

**International Auditing and Assurance Standards Board,
529 Fifth Avenue, 6th Floor,
New York, New York 10017,
USA**

20th May 2013

Dear Sir/Madam,

The Audit Practices Sub Committee of the Institute of Certified Public Accountants in Ireland is pleased to provide you with its comments on the consultation paper – A Framework for Audit Quality.

The Committee have welcomed the document and see it as useful for the formulation of debate and discussion around the role and responsibilities of the auditor and in particular saw the "Areas to Explore" listing as a useful tool for this.

In particular the committee welcomed the inclusion of the section regarding SMP audits and their unique challenges/elements.

They saw that the document could be useful to SMP firms when establishing/developing their quality control policies and procedures for audit.

A Framework for Audit Quality

1. Does the Framework cover all of the areas of audit quality that you would expect? If not, what else should be included?

The Framework does not include references to the following key components which are essential to the overall delivery of Audit Quality:

- a. Client acceptance procedures and in particular the conducting of appropriate due diligence prior to client acceptance
- b. Monitoring and inspection
- c. Importance of second partner review and consultation
- d. The firm adopting a risk management structure, to include a risk management policy and annual risk matrix.

- 2. Does the Framework reflect the appropriate balance in the responsibility for audit quality between the auditor (engagement team and firm), the entity (management and those charged with corporate governance), and other stakeholders? If not, which areas of the Framework should be revised and how?**

The committee would suggest more emphasis on the responsibilities of the entity. While ultimately quality audit rests with the audit firm there should however be an enhanced obligation on the entity to also approach the audit and the financial reporting requirement with a quality focus.

- 3. How do you intend to use the Framework? Are there changes that need to be made to the form or content of the Framework to maximise its value to you?**

The Code may be useful when developing continued education/development for auditors and for developing guidance/resources for auditors.

It may also be of use to audit firms when developing their own internal policies.

- 4. What are your views on the suggested Areas to Explore? Which, if any, should be given priority and by whom? Are there additional Areas to Explore?**

No other points to add

If you have any queries on any of these matters please contact us.

Yours faithfully,



Emer Kelly
Secretary – Audit Practices Sub Committee