

Quality Objective (As per ISQM 1 or identified by firm)	Example risks identified	Assessment of risk (In the absence of controls)		Level of risk (L,M,H)	Detail of Example Response (where required)
		Possibility of occurrence (L,M,H)	Significance of effect (L,M,H)		
b) The culture of the firm recognizes and reinforces the responsibility of personnel to exchange information with the firm and with one another.	Risk 1 Staff feel that they would be seen as complaining when raising risks.			Low	Response As the level of this risk is assessed to be low, it does not require a response. It will however be prudent if the risk is reviewed and considered in the partners meeting at least every three months, to ensure that

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				<p>Medium</p> <p>you can and will respond to any changes in this regard.</p> <p>Management/partner(s) should ensure that staff understand the purpose of the risk management exercise and find ways to encourage participation.</p> <p>High:</p> <p><u>Over and above the responses above:</u> Develop a system for anonymous reporting of issues Or Create an incentive reward programme for the best risk identified for the quarter.</p>	
<p>c) Relevant and reliable information is exchanged throughout the firm and with engagement teams, including:</p> <p>(i) Information is communicated to personnel and engagement teams, and the nature, timing and extent of the information is sufficient to enable them to understand and carry out their responsibilities relating to performing activities within the system of quality management or engagements; and</p>	<p>Risk 1 Update to client acceptance and continuance evaluation is unclear resulting in new requirements not being adhered to.</p>			<p>Low</p> <p>Response As the level of this risk is assessed to be low, it does not require a response. It will however be prudent if the risk is reviewed and considered in the partners meeting at least every three months, to ensure that you can and will respond to any changes in this regard.</p>	

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		(ii) Personnel and engagement teams communicate information to the firm when performing activities within the system of quality management or engagements.	Risk 2 Deficiencies identified during an engagement in the firm's QM documentation is not communicated to the QM department.		

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				<p>Medium</p> <p>three months, to ensure that you can and will respond to any changes in this regard.</p> <p>Formal feedback to be incorporated in all training to facilitate QMS improvements that need to be actioned.</p> <p>High</p> <p><u>Over and above the responses above:</u> Firm issues bi-annual surveys regarding its QM documentation and any deficiencies therein.</p>	
<p>d) Relevant and reliable information is communicated to external parties, including:</p> <p>(i) Information is communicated by the firm to or within the firm's network or to service providers, if any, enabling the network or service providers to fulfill their responsibilities relating to the network requirements or network services or resources provided by them; and (Ref: Para. A113)</p> <p>(ii) Information is communicated externally when required by law, regulation or professional standards, or to support external parties' understanding of the system of quality management.</p>	<p>Risk 1</p> <p>Relevant and reliable information is not exchanged throughout the firm or within the firm's network or service providers and the sources used to communicate are not adequate.</p> <p>(This risk is more prevalent where there is a lack of communication within the firm or the firm's network, or personnel feel that they</p>			<p>Low</p> <p>Response</p> <p>As the level of this risk is assessed to be low, it does not require a response. It will however be prudent if the risk is reviewed and considered in the partners meeting at least every three months, to ensure that you can and will respond to any changes in this regard.</p> <p>Medium</p> <ul style="list-style-type: none"> Anonymous feedback is given annually through upward reviews. 	

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	may be reprimanded or victimised if they give honest feedback.)			High	<ul style="list-style-type: none"> • There is an opportunity to provide feedback and inputs anonymously on an ongoing basis using specific channels of communication. • There is top-to-bottom communication of the SOQM and the responsibilities of personnel during training or meetings at least annually. • The importance of communication is encouraged on a regular basis through e-mail reminders or as part of training sessions or meetings. • Different avenues of communication are utilised to enhance the culture of communication, for example verbal, written, formal, and informal communication. <p><u>Over and above the responses above:</u></p> <ul style="list-style-type: none"> • Send out surveys on a quarterly basis to parties

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	<p>Risk 2 Reportable irregularities are not identified and communicated.</p>			<p>Low</p> <p>Medium</p>	<p>external to the firm to obtain suggestions for additional or improved avenues of communication to ensure that relevant and reliable information is exchanged.</p> <p>Response As the level of this risk is assessed to be low, it does not require a response. It will however be prudent if the risk is reviewed and considered in the partners meeting at least every three months, to ensure that you can and will respond to any changes in this regard.</p> <ul style="list-style-type: none"> • A formal process is followed when a reportable irregularity is suspected or identified. • Relevant personnel are trained annually to understand what a reportable irregularity and the process is to be followed should it be identified or suspected.

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	<p>Risk 3 Policies and procedures are not in place to provide personnel with guidelines regarding communication within the firm and to external parties, when required.</p>			<p>High</p> <p>Low</p> <p>Medium</p> <p>High</p>	<p><u>Over and above the responses above:</u> Send out surveys on a quarterly basis to personnel to obtain suggestions for additional or improved methods to communicate reportable irregularities.</p> <p>Response As the level of this risk is assessed to be low, it does not require a response. It will however be prudent if the risk is reviewed and considered in the partners meeting at least every three months, to ensure that you can and will respond to any changes in this regard.</p> <p>Communication policies and procedures are designed and implemented, and the relevant personnel are trained on the policies and procedures on an annual basis.</p> <p><u>Over and above the responses above:</u> Send out surveys on a quarterly basis to personnel and parties external to the firm to obtain suggestions for improved or</p>

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