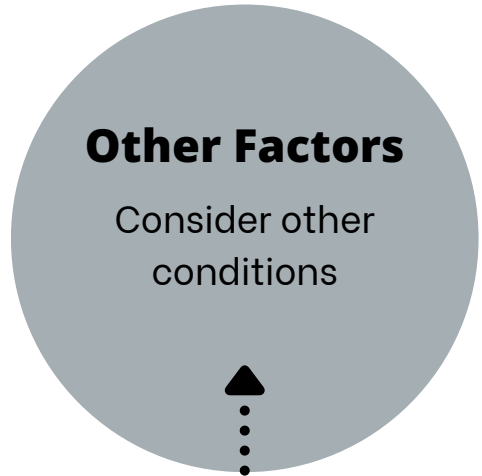


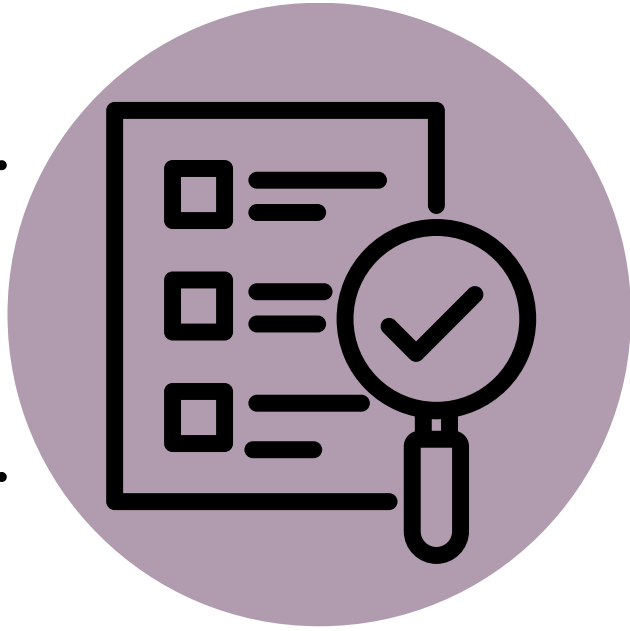
Consider the rules for the engagement letter.

Consider the audit fee.

Consider MOI / Companies Act requirements.



Pre-Engagement Activities



Consider if the financial reporting framework is acceptable in SA.

Management needs to agree in writing they accept responsibility for below.

1. Preparing fairly presented AFs.
2. Internal controls
3. Access to information,

Apply the CPC requirements to the audit firm, partner and engagement team.

Assess auditors competence and available resources.

Assess factors that can negatively affect auditors duties in the audit



Assess the integrity and ethics of the client.

Assess the reputation of the client and the impact on the audit firms reputation.

- Key factors:
- Attitude towards audit fee.
 - Attitude towards compliance.
 - Attitude towards internal controls