

## Audit Evolved

Financial statement audits have been a fundamental pillar of the capital markets, helping investors to make informed decisions and invest with confidence. But today, that's just part of the value an audit can provide.

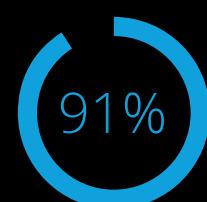
### Today's audits deliver valuable business insights

A recent survey of 300 C-suite executives and 100 audit committee members found that many in both groups agree that today's audits reveal things that their companies could be doing differently or better.

% of C-suite executives who agree



% of audit committee members who agree



### Audit insights linked to growth?

Companies that capitalize on information received from the audit all or most of the time are more likely to achieve growth they consider "good" or "great."

Companies that leverage audit information all or most of the time are 22% more likely to achieve growth their leaders consider "good."



Rate company's growth in the past 3-5 years as "good." "Good" defined as 7 or 8 on a 10-point scale.

Rate company's growth in the past 3-5 years as "great." "Great" defined as 9 or 10 on a 10-point scale.

Companies that leverage audit information all or most of the time

Companies that leverage audit information rarely or never

Companies that leverage audit information all or most of the time are 47% more likely to achieve growth their leaders consider "great."

Companies that leverage audit information all or most of the time are 47% more likely to achieve growth their leaders consider "great."



### Audits uncover valuable insights that might otherwise be missed

Forty-six percent of C-suite executives and 62 percent of audit committee members say audits identified information about market or industry insights, inefficiencies, or risks their companies would likely have missed.

|                   | C-suite executives | Audit committee members* |
|-------------------|--------------------|--------------------------|
| Very likely       | 5%                 | 13%                      |
| Somewhat likely   | 41%                | 49%                      |
| Somewhat unlikely | 40%                | 32%                      |
| Very unlikely     | 14%                | 6%                       |

\*Small base size; findings are directional.

### From obligation to opportunity

In addition to the audit's important role in identifying financial errors and internal control weaknesses, executives now view audits as opportunities to improve business performance.

C-suite executives

64% generally view a financial statement audit as an opportunity

36% generally view a financial statement audit as an obligation

Audit committee members

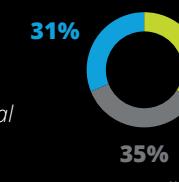
65% generally view a financial statement audit as an opportunity

35% generally view a financial statement audit as an obligation

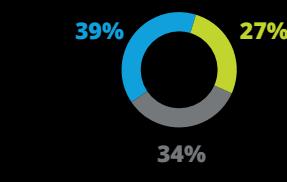
### Missed opportunities

Today's audits get high marks for quality and real-world impact, with the vast majority (80+ percent) of C-suite executives and audit committee members rating today's financial statement audits as "good," "very good," or "excellent" at providing insights that are innovative, reliable, and useful for improving company performance. However, only one-in-three companies regularly leverages the information they receive from audits.

C-suite executives



Audit committee members



Although the majority of C-suite executives and audit committee members believe audits should be used for more than providing an independent auditor's report on company financial statements, many are not confident that other leaders within their organizations share their view.

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The Deloitte Audit Value Survey was conducted by Wakefield Research between August and September 2016 among 300 CEOs and CFOs and 100 executives who serve on audit committees of corporate boards. The survey has a margin of error of 5.7 percent for CEOs and CFOs, and 9.8 percent for audit committee members at the 95 percent confidence level. The full report can be found at [www.deloitte.com/us/auditvalue](http://www.deloitte.com/us/auditvalue).