Highlights of Auditing and Assurance Standards Committee Meeting on 30 October 2017

The Institute of Singapore Chartered Accountants (ISCA) Auditing and Assurance Standards Committee (AASC or Committee) met on 30 October 2017. The following are highlights of the meeting:

1.   Auditor Reporting

Study on First Year Implementation of Enhanced Auditor's Reports (EARs) in Singapore (Study)

The findings from the Study were released at the Singapore Accountancy and Audit Convention on 3 October 2017, which was attended by over 1,100 accountants, auditors and business leaders. Mr Goh Kia Hong represented Nanyang Technological University (NTU) and ISCA to share the key findings, together with a representative from the Association of Chartered Certified Accountants (ACCA). ACRA, ACCA, ISCA and NTU also issued a joint press statement on the same day.

Post Implementation Review of the New and Revised Auditor Reporting Standards

The Committee adopted a two-phase approach for the post implementation review exercise of the new and revised auditor reporting standards in Singapore.

A focus group for auditors would be held on 5 December 2017 to provide a platform for auditors to share implementation issues and to suggest the guidance and support they require. The Committee would then explore how best to respond to the concerns, which might potentially result in an update to the Committee's FAQ publication.

The Committee shared views on the usefulness of a best practice guide on tailored key audit matters for auditors and suggested the contents that such a best practice guide could cover.

FAQs

The Committee noted that the FAQ publication was targeted to be issued in early November, after ISCA Council's approval.

The Committee discussed the following implementation issues identified:

(a)   Change of Wordings to "Auditor's Responsibilities for the Audit of the Financial Statements" Section when Financial Statements are Prepared on a Basis other than Going Concern

(b)   Scope of Other Information: Sustainability Report

The discussions and decisions reached by the Committee on implementation issues arising from the new and revised auditor reporting standards would be added to the FAQ publication to provide continuous guidance to the audit profession.

2.   Review of ISCA's Locally Developed Pronouncements

The Committee is in the process of updating Appendix 5 of AGS 1.

3.   Supporting Education and Promoting Audit Quality

The Committee noted that the areas highlighted as common findings in the ACRA's Practice Monitoring Programme (PMP) – 11th Public Report 2017 were covered in the upcoming ISCA CPE courses.

4.   Guidance on Cybersecurity Risks Considerations in a Financial Statements Audit

The Committee noted that ISCA would be developing a guidance for financial statements auditors on cybersecurity risks considerations and provided suggestions on how the proposed contents of the guidance could be further enhanced.