

International Auditing and Assurance Standards Board  
545 Fifth Avenue, 14<sup>th</sup> Floor,  
New York,  
USA

Nieuwegein, the Netherlands,  
24 July, 2017

Re: IAASB Exposure Draft April 2017 regarding proposed ISA 540

Dear Sirs,

SRA is pleased to provide you with its comments on the above ED. SRA is an association of some 370 SMP's in the Netherlands, which cooperates in a covenant on oversight with the Dutch oversight body, the AFM. The SMP's, which are a member of SRA have a market share of more than 50 % of the Dutch SME-market.

Our response to the specific comments questions is limited to questions 3 and 4, as these questions are particularly relevant to the audits of SME's.

We concur with the scalability, introduced in this proposed ISA, by making the choice to limit the required audit work as set out in par. 15a of ISA 540, if inherent risk is estimated to be low. The required (limited) audit work is adequate in those circumstances.

We acknowledge that the proposed ISA states that further work has to be carried out when inherent risk is not low and that this work is more extensive compared to the extant IS 540. In our view the requirements which are applicable in this situation are adequate and clearly described.

Yours sincerely,

Paul Dinkgreve,  
Chairman SRA