2012 and in Lisbon at the GGI European Conference on April 19, 2013.	N/A
5.	As no further request or decision was brought forward, the ARCPG-Chairman closed the Meeting.		

Dr. Thomas Geiger
December 17, 2012