

THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
(INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA)

International Auditing and Assurance Standards Board

Exposure Draft

***Quality Management at the Firm and Engagement Level, including Engagement
Quality Reviews***

Questionnaire

The explanatory memorandums for each of the standards include questions about the key issues considered by the IAASB in developing the exposure drafts. The Questions below address key issues pervasive to the three standards. Comments will be most helpful if they include the reasons for any concern about the matters covered in the questions below.

Question 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?

MICPA's Comments:

To consider a longer implementation period of perhaps 24 months rather than the proposed 18 months because small-and medium-sized practitioners (SMPs) may require sufficient time to implement the proposed standards. This may be an important implementation factor since some of the requirements are relatively new and require a robust implementation process.

Question 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?

MICPA's Comments:

1. Practice Notes and Guidelines (similar to notes to ISQC1)
2. FAQs and illustrative documentation to assist SMPs in their implementation process.

Question 3

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

- (a) Developing Nations – Recognising 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.
- (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.

- (c) Translations – Recognising 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.

Do you support the material on the appropriate exercise of professional skepticism in managing quality at the engagement level? (See paragraph 7 and A27-A29 of ED-220)

MICPAs Comments:

Yes