



ИНСТИТУТ
НА ОВЛАСТЕНИ РЕВИЗОРИ НА
РЕПУБЛИКА МАКЕДОНИЈА

Audit Quality

Montenegro, October, 2017



Institute of certified auditors of Republic of Macedonia (ICARM)

Focus on three main aspects regarding audit quality

- Quality review process – risk based
- Continuing professional development - based on quality review results
- Disciplinary process including sanctions – based on follow up results for implementation

Background

- ICARM has 208 certified auditors, 25 audit firms and 14 certified auditors - sole proprietors
- Quality review process established in 2009
 - National REPARS program
 - Technical assistance of French Institute
- Member of IFAC since 2013

Quality review process

ICARM conducts quality assurance inspections and set up quality review methodology under monitoring of Public oversight body (*POB*)

- Quality Control Committee within ICARM – 5 members, including two members as non practice professionals
 - Representative from *POB* dedicated as non voting participant on Committee meeting sessions
- Rulebook and quality review methodology – risk based approach
- Annual quality assurance inspection program - cyclical approach
 - Periodical status reports submitted to the *POB*
- Annual report on quality review results approved *POB* and published on ICARM web page

Main challenges

- Amendments in the Audit Law in 2014, effective from October 2017
 - Appointment of quality control reviewers
 - Publication of individual quality review reports with all findings and recommendations
- Audit tools and methodologies
- Strength the cooperation with regulators