

## Turkey Amends Requirements and Limits for Independent Auditors from Start of 2019

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Turkey's Public Oversight, Accounting and Audit Standards Authority ("**Authority**") has amended rules and requirements for independent auditors from 1 January 2019. The changes apply to suspension criteria and limitations, as well as deadlines for auditors to deliver audit reports and notify the Authority about terminating audit agreements.

The Regulation Amending the Regulation on Independent Audit Standards ("**Amendment Regulation**") was published in Official Gazette number 30130 on 21 July 2017.

Under the changes, independent auditors who carry out audit activities under their own names are now referred to as "independent auditors who undertake independent audits" ("**Independent Auditors**").

The Amendment Regulation outlines the duties of Independent Auditors as:

- Meet requirements to act as a responsible auditor.
- Establish their own audit team, meeting minimum qualification and scope to carry out audit activities under their own names.
- Not to be partner, key executive or auditor in any audit firm or with any other Independent Auditor.
- Employ individual auditors on a fulltime basis and for a minimum reporting period.
- Have at least one different auditor who is authorized to sign on behalf of the Independent Auditors in their audit teams.
- Establish quality systems.
- Have organization, premises, technical equipment, document and recording systems to the extent the Authority deems necessary to efficiently perform audit activities.

## Suspension of Auditors

The Amendment Regulation also addresses various aspects of when an auditor could be suspended:

- Auditors whose official authorization is suspended will be shown in the Independent Audit Official Registry ("**Registry**") as inactive.
- Suspended auditors cannot engage in independent audit activity alongside parties who are not registered with the Registry.
- Auditors must complete continuing education obligations determined by the Authority on an annual and three-years basis. Failing to do so is now a basis for suspending of activities.
- Audit firms and auditors that are suspended due to investigations made by the Authority cannot execute new agreements and participate in audit activities during the suspension.

## Terminating audit agreements

The Authority's approval to terminate audit agreements is no longer required. It is now enough to notify the Authority within ten days after terminating an audit agreement.

## Deadlines for delivering audit reports

For audit activities performed in accordance with the Turkish Commercial Code, audit reports must now be:

- Delivered to executive organ of the audited enterprise twenty days before the ordinary general assembly meeting for the period the report relates to.
- Delivered by the end of third month after the relevant financial period ends.

Please see this [link](#) for full text of the Amendment Regulation (only available in Turkish)

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