



10 August 2020

**BOTSWANA INSTITUTE OF CHARTERED ACCOUNTANTS COMMENT LETTER TO PUBLIC CONSULTATION, *PROPOSED NON-AUTHORITATIVE GUIDANCE- EXTENDED EXTERNAL REPORTING (EER) ASSURANCE***

**Introduction**

The Botswana Institute of Chartered Accountants (“BICA”) is a statutory body established by Accountants Act, 2010 for the regulation of the accountancy profession in Botswana. The BICA mission is to protect public interest through promoting the accountancy profession, supporting accountants, facilitating quality professional accountancy services through the monitoring and regulation of professional accountants.

The Institute appreciates the opportunity to contribute towards IAASB’s Public Consultation on Proposed Non-Authoritative Guidance – Extended External Reporting Assurance. We provide our comments to specific questions requested.

Should you wish to have further engagements please do not hesitate to contact the undersigned.

Yours Faithfully

*Signed electronically*

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## RESPONSES TO SPECIFIC QUESTIONS

- 1. Does the draft Guidance adequately address the challenges for practitioners that have been identified as within the scope of the draft guidance? If not, where and how should it be improved to better serve the public interest in EER assurance engagements?***

Response:

The draft Guidance adequately addresses challenges identified by practitioners. In particular the guidance gives clarification to practitioners in dealing with qualitative information and assessing material misstatements in relation to entity prepared non-financial information.

Assurance of non-financial information in Botswana is not developed mainly because majority of companies do not report non-financial information. That notwithstanding there has recently been reforms to enhance non-financial information reporting in the country and this guidance will be of significant assistance to the practitioners.

- 2. Is the draft Guidance structured in a way that is easy for practitioners to understand and use in performing EER assurance engagements? If not, where and how should it be improved to better serve the public interest in EER assurance engagements?***

Response:

The draft Guidance is structured in a way that is easy for practitioners to understand and use during EER assurance engagements. We note additions comments as noted below:

- The Guidance makes reference to ISQC 1. Given that IAASB has a project to replace ISQC 1 with ISQM standards, we propose that ISQC 1 be replaced where used with ISQM or with a phrase “relevant quality control standard” to be accommodative of the development.

Maintaining ISQC 1 references may make the sections of the Guidance making this reference redundant once the new standard has been implemented.

- Chapter 3 of the draft Guidance paragraph 70 refers to the diagram as ‘below’ instead of ‘above’

- The table on pages 75 and page 76 is segregated into two, however is it not clear that the upper part of the table relates to as it is not labelled.
- Draft Guidance paragraph 264 (a) has a duplicate 'that have occurred'
- Draft Guidance paragraph 284 a(iii) last but one word should be corrected to read 'another'.
- Draft Guidance paragraph 373 list factors from the practitioner's conclusion which may create problems from the users' perspective. There is however no conclusion in this respect.

We propose that a concluding sentence be inserted at the end of all points referring to the fact that the report is prepared for a reasonable and informed party. As it stands it may appear that there is something wrong with the practitioner's report based on stated elements.