



MEDIA RELEASE:

DFSA Hosts Annual Audit Outreach

Dubai, UAE, 13 March 2017: The Dubai Financial Services Authority (DFSA) hosted its annual outreach event for Registered Auditors (RAs) last week, during which it shared the results of its annual audit inspection.

Mr Ian Johnston, Chief Executive of the DFSA, delivered the opening speech at the event. He highlighted the impact of technology on the audit industry, and encouraged greater use of data analytics to improve risk assessment.

Mr Johnston said: “Audit data analytic techniques can be used in audit planning and in procedures to identify and assess risk by analysing data. Although our assessment indicates that audit firms are still at an early stage with big data, we do note the use of technology on audit procedures such as bank confirmations, analytical procedures and journal-entry testing.”

Mr Johnston added that, internationally, audit regulators were watching technological developments in this area with great interest. He cited the work currently underway by the International Auditing and Assurance Standards Board (IAASB)’s Data Analytics Working Group. The group was established in 2015 to provide insights into the opportunities and challenges with the use of data analytics in the audit of financial statements.

“DFSA welcomes the work undertaken by the IAASB’s Data Analytics Working Group,” said Mr Johnston.



The DFSA also discussed the impact of the changes resulting from Consultation Paper 106 on *Regulation of Arranging, Representative Office Activities and Financial Promotions* and global enforcement trends in audit.

The event was targeted at the Managing Partners, Audit Principals, Money Laundering Reporting Officers and senior audit staff of RAs. Over 65 stakeholders attended the event.

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Editor's notes:

The Dubai Financial Services Authority (DFSA) is the independent regulator of financial services conducted in or from the Dubai International Financial Centre (DIFC), a purpose-built financial free-zone in Dubai. The DFSA's regulatory mandate covers asset management, banking and credit services, securities, collective investment funds, custody and trust services, commodities futures trading, Islamic finance, insurance, an international equities exchange and an international commodities derivatives exchange. In addition to regulating financial and ancillary services, the DFSA is responsible for supervising and enforcing Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) requirements applicable in the DIFC. The DFSA has also accepted a delegation of powers from the DIFC Registrar of Companies (RoC) to investigate the affairs of DIFC companies and partnerships.

Ian Johnston was appointed as Chief Executive of the DFSA in June 2012. Ian joined the DFSA in November 2006, as a Managing Director, to head the Policy and Legal Services Division.

Ian was admitted to practice Law in Australia in the early 1980s and has spent most of his career in the private sector. He held a number of senior positions within the financial sector and was CEO of one of Australia's major Trustee Companies. During that time, Ian played a leading role in the Trustee industry and served on the National Council of the Trustee Corporations Association.

In 1999, Ian joined the Australian Securities and Investments Commission where he held the position of Executive Director, Financial Services regulation, and spent several terms as an acting Commissioner. In 2005, Ian took up a position with the Hong Kong Securities and Futures Commission as a Special Advisor.

Ian is a past Chairman of the Joint Forum, which comprise representatives of the major international regulatory standard-setters (IOSCO, IAIS and the Basel Committee). In November 2013, he was elected to the Steering Group of IOSCO's Growth and Emerging Markets Committee. He is also a member of the Financial Stability and Technical Committee (FSTC) of the IAIS, the global standard-setting body for



insurance regulation, and was a member of the Board of Directors of the Financial Planning Standards Board (from Jan 2011 – Mar 2016).