

Highlights of Auditing and Assurance Standards Committee Meeting on 5 August 2022

The Institute of Singapore Chartered Accountants (ISCA) Auditing and Assurance Standards Committee (AASC or Committee) held a committee meeting via Microsoft Teams on 5 August 2022. The following are highlights of the meeting:

1. AASC Strategy and Work Plan 2022 – 2024

The strategy and work plan were presented to and discussed by the Committee and would be submitted to ISCA Council for approval and circulated to the Public Accountants Oversight Committee (PAOC) for information.

On top of adopting the international standards issued by the International Auditing and Assurance Standards Board (IAASB) and responding to IAASB's exposure drafts, other key projects of the AASC include:

- Developing joint guidance with the ISCA Financial Reporting Committee (FRC) on financial reporting and auditing implications arising from climate-related considerations
- Developing audit bulletins on the following topical issues:
 - Implementation of quality management standards
 - Reliance on external confirmations
 - Effects of non-consolidation of subsidiaries on the auditor's report
- Engaging Accountant-General's Department / Grants Governance Office and government agencies on agency reporting templates

2. ISCA's Locally Developed Pronouncements

Audit Guidance Statement (AGS) 1 *Sample Independent Auditor's Reports* was revised with the following additions:

- Appendix 5B: Agreed-Upon Procedures (AUP) Report in connection with an example of an Economic Development Board Tax Incentive Scheme
- Appendix 5C: AUP Report in connection with the Enterprise Singapore Global Trader Programme

3. Conforming and Consequential Amendments to ISCA's Other Standards as a Result of the Quality Management Standards

The conforming and consequential amendments to the Singapore Standards on Review Engagements, Singapore Standards on Assurance Engagements and Singapore Standards on Related Services arising from the new and revised Quality Management Standards were issued on 29 June 2022.

4. Update of ISCA Pronouncements Arising from Revised Legislation Titles

The updated ISCA Pronouncements with the revised Act titles, arising from the universal revision of Singapore's Acts of Parliament, were issued on 18 July 2022.

5. Issuance of AGS 11 (Revised 2022) *Comfort Letters and Due Diligence Meetings*

AGS 11 (Revised 2022) was issued on 13 June 2022.

6. Guidance on Climate-Related Considerations on Financial Reporting and Auditing

In view of the wide-ranging implications arising from Environmental, Social, and Governance (ESG) considerations, the AASC and FRC formed a joint ESG working group (AASC-FRC ESG WG) to support the profession in dealing with implications relating to financial reporting and auditing in Singapore. The AASC-FRC ESG WG would be issuing a technical bulletin on financial reporting and auditing implications arising from climate-related considerations in due course.

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