



## ICPAK AUDIT QUALITY REVIEW

**Private and Confidential**

### PRE-REVIEW INFORMATION FORM

REVIEW CODE

In order to protect the anonymity of your practice you do not need to reveal the name of your practitioner who has completed this form.

1. Type of practice:-

#### **SOLE PRACTITIONER**

Full-time

No. of offices

Part-time

No. of Professional Staff

#### **PARTNERSHIP**

No. of partners

No. of Professional Staff

No. of offices

2. Do you have documented quality control procedures in respect of all engagements where the attest function is performed?

Y

N

3. Do you have an Internal Audit Quality Review Programme?

Y

N

Give a brief description thereof.

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4. Can the Audit Quality Review be conducted at your offices?  Y  N

5. Where are your offices situated (Physical location)?

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6. Rough estimate of annual hours spent performing attest function assignments (practitioner and staff) as a percentage of the firm's annual time.

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7. Client list is to be furnished in respect of all audit clients of the practice unit. This list should reflect at least the client's name, the practitioner responsible for the assignment, the type of industry in which the client operates, the fee, and the hours taken to perform the fieldwork and the date latest audit report was signed for each of the audit clients. Every client where the attest function is performed must appear on the list in order for the committee to make a selection from the entire population.

Type of industry in which each client operates must be provided in order for the Professional Standards Committee to engage a suitable reviewer.

Examples of types of industry are:

- Banking /Financial Services
- Construction
- Technology, Communications
- Engineering
- Insurance
- Manufacturing
- Mining
- Professional (e.g. Architects, lawyers, medical practitioners)
- Property
- Retail

**AUDIT CLIENTS LIST**

In order to protect the anonymity of your practice you do not need to reveal the name of your practice or the name of the practitioner who has completed this form. This table provides the Standard format for presenting information in respect of the firm’s clients. If the number of clients exceed what is provided for in the table the firm should adopt the same format in providing client information on an additional sheet(s) of paper.

No.	Name of Client	Industry	Practitioner responsible	Hours taken in fieldwork	Date the latest audit report was signed	Fees charged Kshs
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NB: Please attach a comprehensive client list if the space provided above is inadequate.

**INTERNAL QUALITY CONTROL QUESTIONNAIRE (2005)**

This questionnaire requires you to identify your firm’s policies and procedures in respect of audit quality control, as envisaged in ISQC 1 – Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. The Standard requires that such policies and procedures be documented and communicated to the firm’s personnel. Please identify in the box below the manuals, documents or databases that contain such policies and procedures (eg audit manual, quality control manual, risk management manual, human resources manual, staff handbook, etc)

In the table below please cross-reference each item to the relevant document or database identified above.

The references given in the column headed ISQC are to the relevant paragraphs of ISQC 1.

	<b>Identify, in the last two columns, the policies and procedures your firm has established:</b>	<b>ISQC</b>	<b>Manual/document (see above)</b>	<b>Relevant sections or paragraphs</b>
1	<b>LEADERSHIP RESPONSIBILITIES FOR QUALITY WITHIN THE FIRM</b>			
1.1	to promote an internal culture based on the recognition that quality is essential in performing engagements.	9		
2	<b>ETHICAL REQUIREMENTS</b>			
2.1	to provide it with reasonable assurance that the firm and its personnel comply with relevant ethical requirements	14		
3	<b>INDEPENDENCE</b>			
3.1	to provide it with reasonable assurance that the firm, its personnel and, where applicable, others subject to independence requirements, maintain independence where required by the IFAC code.	18		
3.2	to communicate its independence requirements to its personnel and others subject to independence requirements	18(a)		

	<b>Identify, in the last two columns, the policies and procedures your firm has established:</b>	<b>ISQC</b>	<b>Manual/document (see above)</b>	<b>Relevant sections or paragraphs</b>
3.3	for identifying and evaluating circumstances that create threats to independence, and for demonstrating that it has taken appropriate action to eliminate those threats or reduce them to an acceptable level	18(b)		
3.4	to provide it with reasonable assurance that it is notified of breaches of independence requirements, and that it has taken appropriate action to resolve such situations	20		
3.5	for obtaining, at least annually, written confirmation of compliance with its policies and procedures on independence from all firm personnel required to be independent by the IFAC Code	23		
3.6	regarding the rotation of senior personnel, including the engagement leader, on an audit engagement over a long period of time	25		
4	<b>ACCEPTANCE AND CONTINUANCE OF AUDIT ENGAGEMENTS</b>			
4.1	for recording its decisions to accept or continue an audit engagement	28		
5	<b>HUMAN RESOURCES</b>			
5.1	to provide it with reasonable assurance that it has sufficient personnel with the capabilities, competence, and commitment to ethical principles necessary to perform its engagements in accordance with professional standards and regulatory requirements, and to enable the firm or engagement partners to issue reports that are appropriate in the circumstances. Please identify these under the following headings: <ul style="list-style-type: none"> <li>▪ Recruitment</li> <li>▪ Performance evaluation</li> <li>▪ Professional education</li> <li>▪ Continuing professional development</li> <li>▪ Work experience</li> <li>▪ Coaching</li> <li>▪ Career development</li> <li>▪ Promotion</li> <li>▪ Compensation</li> <li>▪ The estimation of personnel needs (capacity)</li> </ul>	36 37 38		
6	<b>ASSIGNMENT OF ENGAGEMENT TEAMS</b>			

	<b>Identify, in the last two columns, the policies and procedures your firm has established:</b>	<b>ISQC</b>	<b>Manual/document (see above)</b>	<b>Relevant sections or paragraphs</b>
6.1	to provide it with reasonable assurance that: <ul style="list-style-type: none"> <li>▪ The identity and role of the engagement partner are communicated to key members of client management and those charge with governance</li> <li>▪ The engagement partner has the appropriate capabilities, competence, authority and time to perform the role</li> <li>▪ The responsibilities of the engagement partner are clearly defined and communicated to that partner</li> <li>▪ Appropriate staff are assigned with the necessary capabilities, competence and time to perform engagements in accordance with professional standards and regulatory requirements, and to enable the firm or engagement partners to issue reports that are appropriate</li> </ul>	42               44		
7	<b>ENGAGEMENT PERFORMANCE</b>			
7.1	to provide it with reasonable assurance that engagements are performed in accordance with professional standards and regulatory requirements, and that the firm or the engagement partner issue reports that are appropriate in the circumstances.  Specifically, identify the policies and procedures relating to: <ul style="list-style-type: none"> <li>▪ Briefing</li> <li>▪ Staff training</li> <li>▪ Coaching</li> <li>▪ Review and supervision</li> <li>▪ Documentation standards</li> <li>▪ Keeping up-to-date</li> </ul>	46		
8	<b>CONSULTATION</b>			
8.1	to provide it with reasonable assurance that: <ul style="list-style-type: none"> <li>▪ Appropriate consultation takes place on difficult or contentious matters</li> <li>▪ Sufficient resources are available to enable appropriate consultation to take place</li> <li>▪ The nature and scope of such consultations are documented</li> <li>▪ Conclusions resulting from consultations are documented and implemented</li> </ul>	51		

	<b>Identify, in the last two columns, the policies and procedures your firm has established:</b>	<b>ISQC</b>	<b>Manual/document (see above)</b>	<b>Relevant sections or paragraphs</b>
9	<b>DIFFERENCES OF OPINION</b>			
9.1	for dealing with differences of opinion within the engagement team, with those consulted and, where applicable, between the engagement partner and the engagement quality control reviewer	57		
10	<b>ENGAGEMENT QUALITY CONTROL REVIEW</b>			
10.1	requiring, for appropriate engagements, an engagement quality control review that provides an objective evaluation of the significant judgements made by the engagement team and the conclusions reached in formulating the report.	60		
10.2	setting out: <ul style="list-style-type: none"> <li>▪ The nature, timing, and extent of an engagement quality control review</li> <li>▪ Criteria for the eligibility of engagement quality control reviewers, and</li> <li>▪ Documentation requirements for an engagement quality control review</li> </ul>	63		
10.3	addressing the appointment of engagement quality control reviewers and establishing their eligibility	68		
10.4	On documentation of the engagement quality control review	73		
11	<b>MONITORING</b>			
11.1	to provide it with reasonable assurance that the policies and procedures relating to the system of quality control are relevant, adequate, operating effectively and complied with in practice?	74		
12	<b>COMPLAINTS AND ALLEGATIONS</b>			
12.1	to provide it with reasonable assurance that it deals appropriately with: <ul style="list-style-type: none"> <li>▪ Complaints and allegations that the work performed by the firm fails to comply with professional standards and regulatory requirements</li> <li>▪ Allegations of non-compliance with the firm's system of quality control</li> </ul>	89		



In addition, please provide the following information:

	Question	ISQC	Response
1	Identify the person assigned operational responsibility for the firm's quality control system.	9	
2	Please provide a CV of that person.	12	
3	Does your firm obtain, at least annually, written confirmation of compliance with its policies and procedures on independence from all personnel required to be independent by the IFAC Code (ISQC 1, paragraph 23)?	23	
4	Has a periodic inspection of a selection of completed engagements by partners or staff independent of the engagement teams been carried out within the last three years?	78	
5	If the answer to the question 4 is yes, please state: <ul style="list-style-type: none"> <li>• The date of the inspection</li> <li>• Was a report on the inspection produced?</li> <li>• Will that report be available for inspection by the Quality Reviewers?</li> </ul>		

**Completed by:**

**Name:** .....

**Registration Number:** .....

**Designation:** .....

**Signature:** .....

**Date:** .....