



# **IMPLICATIONS FROM THE WIRECARD SCANDAL FOR THE GERMAN AUDIT OVERSIGHT**

---

A GRADUATION PRESENTATION

JANIK BRANDT  
JUNE 2023

HZ UNIVERSITY OF APPLIED SCIENCES





# T A B L E   O F   C O N T E N T

<i>01</i>	INTRODUCTION
<i>02</i>	RESEARCH QUESTION
<i>03</i>	KEY FINDINGS
<i>04</i>	RECOMMENDATIONS
<i>05</i>	PROFESSIONAL PRODUCT
<i>06</i>	SAFE
<i>07</i>	CONCLUSION



# INTRODUCTION

## OVERVIEW APAS

**APAS** = "Abschlussprüfer Aufsichts Stelle", the Audit Supervisory Authority

**Locations:** Berlin (HQ), Düsseldorf, Eschborn

**Employees:** 55 (Dez. 2022)

**Founded:** March 2016

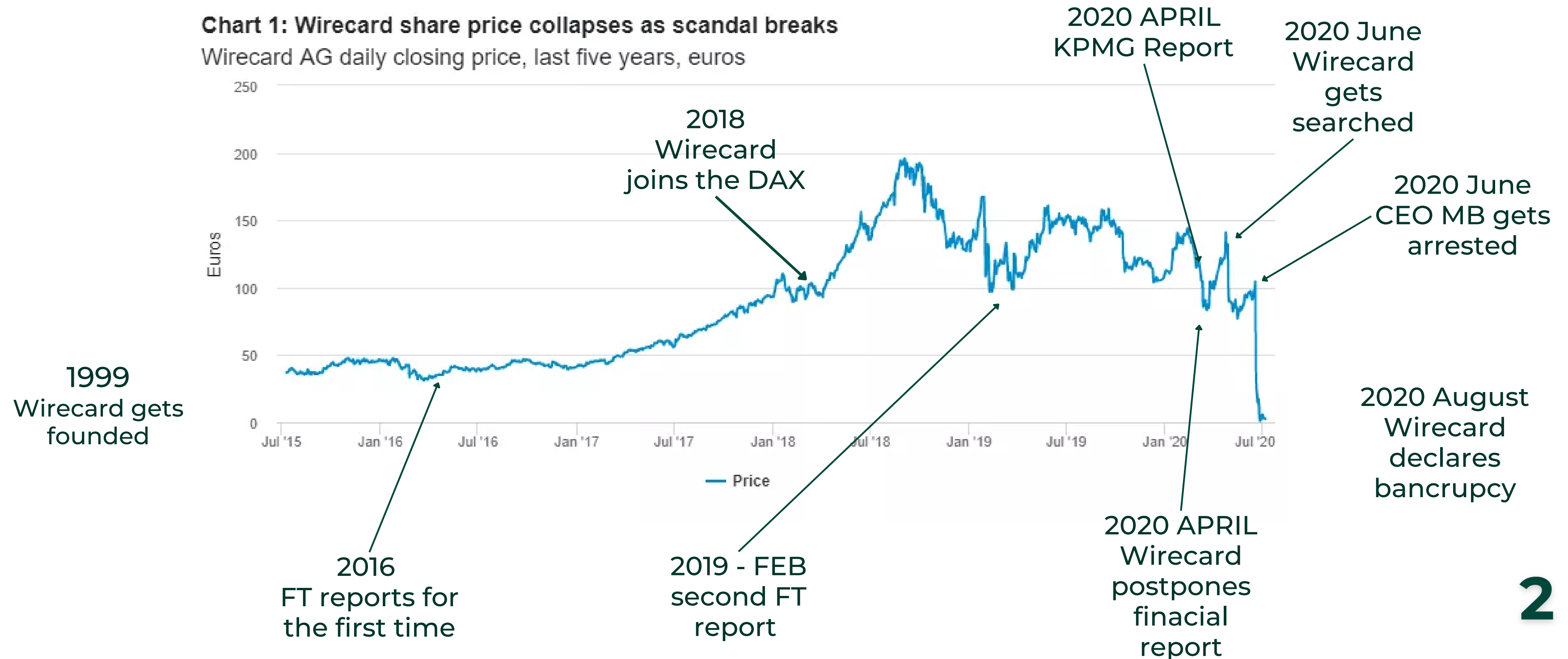
**Organizational Structure:** independent, autonomous, and integrated into the German Federal Office of Economics and Export Control (BAFA)

**Tasks:** organization, planning, and implementation of the inspections and the professional supervision procedures for Auditors

# INTRODUCTION

## Wirecard Case Timeline

**Chart 1: Wirecard share price collapses as scandal breaks**  
Wirecard AG daily closing price, last five years, euros



# RESEARCH QUESTION

What can be done to strengthen the controlling position of APAS in the German Audit industry?



How can APAS be compared to the US Public Company Accounting Oversight Board (PCAOB)?

SUB - N°1



What are the conclusions that can be drawn from the comparison?

SUB - N°2



What is the Wirecard scandal and how did it unfold?

SUB - N°3



Given the Wirecard scandal and its given possibilities, what are the implications for the German oversight authorities?

SUB - N°4



# KEY FINDINGS



APAS has a Shortage of skilled personnel



In terms of transparency, APAS lags behind in an international comparison



Strong Corporate Governance and accountability are key to preventing fraud



The new FISG act is considered among auditors as not effective

# RECOMMENDATIONS

## RESOURCES



- Combat the shortage of skilled personnel at APAS by making working at the APAS more attractive
  - remuneration
  - Create an attractive work environment
  - Create more positions for auditors

- Enhance Organizational Transparency
  - Strengthening Publication Practices
  - Improving Disclosures and Information Accessibility

## TRANSPARENCY





# RECOMMENDATIONS

## INTERNATIONAL



- study the best practices of other international oversight bodies
  - > Continue international harmonization
  - > Foster international Exchange of information

- regularly review and assess the effectiveness of oversight mechanisms and regulations
  - > Proactive adjustments to regulatory frameworks
  - > Consider feedback from auditors

## IMPROVEMENT





# PROFESSIONAL PRODUCT

## ORGANIZATIONAL TRANSPARENCY: KEY TAKEAWAYS

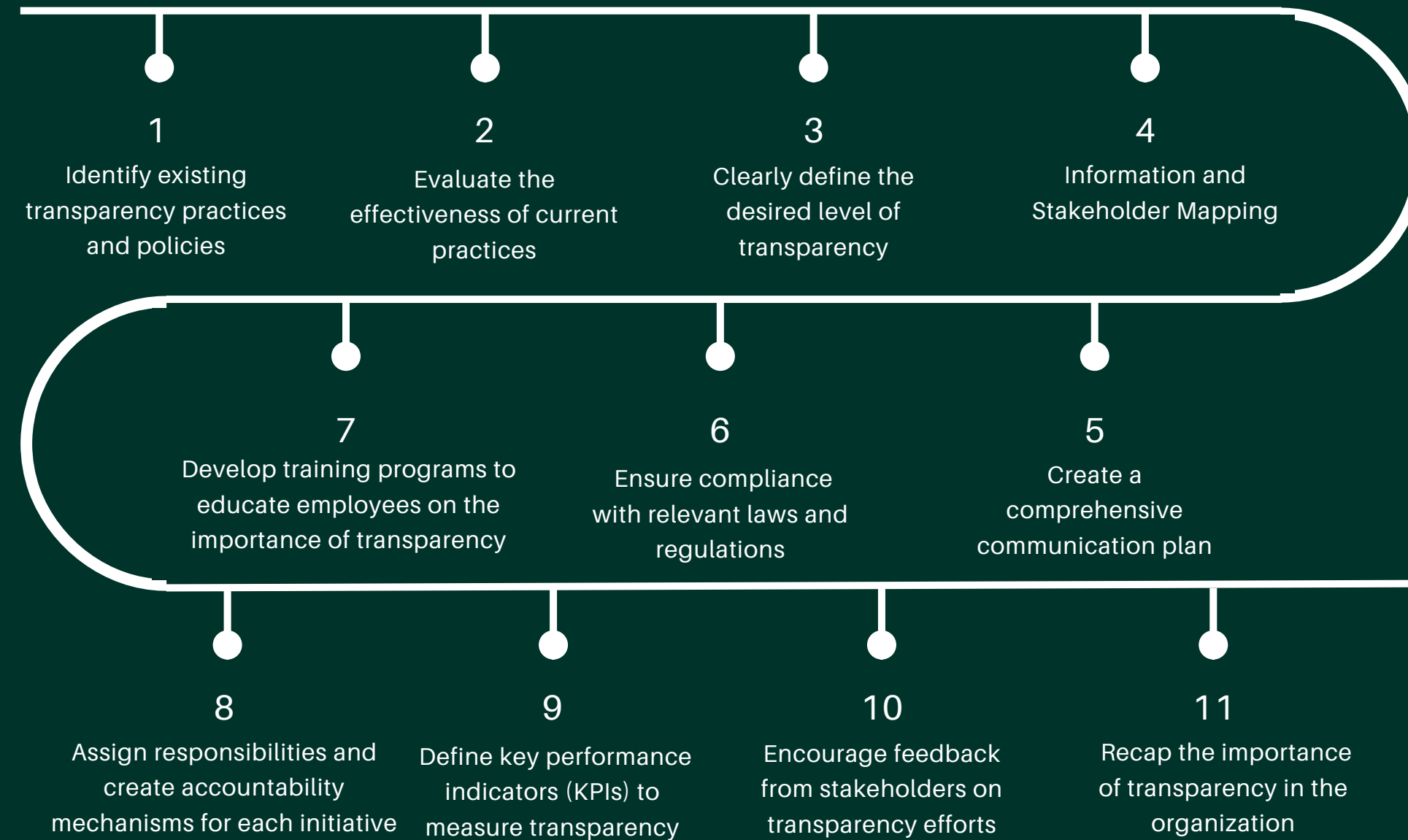
- A. Builds trust and credibility among stakeholders
- B. Promotes accountability and ethical conduct
- C. Facilitates effective communication with other stakeholders
- D. increases international Alignment

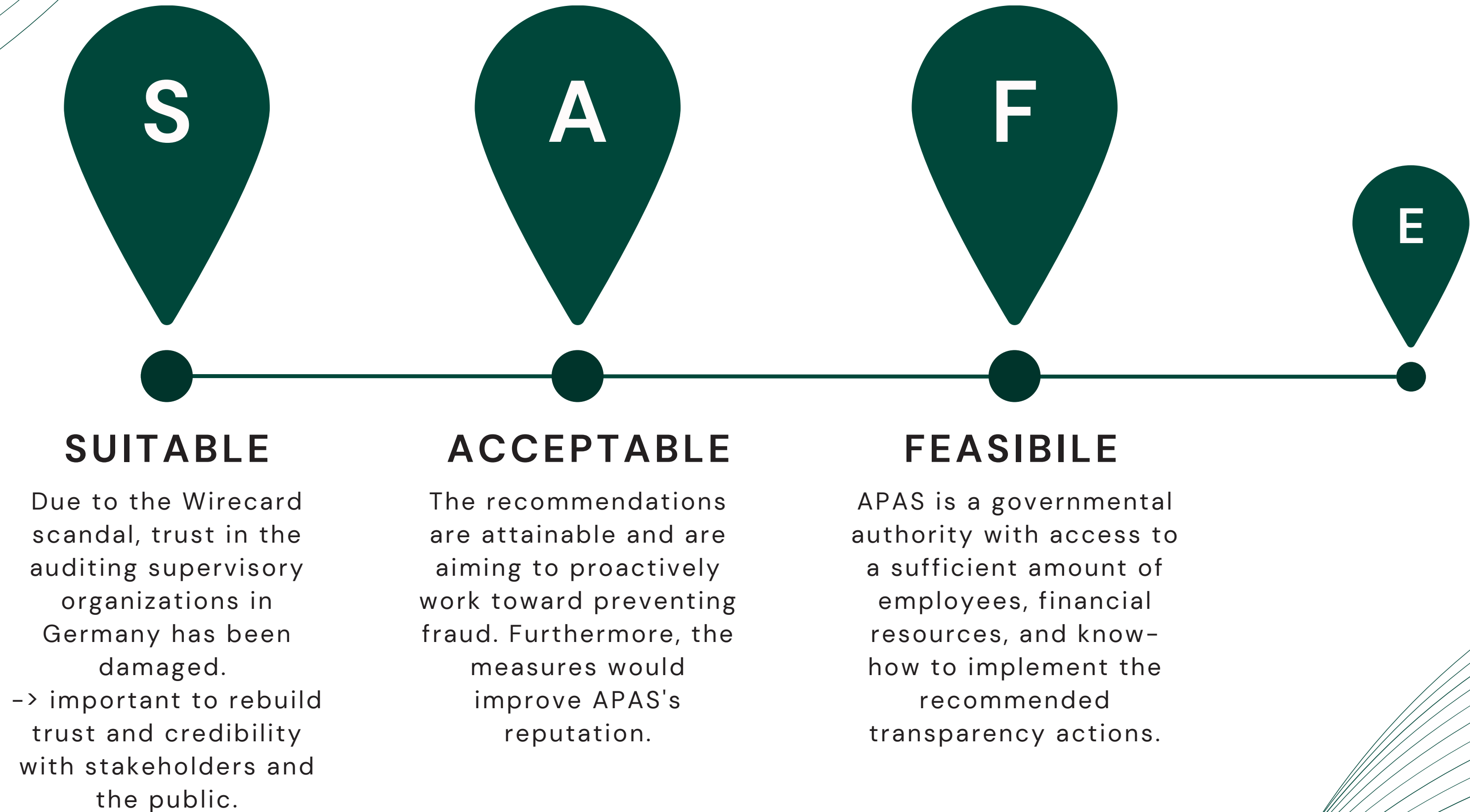
## HOW CAN THE APAS IMPROVE ITS ORGANIZATIONAL TRANSPARENCY?

JANIK BRANDT  
JUNE 28TH 2023

# PROFESSIONAL PRODUCT

## Implementation Plan for improved Organizational Transparency at APAS

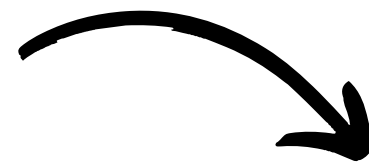




# CONCLUSION

effective  
Corporate  
Governance is  
key in preventing  
foul play

1



very difficult to  
rule out fraud or  
scandals like  
Wirecard, will  
likely happen  
again.  
-> improve  
reaction time

2



APAS can be  
strengthened  
through continuing  
efforts to make its  
oversight more  
effective and  
transparent  
-> looking abroad  
towards PCAOB

3



**THANK YOU FOR YOUR  
ATTENTION**

**... AND SO MUCH MORE.**

