

Audit Services

A changing profession

Auditing is an important business activity for Ernst & Young Switzerland. In order to maintain and expand our major market position in this business, the company has undergone what is actually a change of culture over the past two years.

In client acquisition, high-level technical expertise alone is not the winning proposition; the outstanding know-how of large auditing companies is taken for granted. Clients are increasingly tending to base their choices on interpersonal skills and quality of service. Our Passionate Client Service program, which we launched last year, has already produced tangible results. In addition, Ernst & Young's increased advisory services to top management will help to secure and expand our existing market share in Switzerland.

What clients expect from their auditors is all-round quality of service. They themselves are facing ever more complex business processes and legal requirements. In such a situation, clients want to know that they can rely completely on their auditor. They expect their auditor not only to point out errors, but also to correctly assess their situation and help them find solutions. Only auditors who take a clear stance and who are familiar with the industry and the competition are able to recognize weak points in time. "Staying close to our clients means, among other things, that not only do auditors work closely with the CFO and accounting departments, but also that they seek out contact with the Board of Directors, the Chairman and the CEO. Today's auditor should also be able to communicate competently with the highest level of management at a company," says Michael Riesen, member of the Management Committee and Managing Partner Audit Services, summarizing the way requirements have changed.

The integration of advisory services is another factor in the changing face of auditing at Ernst & Young. While auditors do have institutional status, this does not mean that special advisory services are prohibited provided that the audit independence can be maintained. For auditors, this provides a business opportunity among existing clients if the client is interested in a full service package which covers complex needs efficiently and cost-effectively.

The new requirement on auditors to confirm the existence of an Internal Control System (ICS), which has been in effect since January 1, 2008, has been discussed by Ernst & Young at a large number of client events, which were very well-attended. The requirements placed on the ICS and solutions and implementation concepts were discussed in practical terms and in detail directly with the clients. In addition, representatives of Ernst & Young have discussed aspects of the ICS with the relevant media. Overall, the impression was that the companies vary greatly in their implementation of the ICS. Some took up the topic right away, while others put it off for some time. Ernst & Young used the new ICS regulations as an opportunity to intensify the dialog with boards of directors and top management.

The Audit Oversight Act has changed the market environment by stipulating that certain threshold values or minimum amounts are decisive in determining whether - regardless of a company's legal form - the financial statements need to be subjected to a full audit, a limited examination or, indeed, no longer reviewed by an auditor at all.