

[REDACTED]
[REDACTED]
[REDACTED]

Prague, October 10, 2025

Ref. No.: 570/2025

Re:

Statement by the Chamber of Auditors of the Czech Republic on the request for information pursuant to Act No. 106/1999 Coll., on free access to information.

[REDACTED]

On September 11, 2025, the Chamber of Auditors of the Czech Republic (hereinafter also referred to as the "Chamber") received your letter marked "Request for Information [REDACTED] Quality Assurance Review" (hereinafter also referred to as the "Request").

The Chamber subsequently requested you to provide additional information regarding the public interest you mentioned in its letter ref. no. 553/2025. The Chamber received your additional information on September 29, 2025.

In your Request, you state, among other things:

"I acknowledge that:

- This request is made under Czech freedom of information legislation*
- I understand that certain information may be subject to confidentiality restrictions under professional secrecy obligations*
- I recognize that business secrets and commercially sensitive information may be protected from disclosure*
- I am aware that EU Directive 2006/43/EC contains provisions regarding professional secrecy in audit matters*

Alternative Request

If the above information cannot be disclosed in full due to confidentiality restrictions, I would appreciate:

- Any publicly available information regarding the firm's quality assurance status*
- General information about KACR's quality assurance review procedures and timelines*
- Confirmation of whether [REDACTED] is currently registered and in good standing with KACR"*

The Chamber confirms that Act No. 93/2009 Coll., on Auditors (hereinafter also referred to as "ZoA"), defines the duty of confidentiality for auditors and, to an even greater extent, for the Chamber, its employees, and other persons. This confidentiality is also reflected, for example, in the restriction on

access to the auditor's files, where the circle of authorized entities is clearly defined. It should also be noted that confidentiality in the field of auditing is also required under European legislation, including Directive 2006/43/EC, which you mention. It is precisely this confidentiality of auditors and the Chamber that is one of the fundamental pillars of clients' trust in the auditing activities carried out for them.

In your supplementary statement, you mention that some countries publish summaries of quality reviews. In this regard, it should be noted that the Czech legislature has not taken this approach and has not introduced such a regulation. It is therefore necessary to emphasize once again the duty of confidentiality defined above.

In your supplement, you also state that your request for information is driven by the desire to make informed decisions and the need to assess risks. As regards the possibility of verifying how a specific audit firm performs its activities and whether it seriously violates professional standards, the ZoA contains a provision on the disclosure of information on sanctions imposed.

If a measure is imposed on an auditor, whether a natural person or a legal entity, pursuant to Title III of the ZoA, this is published in the online auditor register in accordance with the requirements of the ZoA. This ensures that the public is fully informed of any misconduct by auditors. This provision reflects the special nature of auditing services, as no such disclosure obligation exists in other professions and areas.

Notwithstanding the above, the Chamber responds to your request in accordance with Act No. 106/1999 Coll., on free access to information, as amended (hereinafter also referred to as "Infz"), as follows:

1. Date of last quality review:

- *When was the last quality assurance review/inspection carried out* [REDACTED]

The last inspection at [REDACTED] took place in 2025.

- *What was the scope and duration of this review?*

It was a quality control inspection carried out in accordance with the ZoA and the Chamber's Supervisory Rules, the scope of which is specified directly by the ZoA, in Section 24(1). Furthermore, in accordance with the requirements of the ZoA, the quality audit of auditors verifies compliance with the obligations arising from Act No. 253/2008 Coll., on certain measures against the legalization of proceeds from crime and terrorist financing. Regarding the relevant legislation, the quality control is initiated by the delivery of a notice of the commencement of the quality control and is concluded at a meeting of the Supervisory Committee. In the case in question, therefore, it was a standard quality control in terms of both scope and duration.

2. Findings and results:

- *What were the main findings, recommendations, or shortcomings identified in the last quality assurance review?*

The quality control does not assess which findings are the most important. As mentioned above, if a serious breach of the audit firm's obligations were found and a measure were imposed on it, this would be published in the register in accordance with the ZoA. This did not happen in the case in question. No measures have been published for the company in question in the online register.

- *Were any corrective measures requested or recommended?*

If the Supervisory Commission finds certain shortcomings during a quality control review, it always obliges the auditors to remedy them through corrective measures.

- *What was the overall assessment/evaluation of the audit firm's quality control system?*

As mentioned above, if a serious breach of the audit firm's obligations had been found and measures had been imposed on it, this would have been published in the register in accordance with the ZoA. This did not happen in the case in question. No measures have been published for the company in question in the online register.

3. Follow-up measures:

- *Have any follow-up checks, or monitoring activities been carried out?*

Given that the company was audited this year, no follow-up quality control has yet been carried out.

- *Did the company address the identified shortcomings?*

This will be verified during the follow-up quality check.

4. Information on historical reviews:

- *Dates of all previous quality assurance reviews conducted in the last five years.*

The previous review of the company was conducted in 2022.

- *Summary of findings from previous reviews, if any*

The Supervisory Commission does not prepare summaries of findings from previous quality reviews.

Beyond this, the Chamber would like to inform you that [REDACTED] is a registered auditing company. This fact can always be verified in the online register of auditors and auditing companies at www.kacr.cz.

As for your question about whether the company has a good reputation with the Chamber, we are unable to answer this, as the Chamber does not keep any list or register based on whether an auditor or auditing company has a good reputation with the Chamber.

About your modified request as stated in the supplement dated September 29, 2025, the Chamber states that it does not keep statistical information on how these companies rank within the auditing firm sector.

Regarding the request to provide generalized categorizations of possible findings, the Chamber refers you to its answer to question no. 2 (see above).

Sincerely,

Ladislav Mejzlík

President of the Chamber of Auditors of the Czech Republic

