



CAS INTERNATIONAL NETWORK LTD
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International Auditing and Assurance Standards Board (IAASB)

529 5th Avenue
New York, New York
United State of America.

28th June 2019

Dear Sir,

RESPONSES TO EXPOSURE DRAFT ON ISQM 1, 2 AND ISA 220 (REVISED).

We refer to the above invitation for response toward the exposure draft, on behalf of the Audit & Assurance Committee for CAS International, are pleased to submit our responses as follows;

- a) Response Template – covering EM
- b) Response Template ISQM 1
- c) Response Template ISQM2
- d) Response to IAASB ED ISA 220.

We hope the responses are useful for the standard setting process and please do not hesitate to contact us if you require any clarification.

About CAS International

CAS International is a network comprises of accounting and consulting firms serving a wide range of clients globally. The network operation is supported by more than 700 partners and professional staff from local and overseas firms, International committees, task force and frequent meetings, and seminars, which in turn lead to consistent high standards. Website: www.casinternational.net

Thank you.

Yours faithfully,

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Mr. Chen Voon Hann
Chairman of Audit and Assurance Committee
CAS International

Response Template: Quality Management Covering Explanatory Memorandum

Note to Respondents:

- The questions below are from the covering explanatory memorandum of the IAASB's exposure drafts related to quality management, which is available at www.iaasb.org/quality-management. These questions address key issues pervasive to the three standards.
- Respondents are asked to respond separately to each of the exposure drafts and the overall explanatory memorandum.
- We request that comment letters do not include tables as they are incompatible with the software, we use to help analyze respondents' comments.

Overall Questions

- 1) **Do you support the approach and rationale for the proposed implementation period of approximately 18 months after the approval of the three standards by the Public Interest Oversight Board? If not, what is an appropriate implementation period?**

Response:

We support the proposed implementation timetable provided sufficient guidance materials are made available reference.

- 2) **In order to support implementation of the standards in accordance with the IAASB's proposed effective date, what implementation materials would be most helpful, in particular for SMPs?**

Response:

We appreciate the following implementation material to be made available for guidance:

- (i) More detail reference on Risk analysis/assessment.
- (ii) Guidance on Root Cause Analysis.
- (iii) Updated Quality Assurance Manual.

General Questions

In addition, the IAASB is also seeking comments on the general matters set out below for all three EDs:

- (a) **Developing Nations—Recognizing that many developing nations have adopted or are in the process of adopting the International Standards, the IAASB invites respondents from these nations to comment on the proposals, in particular, on any foreseeable difficulties in applying it in a developing nation environment.**

Response:

In addition to the responses mentioned in other sections, training workshop including workshop sharing of experience and engagement of experience Risk Assessment professionals are critical for the implementation support. We need to close the knowledge and experience gap.

- (b) Public Sector—The IAASB welcomes input from public sector auditors on how the proposed standards affect engagements in the public sector, particularly regarding whether there are potential concerns about the applicability of the proposals to the structure and governance arrangements of public sector auditors.**

Response:

No comment.

- (c) Translations—Recognizing that many respondents may intend to translate the final ISQMs and ISA for adoption in their own environments, the IAASB welcomes comment on potential translation issues respondents may note in reviewing the proposed standards.**

Response:

No comment at this moment.