

GOVERNMENT APPROVES REVISED RULES TO FACILITATE ACCOUNTING AND AUDIT REFORMS

The government approved the revisions to the Enforcement Decree of the Act on External Audit of Stock Companies during a cabinet meeting held on October 6. The revised rules will become effective on the day of promulgation.

KEY DETAILS

- (a) Remove regulatory redundancies to help relieve burdens for companies
- (b) Establish a two-thirds quorum rule for decision making by the standard audit hours deliberative committee to help reflect more balanced opinions from both the company and the auditor
- (c) Rephrase the provision that specifies the standards of companies that are subject to external audit to help companies better understand those standards

EXPECTATION

The government expects that these revisions will help relieve some of the regulatory burdens for stock companies and enable more balanced discussions between relevant stakeholders, which will help lay foundations for the beginning of the accounting and audit reforms.

#

For press inquiry, please contact Foreign Media Relations Team at fsc_media@korea.kr.