



Financial Supervisory Commission Republic of China (Taiwan)

In response to Covid-19, the FSC reminds auditors of their obligation on audit quality.

February 2020

Due to the impact of Covid-19, auditors may be restricted to travel to perform audit work, which might affect listed companies' obligation to file 2019 annual financial reports. The FSC reminds auditors of their obligation on audit quality.

For auditors who are restricted to travel to perform audit work so as not able to review documents, and count inventory, or who are unable to perform confirmation due to uncertainty of clients' return to work, the FSC has informed auditors of listed companies to consider possible alternative audit procedures. Auditors should design and perform alternative audit procedures based on clients' situation and result of risk assessment, and issue appropriate audit report accordingly.

To mitigate the impact of Covid-19 on audit work of auditors, the FSC has required audit firms to prepare epidemic prevention plans, including health management, travel control and infection reporting. If auditors are confirmed as infected or suspicious cases, audit firms should report to the FSC about the cases, responsive measures taken, and the effect on auditing and filing of financial statements. Further, the FSC reminds audit firms that auditors should avoid unnecessary business or non-business travel.