

Paul Leder Quoted on Impact of U.S. and China Conflict on Auditing Profession in Financial Times

"Big Four Auditors Squeezed Between U.S. and China"

Financial Times

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Paul Leder, a former director of the U.S. Securities and Exchange Commission's (SEC) Office of International Affairs, was quoted in the Financial Times about some ways in which international accounting firms are being impacted by an impasse between the U.S. and China regarding auditor oversight. While at the SEC, Leder oversaw the agency's engagement with Chinese authorities on regulatory and enforcement issues, including those involving accounting firms. Due to Chinese laws and regulations, the U.S. audit oversight regulator, the Public Company Accounting Oversight Board, is unable to inspect the auditors of Chinese companies listed in the U.S. "This is not good for the entire auditing profession," Leder said. "As a result of the conflict between government authorities in the U.S. and China, auditors face the threat of enforcement actions in both the U.S. and China and the associated costs." Leder also noted that the standoff between the government authorities does not advance the interests of the international accounting firms, issuers, investors, or the markets.