

IFIAR Releases Report on 2025 Annual Survey of Audit Inspection Findings

April 1, 2026

2025 Annual Survey of Inspection Findings

The International Forum of Independent Audit Regulators (IFIAR) released today a report on the results of its fourteenth annual survey of inspection findings. These findings arise from its Member regulators' individual inspections of audit firms affiliated with the six largest global audit firm networks (the Global Public Policy Committee networks, or "GPPC networks")¹. As with prior years' surveys, IFIAR collected information about two categories of activities: inspections of firm-wide systems of quality control and inspections of individual audit engagements. IFIAR Members from fifty-two jurisdictions contributed to the 2025 survey.

IFIAR Members reported in the 2025 survey that 35% of audit engagements inspected had at least one finding, compared to 34% in the 2024 survey. The percentage of audits with findings has declined from 47% (since IFIAR began tracking this statistic in 2014) to 26% in 2022, before increasing each subsequent year and reaching 35% in 2025. The three-year rolling average has also increased, from 30% to 33%.

IFIAR urges the GPPC networks and their member firms to continue to work on measures to identify the underlying factors for inspection findings and to implement appropriate remedial measures to ensure sustained improvements in audit quality.

¹ Each of the GPPC networks is comprised of a group of legally separate firms operating locally in countries or regions around the world. The GPPC networks participate in the Global Public Policy Committee (GPPC), represented by the following entities: BDO International Limited, Deloitte Touche Tohmatsu Limited, Ernst & Young Global Limited, Grant Thornton International Limited, KPMG International Cooperative, and PricewaterhouseCoopers International Limited.

About the Survey

IFIAR's annual Inspection Findings Survey collects data on key results from IFIAR Members' inspections of audit firms' systems of quality control/management and audits of listed public interest entities (PIEs), including systemically important financial institutions (SIFIs). Inspection findings for PIE audits are deficiencies in audit procedures that indicate that the audit firm did not obtain sufficient appropriate audit evidence to support its opinion, but do not necessarily imply that those financial statements are also materially misstated.

IFIAR monitors general trends in survey findings over time, as individual year-over-year changes in aggregate results across our Members' inspections programs are not necessarily indicative of lasting changes in audit quality. Furthermore, the survey results are not the sole factor when considering firms' progress in improving audit quality. Members' inspection processes follow a risk-based methodology and are not necessarily intended to select a representative sample of all firms or of all their quality control/management elements or assurance work throughout the year.

While responsibility for improving audit quality rests with audit firms, IFIAR seeks to influence progress towards consistent, high-quality audits globally through various activities, including by advancing the regulatory oversight capabilities of its Members and by regularly engaging with and challenging the GPPC networks to achieve higher quality audits.

About IFIAR

Established in 2006, the International Forum of Independent Audit Regulators (IFIAR) comprises independent audit regulators from 56 jurisdictions representing Africa, North America, South America, Asia, Oceania, and Europe. Our mission is to serve the public interest, including investors, by enhancing audit oversight globally. IFIAR provides a platform for dialogue and information-sharing regarding audit quality matters and regulatory practices around the world; and promotes collaboration in regulatory activity. IFIAR's official observer organizations are the Basel Committee on Banking Supervision, the European Commission, the Financial Stability Board, the International Association of Insurance Supervisors, the International Organization of Securities Commissions, the Public Interest Oversight Board and the World Bank. For more information about IFIAR, visit www.ifiar.org.