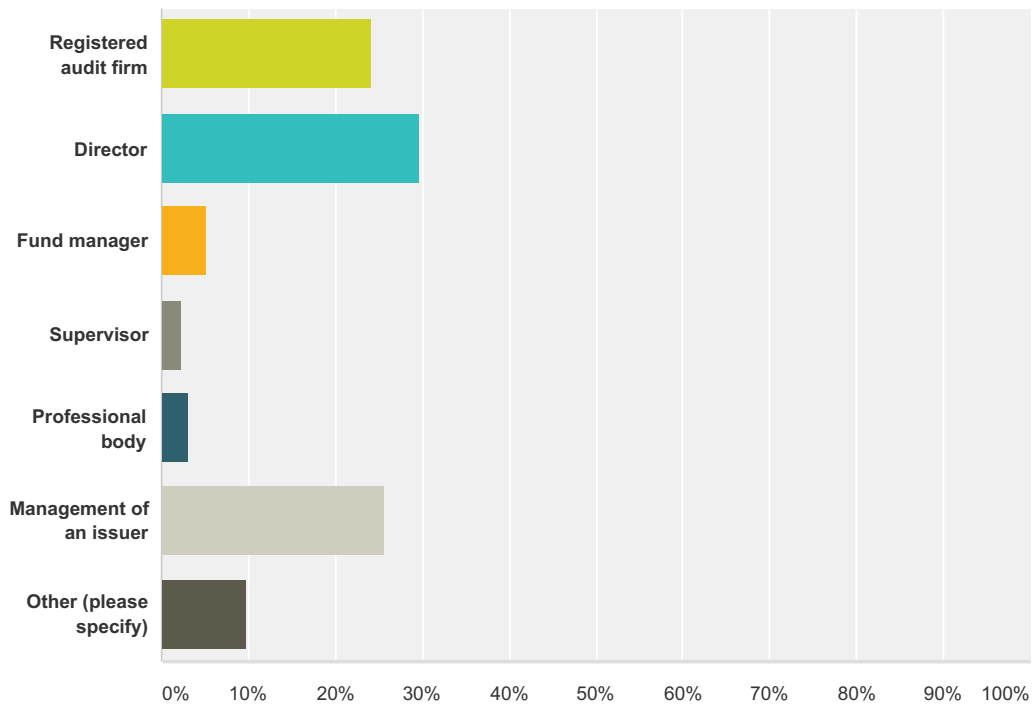


Q1 Which category best describes you or your organisation?

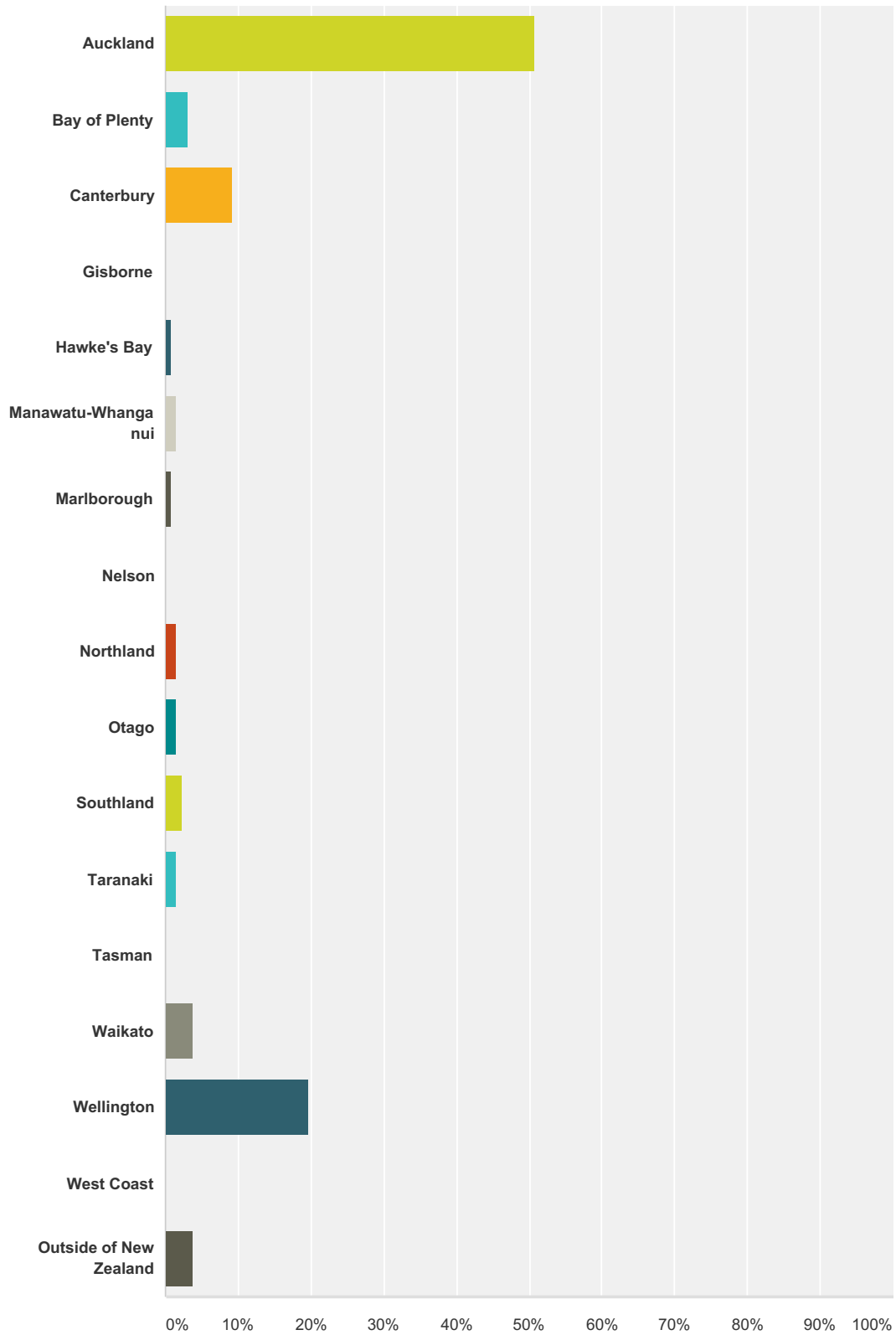
Answered: 132 Skipped: 0



Answer Choices	Responses	
Registered audit firm	24.24%	32
Director	29.55%	39
Fund manager	5.30%	7
Supervisor	2.27%	3
Professional body	3.03%	4
Management of an issuer	25.76%	34
Other (please specify)	9.85%	13
Total		132

Q2 What region do you operate from?

Answered: 132 Skipped: 0

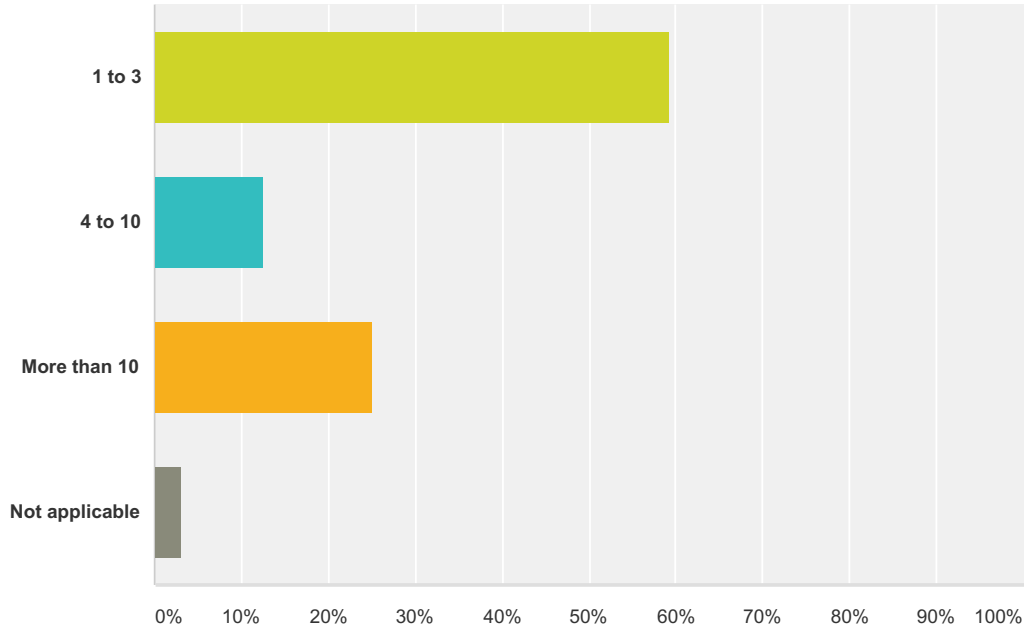


Auditor regulation survey 2015

Auckland	50.76%	67
Bay of Plenty	3.03%	4
Canterbury	9.09%	12
Gisborne	0.00%	0
Hawke's Bay	0.76%	1
Manawatu-Whanganui	1.52%	2
Marlborough	0.76%	1
Nelson	0.00%	0
Northland	1.52%	2
Otago	1.52%	2
Southland	2.27%	3
Taranaki	1.52%	2
Tasman	0.00%	0
Waikato	3.79%	5
Wellington	19.70%	26
West Coast	0.00%	0
Outside of New Zealand	3.79%	5
Total		132

Q3 If you are a registered audit firm, how many licensed auditors does your firm have?

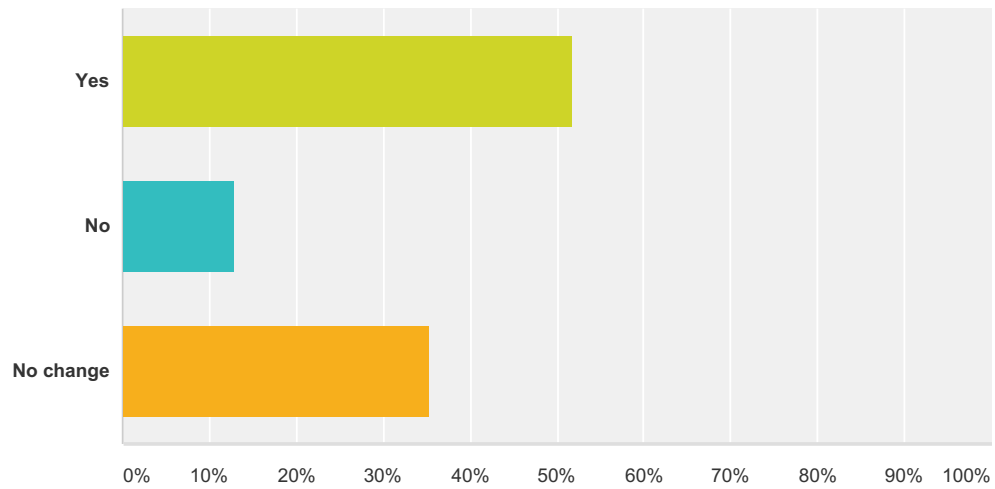
Answered: 32 Skipped: 100



Answer Choices	Responses
1 to 3	59.38% 19
4 to 10	12.50% 4
More than 10	25.00% 8
Not applicable	3.13% 1
Total	32

Q4 Do you think audit quality has improved since the introduction of the Act?

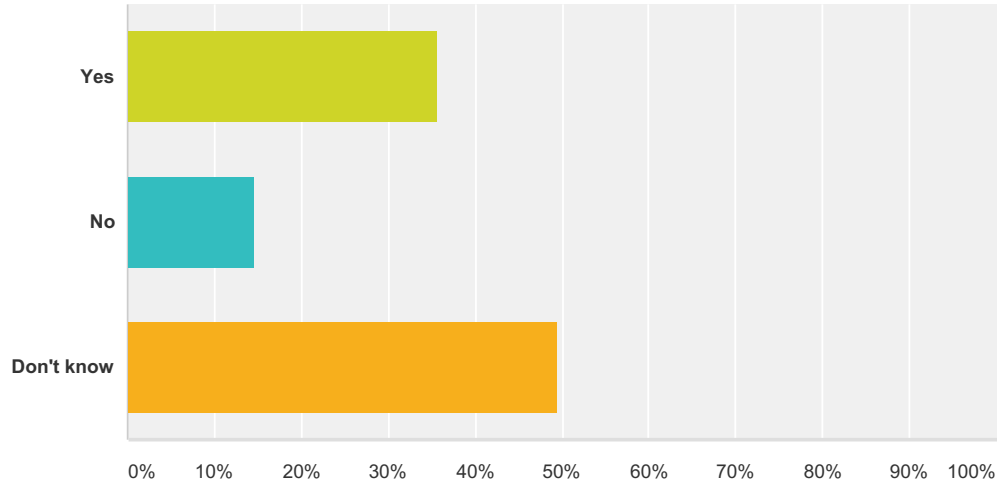
Answered: 108 Skipped: 24



Answer Choices	Responses	
Yes	51.85%	56
No	12.96%	14
No change	35.19%	38
Total		108

Q5 Do you think the NZ auditor oversight regime is of the same standard as regimes in other jurisdictions, such as Australia, USA, Canada, Japan and countries from the European Union?

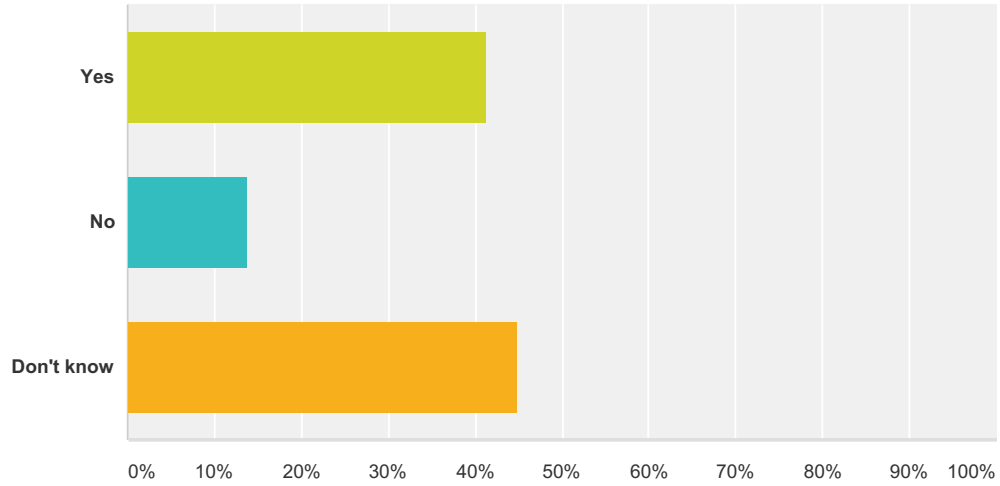
Answered: 109 Skipped: 23



Answer Choices	Responses
Yes	35.78% 39
No	14.68% 16
Don't know	49.54% 54
Total	109

Q6 Do you believe that NZ auditors are sufficiently recognised in other jurisdictions?

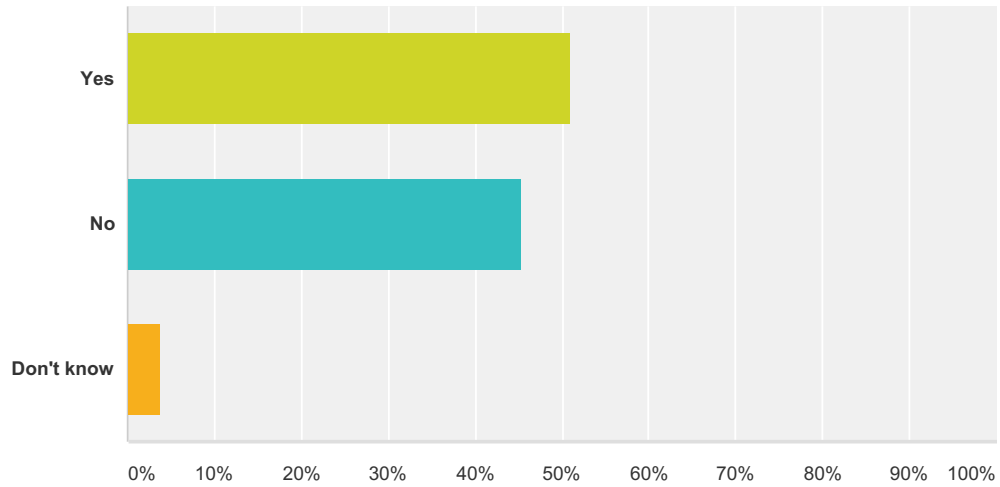
Answered: 109 Skipped: 23



Answer Choices	Responses
Yes	41.28% 45
No	13.76% 15
Don't know	44.95% 49
Total	109

Q7 Every year the FMA issues an Auditor Regulation and Oversight Plan that sets out areas of focus and it's monitoring approach for audit oversight. Did you read this report for the 3 years ending 30 June 2017?

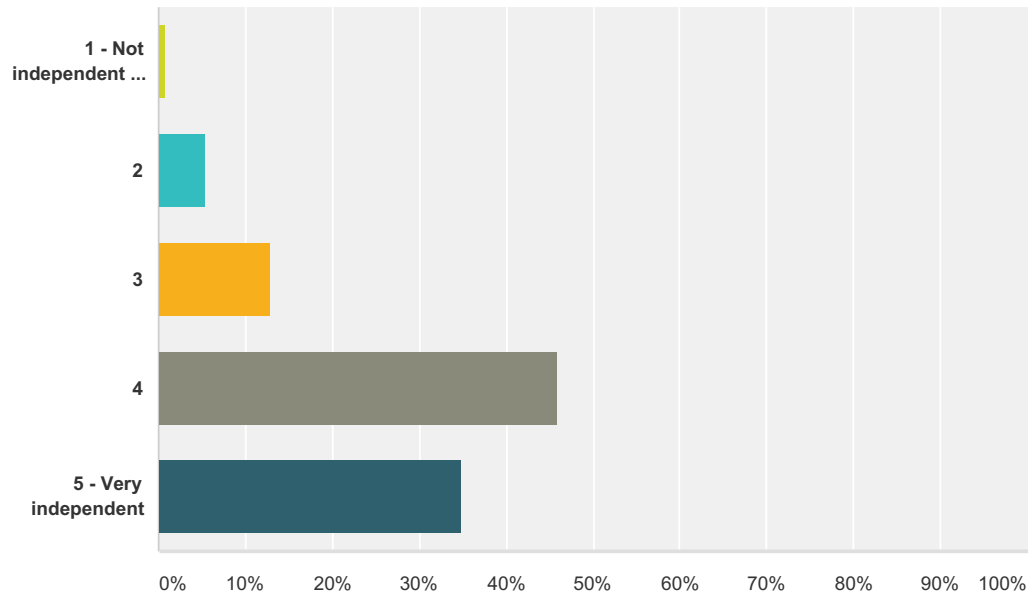
Answered: 108 Skipped: 24



Answer Choices	Responses
Yes	50.93% 55
No	45.37% 49
Don't know	3.70% 4
Total	108

Q8 Independence of auditors performing audits of issuers is a key component in performing quality audits. On a scale from 1 to 5, how independent do you perceive audit firms to be in New Zealand in relation to performing audits of FMC reporting entities?

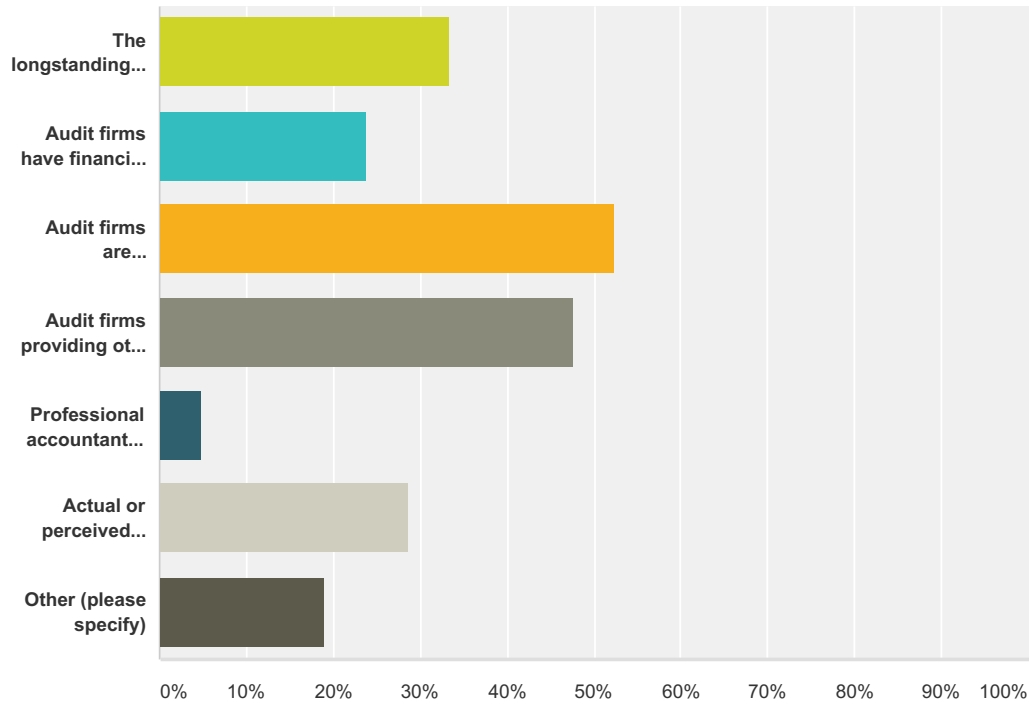
Answered: 109 Skipped: 23



Answer Choices	Responses
1 - Not independent at all	0.92% 1
2	5.50% 6
3	12.84% 14
4	45.87% 50
5 - Very independent	34.86% 38
Total	109

Q9 If your answer to question 8 is between 1-3, what 2 threats to independence do you believe affects the auditors' independence the most?

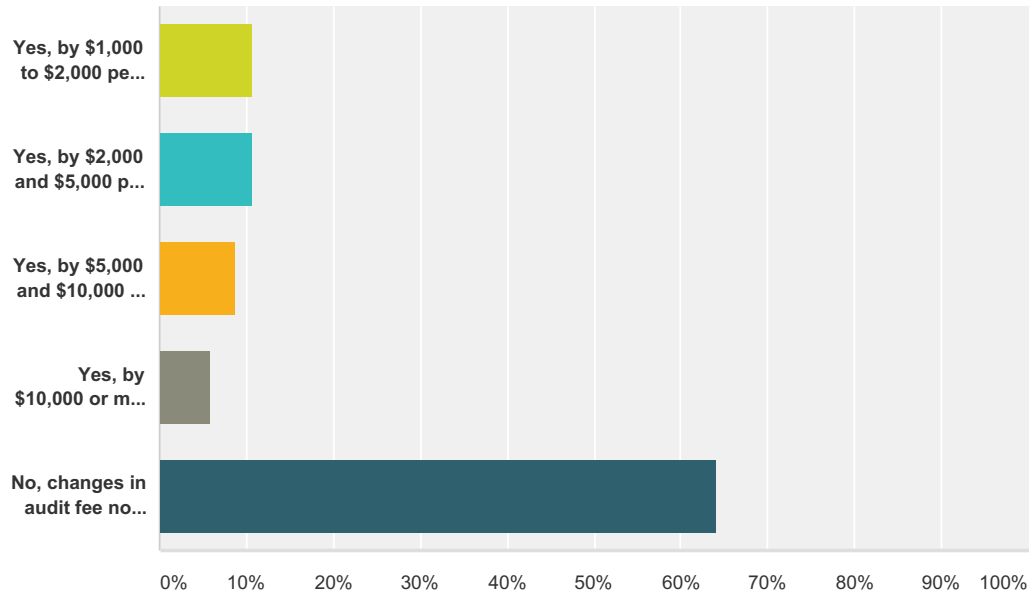
Answered: 21 Skipped: 111



Answer Choices	Responses
The longstanding or close relationship between the auditor and the FMC reporting entity.	33.33% 7
Audit firms have financial interest in the client.	23.81% 5
Audit firms are significantly depending on other non-audit fees provided to their audit clients that may impact their independence in the audit of financial statements.	52.38% 11
Audit firms providing other non-audit services that impact the accounting in the financial statements that are not appropriately evaluated by the auditor.	47.62% 10
Professional accountant promoting a client's or employer's position to the point that the accountant's objectivity is compromised.	4.76% 1
Actual or perceived pressures from the client or employer to act objectively.	28.57% 6
Other (please specify)	19.05% 4
Total Respondents: 21	

Q10 Have the additional costs of auditor oversight increased the total fees charged for the audit of financial statements of an FMC reporting entity by registered audit firms?

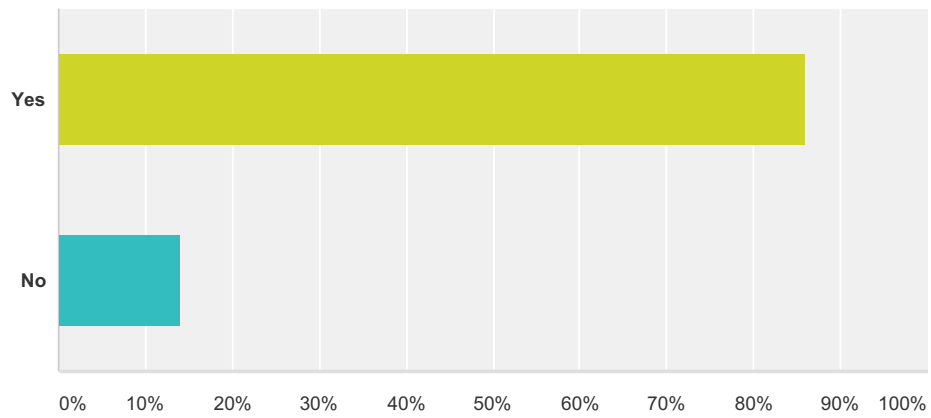
Answered: 103 Skipped: 29



Answer Choices	Responses	
Yes, by \$1,000 to \$2,000 per audit	10.68%	11
Yes, by \$2,000 and \$5,000 per audit	10.68%	11
Yes, by \$5,000 and \$10,000 per audit	8.74%	9
Yes, by \$10,000 or more per audit	5.83%	6
No, changes in audit fee noted due to additional costs	64.08%	66
Total		103

Q11 Are there sufficient licensed auditors available in your region?

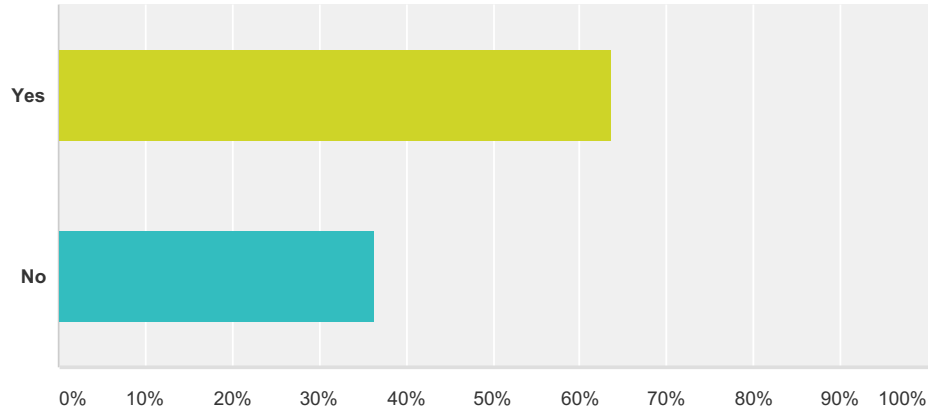
Answered: 107 Skipped: 25



Answer Choices	Responses	
Yes	85.98%	92
No	14.02%	15
Total		107

Q12 Did you read the FMA’s Audit Quality Review Report for the period 1 July 2013 to 30 June 2014?

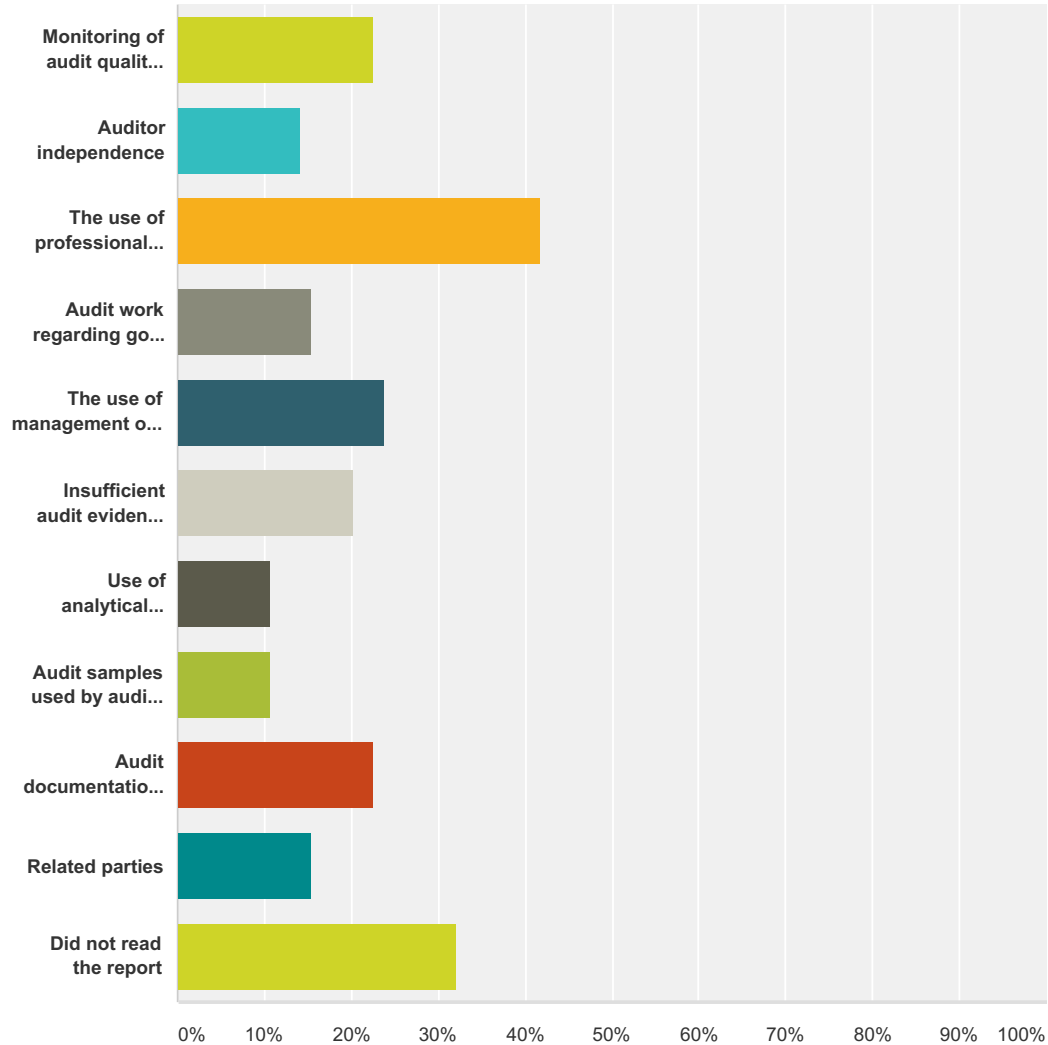
Answered: 88 Skipped: 44



Answer Choices	Responses
Yes	63.64% 56
No	36.36% 32
Total	88

Q13 What are the top 3 findings that concern you the most from the recent Audit Quality Review Report?

Answered: 84 Skipped: 48



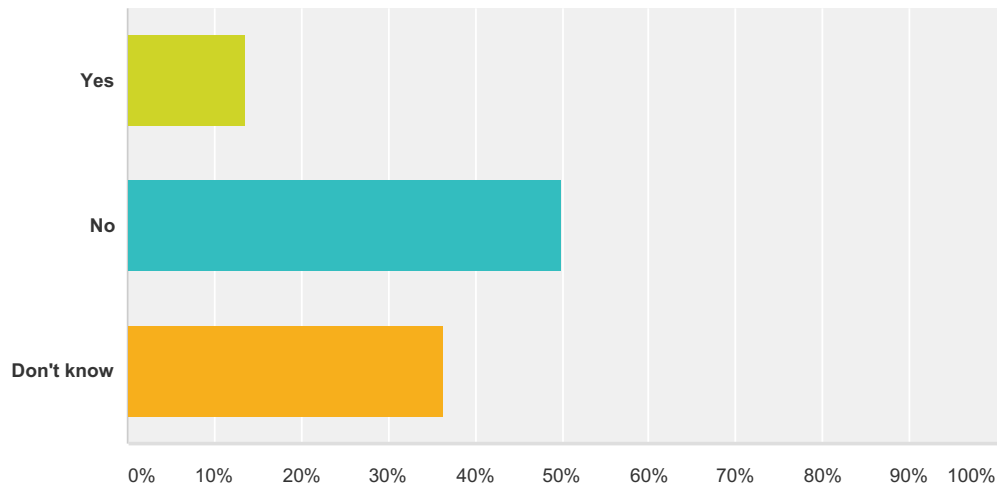
Answer Choices	Responses
Monitoring of audit quality within the registered firms	22.62% 19
Auditor independence	14.29% 12
The use of professional scepticism	41.67% 35
Audit work regarding going concern	15.48% 13
The use of management or auditor's experts	23.81% 20
Insufficient audit evidence for revenue recognition	20.24% 17
Use of analytical procedures	10.71% 9
Audit samples used by audit firms	10.71% 9

Auditor regulation survey 2015

Audit documentation and evidence when forming an opinion	22.62%	19
Related parties	15.48%	13
Did not read the report	32.14%	27
Total Respondents: 84		

Q14 Are you concerned that, based on the findings in the previous question, the audit quality in New Zealand is worse in comparison with other regulated jurisdictions such as Australia, UK, USA or members of the European Union?

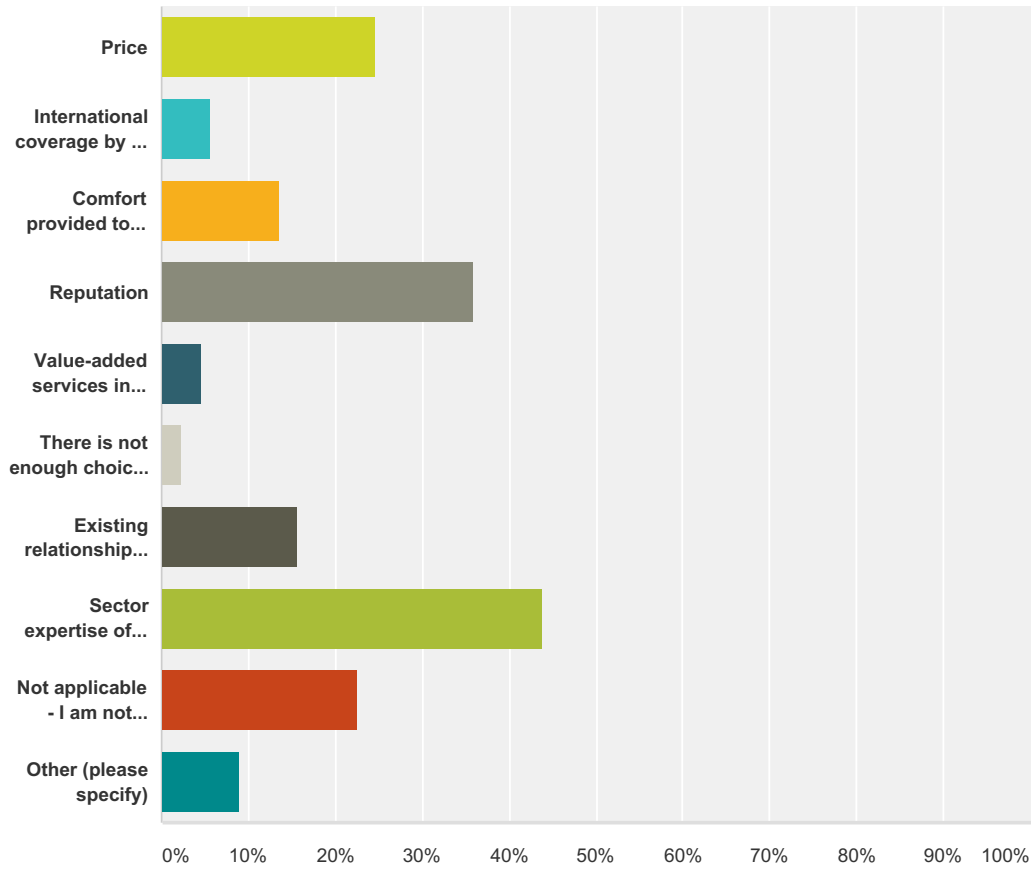
Answered: 88 Skipped: 44



Answer Choices	Responses
Yes	13.64% 12
No	50.00% 44
Don't know	36.36% 32
Total	88

Q15 What are the 2 most important components when you consider the appointment or reappointment of your auditor?

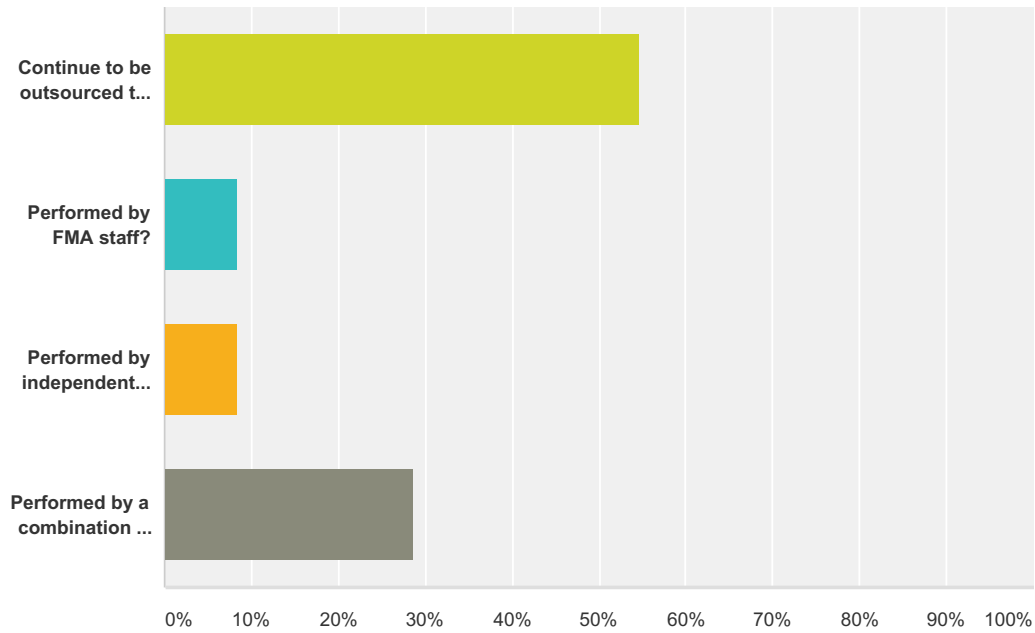
Answered: 89 Skipped: 43



Answer Choices	Responses
Price	24.72% 22
International coverage by the auditor	5.62% 5
Comfort provided to directors in instances of non-compliance with laws and regulations	13.48% 12
Reputation	35.96% 32
Value-added services in addition to the audit of financial statements	4.49% 4
There is not enough choice because there is insufficient competition	2.25% 2
Existing relationship with your current auditor	15.73% 14
Sector expertise of the industry that you are operating in	43.82% 39
Not applicable - I am not involved in appointing an Auditor	22.47% 20
Other (please specify)	8.99% 8
Total Respondents: 89	

Q16 Section 66 of the Auditor Regulation Act provides the option for the FMA to make arrangements for quality reviews to be carried out on its behalf. The FMA outsourced its quality review function at the beginning of the regime to NZICA (one of the two accredited bodies together with CPA Australia). Should audit quality reviews:

Answered: 84 Skipped: 48

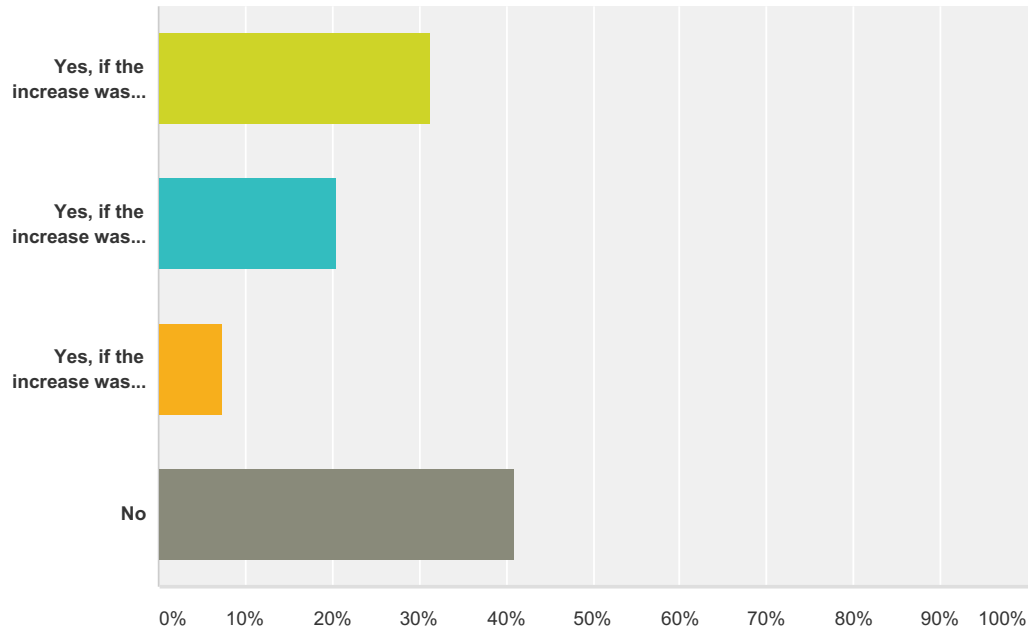


Answer Choices	Responses
Continue to be outsourced to either NZICA or CPA Australia?	54.76% 46
Performed by FMA staff?	8.33% 7
Performed by independent contractors to the FMA?	8.33% 7
Performed by a combination of FMA's staff and contractors?	28.57% 24
Total	84

Q17 Depending on your answer for the previous question, it may impact the total costs to be on-charged to the profession.

Would you answer the previous question differently if it resulted in an increase in costs for the profession?

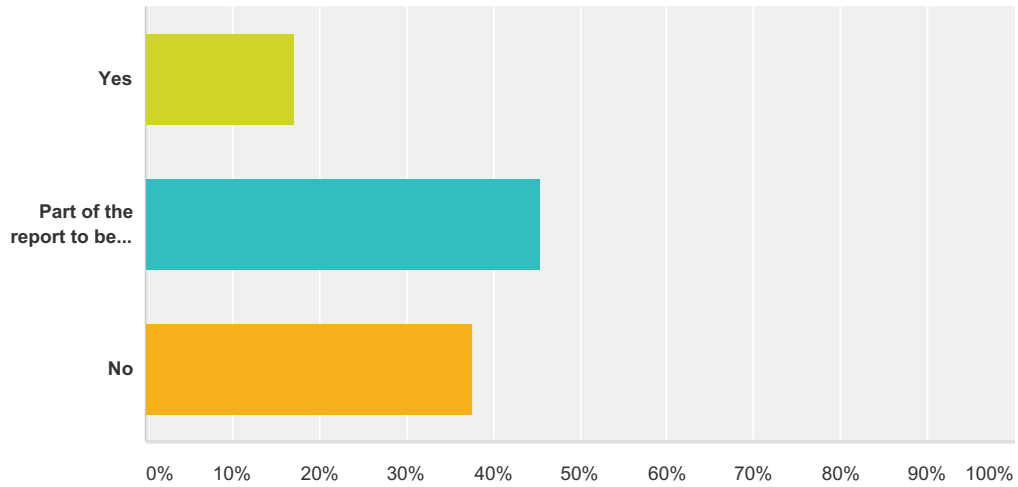
Answered: 83 Skipped: 49



Answer Choices	Responses
Yes, if the increase was > 5% < 10%	31.33% 26
Yes, if the increase was > 10% < 20%	20.48% 17
Yes, if the increase was > 20%	7.23% 6
No	40.96% 34
Total	83

**Q18 The monitoring reports of registered firms are currently not publicly available.
Do you think these reports should be publicly available?**

Answered: 88 Skipped: 44



Answer Choices	Responses
Yes	17.05% 15
Part of the report to be publically issued (similar to the UK)	45.45% 40
No	37.50% 33
Total	88