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**International Auditing and Assurance Standards Board
529 Fifth Avenue, 6th Floor
New York
E-mail: jamesgunn@iaasb.org**

Dear Sir,

COMMENTS ON CONSULTATION PAPER – A FRAMEWORK FOR AUDIT QUALITY

The Zambia Institute of Chartered Accountants welcomes the opportunity to comment on consultation paper – framework for audit quality; issued by the International Auditing and Assurance Board (IAASB), in January 2013.

We applaud the IAASB for undertaking a project to develop a Framework for Audit Quality that describes the input and output factors that contribute to audit quality at the engagement, audit firm and national levels. The Institute strongly believes that the quality of audits (meeting the needs of the financial statement users) would be enhanced by implementing the proposed Audit Framework.

The Institute deliberated the consultation paper and our responses to specific questions are as follows:

Question 1

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

Comment

Yes, we believe the proposed framework does cover all expected areas (inputs, outputs, interactions and contextual factors) of audit quality.

Question 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 governance), and other stakeholders? If not, which areas of the Framework should be revised and how?

Comment

The proposed Framework does reflect the appropriate balance in the responsibility for audit quality between the auditor, the entity and other stakeholders.

Question 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 maximize its value to you?

Comment

The Institute intends to use the Framework to enhance the audit quality by raising the level of awareness and understanding among stakeholders of the important elements of audit quality.

Question 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?

Comment

We are in support of suggested areas and we recommend that priority should be given to audit inspection activities. Further, we are of the view that inspection activities should be undertaken by regulators.

The Institute strongly believes that audit inspection activities would greatly improve the audit quality, for instance in our country (Zambia), there has been an improvement in audit quality due to the audit inspections which we have embarked on.

The Institute will be ready to respond to any matters arising from the above comments.

Yours faithfully

Modest Hamalabbi
Technical and Standards Manager