

Press Release

Enhancing Audit Quality

The Sri Lanka Accounting and Auditing Standards Monitoring Board (SLAASMB) has been established under Act No. 15 of 1995 to monitor compliance with Sri Lanka Accounting Standards and Sri Lanka Auditing Standards by economically significant business enterprises and their auditors respectively.

While carrying out its functions, SLAASMB had identified the necessity to enhance the quality of auditing financial statements in Sri Lanka. The quality of audit is important to build the investor confidence in financial reporting by business enterprises which in turn is a main factor for the development of the capital market. Therefore, SLAASMB is moving towards enhancing the quality of the audits with the aim of aligning the monitoring mechanism to global standards.

Recognizing the importance of this need, the government had assisted SLAASMB by granting funds for capacity building of its stakeholders. In pursuing this objective, SLAASMB has arranged a series of sessions to be conducted on the Framework for Audit Quality developed by the International Auditing and Assurance Standards Board (IAASB) and on the new International Auditing Standard (ISA) 701 which deals with the auditor's responsibility to communicate key audit matters (KAM) in the auditor's report.

These sessions will be conducted by Mr. Jon Grant who has been active in setting international auditing and ethical standards for many years, as a member of the IAASB and as a Director of the Auditing Practices Board in UK. Mr. Grant has been leading many projects including the IAASB's Audit Quality Project and ISA Monitoring Project.

Since the audit quality is best achieved in an environment where there is support from, and appropriate interactions among participants in the financial reporting supply chain, separate sessions are designed targeting these participants namely auditors, members of audit committees and regulators of financial sector. The sessions will take the form of interactive discussions with special focus on the relevance of these developments in the audit environment to the respective group of participants.

The sessions are scheduled to be held from 25 November to 2 December 2016.