

THE INAA QUALITY STANDARD

Member firms of INAA should have clearly defined standards for conducting and maintaining quality controls in respect of audits, accounting, taxation, management and computer consultancy and all other services which member firms provide.

A Independence, Integrity, Objectivity and Confidentiality

A1 Firms should have procedures to safeguard independence, integrity, objectivity and confidentiality of partners and professional staff employed by the member firm concerning:

- | | |
|---|-----------|
| ◆ Investments that are not to be held in client companies | YES/NO/NA |
| ◆ Relationships that should not exist | YES/NO/NA |
| ◆ Transactions prohibited by firm's policy | YES/NO/NA |

COMMENTS

If you have written procedures dealing with the above, please provide an English language summary.

B Briefing New Staff

B1 The firm should provide an induction programme, related to the firm and its professional work, for newly employed personnel and temporary staff. YES/NO/NA

COMMENTS

If your program has been set out in writing, please provide an English language summary.

C General Working Standards

- C1 The member firms should issue written procedures regarding professional standards, the application of auditing and account principles and other relevant requirements. YES/NO/NA
- COMMENTS

D Training

- D1 Member firms should have procedures to cover:
- a) Identification of professional training requirements YES/NO/NA
 - b) On the job training and in-house courses YES/NO/NA
 - c) Attendance of partners and staff at external courses including monitoring such attendance YES/NO/NA

Please provide an English language summary of your procedures in this area.

E Reference Library

- E1 Member firms should have an adequate and up-to-date reference library. YES/NO/NA
- E2 Relevant information (for instance, publications of the professional auditing and accounting bodies) should be available to all professional staff on a timely basis. YES/NO/NA

F Allocating Staff to Assignments

- F1 Procedures should be in place laying down who is responsible to allocate staff to assignments and how and by whom time budgets are prepared. YES/NO/NA
- F2 There should be procedures to ensure that staff are competent to carry out their work, that responsibilities for each assignment are clearly defined and that budgets are adhered to. YES/NO/NA

If your firm has written procedures dealing with the above, please provide an English language summary.

G Work Programme

G1 Member firms should have procedures to ensure that written work programmes are used on all assignments and that such work is adequately reviewed and approved.

YES/NO/NA

COMMENTS

Please provide an English language summary.

H Audit Manual

H1 Member firms should have written guidance material covering its audit procedures including:

◆ Evaluation of internal controls

YES/NO/NA

◆ Correlation between evaluation of internal controls and substantive tests

YES/NO/NA

◆ Audit risk and materiality considerations

YES/NO/NA

◆ Audit sampling techniques

YES/NO/NA

◆ Form and content of working papers

YES/NO/NA

COMMENTS

If your firm has an audit manual or uses checklists, please provide an English language summary.

I Standardization

I1 Member firms should require the use of standard forms, checklists and questionnaires in carrying out their audit work. Please provide an English language summary.

YES/NO/NA

COMMENTS

J Working Papers

J1 Working papers should be filed in accordance with a standard table of contents. YES/NO/NA

J2 Current and permanent files should be adequately maintained for each audit assignment. YES/NO/NA

COMMENTS

K Reports

K1 There should be procedures to ensure that reports are produced in accordance with the standards of the member firms' professional accounting organizations and local legal requirements. YES/NO/NA

COMMENTS

L Supervision

L1 Procedures should be in place to ensure that:

◆ All work is performed in accordance with approved work programmes and that problem areas are reported to the supervisor on a timely basis YES/NO/NA

◆ Audit and tax completion checklists are used and properly signed off YES/NO/NA

◆ The firm has documented procedures for review of reports, financial statements and working papers YES/NO/NA

◆ Files and reports are where appropriate reviewed by a second partner who was not involved in the assignment YES/NO/NA

◆ The firm has established appropriate procedures to provide reasonable assurance that its own quality control policies and procedures are operating effectively YES/NO/NA

COMMENTS

M Response Times

M1 Member firms shall ensure that except in exceptional circumstances they adhere to the following response times to incoming telephone calls, faxes, e-mails or letters:

- ◆ Telephone call - end of working day or following day of receipt of the call
- ◆ Letter or Fax or e-mail - reply or an acknowledgment to be given within three working days. An acknowledgment should be given, together with advice as to when the reply will be provided. Except in exceptional circumstances, this should be within two weeks of the receipt of the original enquiry and if this is not possible, a reason should be given.

The above response times apply to responses to incoming telephone calls, letters, e-mails and faxes both from clients of other INAA members and from other INAA members themselves, both on client related matters and internal INAA matters. Members should ensure that adequate cover is provided in the event of absences from the office for holidays, sickness or any other reason. Members are required to notify the Secretariat of any periods of closure.

N Follow-up with Referring INAA Firm

Members are expected to keep a referring firm informed about clients referred to them. In this respect, referring firms should be advised of the nature and extent of referred business by the recipient firm. If the nature or extent of the engagement changes, the referring firm should be advised.

O English

English is the operating language of INAA. All members are expected to be able to communicate in English including providing translations of audit reports, financial statements, etc.

Our firm agrees to comply with the professional principles, response times and other matters set out above.

Signed: _____

Firm: _____

Date: _____