

5 September 2024

ISCA Audit Bulletin 5

AB 5:
Reporting on Grants and Incentive
Schemes – Considerations for Government
Agencies

About the Institute of Singapore Chartered Accountants

The Institute of Singapore Chartered Accountants (ISCA) is the national accountancy body of Singapore with over 36,000 ISCA members making their stride in businesses across industries in Singapore and around the world. ISCA members can be found in over 40 countries and members based out of Singapore are supported through 12 overseas chapters in 10 countries.

Established in 1963, ISCA is an advocate of the interests of the profession. Complementing its global mindset with Asian insights, ISCA leverages its regional expertise, knowledge, and networks with diverse stakeholders to contribute towards the advancement of the accountancy profession. Its Academy designs and develops professional development courses and programmes that equip accountancy and finance professionals on developing themes in business and specialisation areas such as sustainability reporting, financial forensics and corporate governance topics for directors.

ISCA administers the Singapore Chartered Accountant Qualification programme and is the Designated Entity to confer the Chartered Accountant of Singapore – CA (Singapore) – designation.

ISCA is a member of Chartered Accountants Worldwide, a global family that brings together the members of leading institutes to create a community of over 1.8 million Chartered Accountants and students in more than 190 countries.

For more information, visit www.isca.org.sg.

About ISCA's Professional Standards Division

As the national accountancy body, ISCA is committed to supporting our members in their careers. ISCA's Professional Standards Division provides technical support to members in the areas of audit and assurance, financial reporting, sustainability and climate change, ethics, and specialised industries such as capital markets, banking and finance and insurance. The Division also communicates insights and views to our members and the wider accountancy community. Through our technical committees that comprise representatives from various stakeholders in the corporate reporting eco-system, we hear issues from the ground and conceive initiatives to promote best practices and consistency to uphold technical excellence.

About ISCA's Auditing and Assurance Standards Committee

ISCA's Auditing and Assurance Standards Committee (AASC) comprises practitioner members with significant experience in the field of auditing and assurance, and public members from regulatory bodies, academia and the business sector.

AASC's terms of reference include the development of high-quality auditing and assurance standards; monitoring policy and implementation issues relating to the development of auditing and assurance standards internationally and in Singapore and giving consideration to the need for guidance; and raising public awareness and understanding of the standard setting process and the standards.

The terms of reference are executed through AASC with the support of three Sub-Committees, namely the Core Sub-Committee, the AGS 1 Sub-Committee and the Data Analytics Sub-Committee.

Contents

1. Background	3
2. Scope of this Audit Bulletin	3
3. Overview of Commonly Used Reporting Frameworks	3
4. Frequently Asked Questions	9
4.1 What are some scenarios where an assurance engagement cannot be carried out?	
4.2 If we require an assurance report, how should we choose between reasonable and limited assurance?	
4.3 What is the value of an AUP engagement if it does not provide any assurance to the grantor?	
4.4 In describing the procedures in an AUP engagement, what are wordings or terms that are considered clear or unclear?	
4.5 Is it necessary to impose independence requirements on AUP engagements, although it is not required by SSRS 4400 (Revised)?	
4.6 Is it necessary for the practitioner to report all findings in an AUP engagement as the grantor only requires the reporting of exceptions for purposes of the incentive?	
4.7 Can we have an overall conclusion at the end of the AUP report?	
Appendix: Questions for the Grantor to Consider	14

1. Background

To support economic and social activities in Singapore, government bodies and agencies (“grantors”) provide financial support to businesses and social enterprises through numerous grants and incentive schemes. Recipients of such financial support (“grantees”) may be required to submit a report from an independent auditor (referred to as “practitioner” in this document) in connection with the grant or incentive as part of the grantor’s process in evaluating the grantee’s compliance with the terms and conditions of the grant or incentive.

Reports issued by practitioners using standards that are aligned with internationally recognised standards, such as [ISCA’s pronouncements](#), enhance the quality of such engagements and instil confidence amongst users.

Audit Guidance Statement (AGS) 1¹ issued by ISCA contains a compilation of commonly used sample independent auditor’s reports. Grantors can refer to AGS 1 for reference on the format and contents of the different types of reports mentioned in this audit bulletin.

2. Scope of this Audit Bulletin

This Audit Bulletin (AB) provides an overview of the differences among the frameworks commonly used by practitioners in grant or incentive reporting, as well as considerations for grantors when determining the appropriate framework to meet their specific needs. The AB also includes frequently asked questions and questions for the grantor to consider in determining the type of framework to apply (see Appendix).

While this AB provides considerations for government agencies, practitioners may also find the information useful. Readers are reminded that reading this bulletin does not replace reading the standards referred to within the bulletin.

3. Overview of Commonly Used Reporting Frameworks

The possible frameworks that may be used by independent practitioners are Singapore Standards on Auditing (SSAs), Singapore Standards on Assurance Engagements (SSAEs) and Singapore Standards on Related Services (SSRSs).

As the terms and conditions of grants or incentives typically contain non-financial subject matter, an engagement in connection with grant or incentive reporting may be structured as:

- An assurance engagement conducted in accordance with SSAE 3000 (Revised)²; or
- An agreed-upon procedures (AUP) engagement conducted in accordance with SSRS 4400 (Revised)³.

The table below summarises the differences among the types of engagements performed under SSAE 3000 (Revised) and SSRS 4400 (Revised):

¹ AGS 1, *Sample Independent Auditor’s Reports* [\[Link\]](#)

² SSAE 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*

³ SSRS 4400 (Revised), *Agreed-Upon Procedures Engagements*.

	Assurance engagement in accordance with SSAE 3000 (Revised)		AUP engagement in accordance with SSRS 4400 (Revised)
	Reasonable assurance	Limited assurance	
Level of assurance	Higher	Lower	No assurance
Type of conclusion	Expressed in a positive form	Expressed in a negative form	No conclusion provided. Findings from performing the procedures are reported.
Pre-requisite	Preconditions need to be met (see Section 3.1)	Preconditions need to be met (see Section 3.1)	Practitioner agrees procedures upfront with engaging party and intended users ⁴ and obtain acknowledgement that the procedures are appropriate for the purpose of the engagement (Section 3.2)
Nature of work performed	Procedures to obtain sufficient appropriate evidence, including substantive procedures (such as test of details and analytical procedures) and tests of controls (if the practitioner intends to place reliance on controls) to support the assurance conclusion (See Section 3.1)	Limited procedures, primarily inquiries and analytical review (Section 3.1)	Performance of agreed procedures (Section 3.2)

It may be possible for an audit engagement to be performed in accordance with SSA 805 (Revised)⁵ if the subject matter pertains to historical financial information⁶ only. For this type of engagement, the practitioner provides an audit opinion that the financial information has been prepared, in all material respects, in accordance with a stipulated basis of preparation, provided that such basis is deemed suitable for the purpose of the engagement. For example, it may be possible to perform an audit of a statement of cash receipts and disbursements prepared in accordance with a cash receipts and disbursements basis of accounting.

As the nature of engagements performed under the various frameworks are very different in nature, in describing the reporting requirements, grantors should be careful of the terminologies used in order to avoid confusion. For example, terminologies such as “examination report”, “certification” or “audit work” do not accurately describe an AUP engagement.

⁴ Procedures may be agreed with intended users in addition to the engaging party when they are different parties. For example, when the grantee is the engaging party and the intended user is the grantor.

⁵ SSA 805 (Revised), *Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement*

⁶ Historical financial information is defined as information expressed in financial terms in relation to a particular entity, derived primarily from that entity’s accounting system, about economic events occurring in past time periods or about economic conditions or circumstances at points in time in the past.

What is an assurance engagement?

An assurance engagement is an engagement in which a practitioner expresses a conclusion designed to enhance the degree of confidence of the intended users about the outcome of the evaluation or measurement of a subject matter against criteria⁷.

Examples where an assurance engagement can be performed:

- To provide assurance that a statement of accounts (subject matter information) submitted by a grantee has been prepared in accordance with the basis of preparation required by a grant scheme (evaluation criteria), or
- To provide assurance on the grantee's statement of compliance which describes the compliance with the terms and conditions of the grant scheme (subject matter information) based on measurable key performance indicators prescribed by the grantor (evaluation criteria).

There are two types of assurance engagements: a **reasonable assurance** engagement and a **limited assurance** engagement.

Reasonable assurance engagement – The objective of a reasonable assurance engagement is a reduction in engagement risk to an acceptably low level in the circumstances of the engagement as the basis for a positive form of expression of the practitioner's conclusion. This means that a high level of assurance can be achieved (in the form of reasonable assurance but not absolute assurance).

Examples of positive form of conclusion:

- In our opinion, the [grantee's] Statement of Accounts has been prepared, in all material respects, in accordance with the [basis of preparation].
- In our opinion, the [grantee] has complied, in all material respects, with the [terms and conditions of the grant scheme].

Reasonable assurance is sought in situations where the repercussions or costs associated with non-compliance are high and the benefits of obtaining a higher level of assurance outweigh the costs.

Limited assurance engagement – The objective of a limited assurance engagement is a reduction in engagement risk to a level that is acceptable in the circumstances of the engagement, but where that risk is greater than for a reasonable assurance engagement, as the basis for a negative form of expression of the practitioner's conclusion.

While the level of assurance achieved is lower than reasonable assurance, limited assurance may be appropriate in situations where the cost of obtaining reasonable assurance is not commensurate with the risk of non-compliance.

⁷ Criteria are the benchmarks used to measure or evaluate the underlying subject matter.

Examples of negative form of conclusion:

- Based on our procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the [grantee's] Statement of Accounts has not been prepared, in all material respects, in accordance with the [basis of preparation].
- Based on our procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the [grantee] has not complied, in all material respects, with the [terms and conditions of the grant scheme].

What is an AUP engagement?

An agreed-upon procedures engagement is an engagement in which a practitioner is engaged to carry out those procedures agreed upfront between the practitioner, engaging party (i.e. grantee) and intended users (i.e. grantor), and to report on the findings. While there is no conclusion provided, the engaging party and intended users of the AUP report can benefit from the findings to help form their own conclusions.

The guiding principle for describing the procedures in an AUP engagement is that someone other than the practitioner is able to reperform the procedures indicated on the report of findings to obtain the same results as those obtained by the practitioner.

Example of AUP reporting:

We have performed the procedures in accordance with the Terms of Reference of the [grant scheme], which were agreed upon with the grantee in the terms of engagement dated [date], on the [grantee's] Statement of Accounts. We report our findings below:

Procedure in Terms of Reference	Findings
<p>Item 1: Agree the amount, description and details (e.g. dates of involvement / incurrence) of items claimed in the Statement to original source documents or other records (e.g. invoices, delivery documents, commissioning certificates, personnel and payroll records etc).</p> <p>In the absence of original source documents or other records, trace to certified true copies by the Grantee's authorised signatories.</p>	<p>We agreed the amount, description and details of 45 items claimed to invoices and delivery documents. 3 items were traced to certified true copies by the Grantee's authorised signatories.</p> <p>We found that the amount claimed of S\$xxx in the Statement relating to equipment ABC was different from the amount in the original invoice of S\$yyy.</p>

3.1 Assurance Engagement

Preconditions for the assurance engagement

There are several preconditions that need to be present before an assurance engagement can be performed:

- At least three parties: the responsible party (i.e. grantee), the practitioner and the intended users (i.e. grantor);
- Appropriate underlying subject matter that is identifiable and capable of consistent measurement or evaluation against applicable criteria;
- Suitable criteria exhibiting the characteristics of relevance, completeness, reliability, neutrality and understandability;
- Criteria applied will be available to intended users;
- Sufficient appropriate evidence is expected to be obtained to support the conclusion;
- Issuance of written report that contains the practitioner’s conclusion; and
- Rational purpose for the engagement.

The grantor should ensure that the criteria to be applied to measure or evaluate the underlying subject matter are suitable.

Suitable criteria are required for the independent evaluation of an underlying subject matter. Without the frame of reference provided by suitable criteria, it would be difficult for an independent practitioner to obtain evidence to support an assurance conclusion and the assurance conclusion would be open to varying individual interpretation. The suitability of criteria is determined in the context of the engagement circumstances.

For example, in respect of a productivity related scheme, the underlying subject matter could be (i) “% increase in number of employees sent for training organised by accredited organisations” or (ii) “pre-approved digital solutions that have completed the user acceptable test (UAT)”.

But how should these be evaluated? The grantor would need to specify suitable criteria against which the underlying subject matter may be evaluated and how evidence needed to support that evaluation may be obtained.

Information needed to perform the evaluation in these instances may be:

- Number of full-time employees are those who have completed the training course and passed the assessment conducted by the accredited organisation (as listed on [website]) as of [start date] and as of [end date], and who have not resigned before [specified date].
- The UAT for the pre-approved digital solution has been completed with no outstanding matters noted, as evidenced by the UAT documents approved and signed off by the Chief Technology Officer.

When the subject matter is a report prepared in accordance with a basis of preparation, the basis of preparation should clearly describe how the report should be prepared.

For example, if the subject matter information is a listing of donations eligible for a matching grant, the basis of preparation should indicate the basis for recording such donations, such as identifying the date when a donation should be included in the listing and the donor categories eligible for the matching grant (for example, all monetary donations received from individuals, foundations, corporate establishments and registered charities for [specified purpose]).

When the subject matter relates to compliance with certain terms and conditions of the grant / incentive scheme, the terms and conditions should clearly describe how such compliance should be evaluated.

For example, if the terms and conditions include achieving certain key performance indicators (KPIs), such KPIs need to be measurable (e.g. minimum number of headcount employed for a project, xx% of expenses payable to Singapore-registered entities etc).

Nature, extent and timing of work done

In an assurance engagement, the nature, extent and timing of the procedures performed is determined by the practitioner based on their risk assessment.

The nature, extent and timing of procedures in a limited assurance engagement is limited compared with that necessary in a reasonable assurance engagement and consequently, the level of assurance obtained is substantially lower. The practitioner may perform more high-level procedures such as inquiry, analytical procedures or test a reduced sample of transactions or items.

For limited assurance engagements, an appreciation of the nature, extent and timing of the procedures performed is even more important to understanding the practitioner's assurance conclusion when compared with reasonable assurance engagements. Hence, a limited assurance report often includes more details of the work performed by the practitioner than in the case of a reasonable assurance report. Grantors can make reference to the sample reports under Appendix 3 of AGS 1 for the illustrative wordings of limited assurance reports.

Independence requirements

The practitioner is required to comply with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code).

3.2 Agreed-Upon Procedures Engagement

In contrast to an assurance engagement, an AUP engagement may be more straightforward as the procedures to be performed by the practitioner are specific and agreed upfront with the grantee, with the grantee's acknowledgement that the procedures performed are appropriate for the purpose of the engagement. As intended users of the report from an AUP engagement typically include the grantor, the grantor's involvement in agreeing the procedures is important. Unlike in an assurance engagement, the grantor would have visibility over the nature, extent and timing of the procedures to be performed in an AUP engagement.

In conducting an AUP engagement, the need for the practitioner to exercise professional judgement is limited because the nature, timing and extent of the procedures to be performed are described objectively, in terms that are clear, not misleading, and not subject to varying interpretations. This means that they are described at a level of specificity sufficient for the practitioner and grantor to understand the procedures to be performed, including the quantitative thresholds to apply for determining and reporting exceptions.

Independence requirements

Since the procedures to be performed have been agreed upfront with the grantor, this mitigates any perceived self-review and management participation threats. Hence, it is not

normally necessary for the practitioner to comply with independence requirements under SSRS 4400 (Revised), unless specified by the grantor. Notwithstanding that, the practitioner is still required to comply with relevant ethical requirements under the ACRA Code.

4. Frequently Asked Questions

4.1 What are some scenarios where an assurance engagement cannot be carried out?

Refer to Section 3.1 for the list preconditions that need to be present before an assurance engagement can be performed.

Below are some scenarios where an assurance engagement cannot be carried out:

- **Lack of clear criteria** – As described above, suitable criteria against which the subject matter can be consistently evaluated is a precondition to be established by the practitioner before accepting the engagement. If there are no suitable criteria available or if the criteria are vague, an assurance engagement cannot be carried out.

For example, the terms and conditions of a grant scheme aimed at supporting educational programmes is to track the impact of funded programmes on student performance. A criterion such as “improve student performance in funded programs” would be too broad and subjective, making it difficult to measure.

Instead, a more specific and objective criterion could be “achieve an increase in average student test scores by at least 10% within one year of implementing the funded program”. This criterion is clear and measurable, as the test scores before and after the implementation of the program can be tracked and verified.

- **Inability to obtain evidence** – Subsequent to accepting the engagement, in the event that the practitioner is unable to obtain sufficient appropriate evidence to support the evaluation of the subject matter, a scope limitation exists. In such situations, the practitioner would express a qualified conclusion or disclaim a conclusion, and the reason would be described in the report.

For example, if the practitioner is collecting evidence on “number of home visits made by a social welfare officer” but no records of such visits can be furnished, then evidence cannot be obtained and an assurance conclusion cannot be provided.

In some situations, the practitioner may not be able to obtain sufficient appropriate evidence due to the lack of internal control over the subject matter information. For example, there may be situations where a grantor hopes to obtain assurance on whether equipment purchased using the grant was used for a specific purpose. However, if the grant recipient does not have clear policies or internal controls in place over the usage of the equipment, it would be difficult for the practitioner to obtain sufficient evidence to provide the desired assurance. In this case, the grantor would need to communicate upfront to the grant recipient the expectations over implementing related policies and controls over the assets.

4.2 If we require an assurance report, how should we choose between reasonable and limited assurance?

Below are some considerations for the grantor when choosing between reasonable and limited assurance:

- **Information needs of intended users** – If the grantor requires a higher degree of confidence in the subject matter, a higher level of assurance (i.e. reasonable assurance) may be more appropriate. This may be the case for entities in highly regulated industries.
- **Subject matter** – The complexity and significance of the subject matter may drive the level of assurance required. Higher complexity and significance may require a higher level of assurance to provide sufficient confidence to the grantor on the subject matter. If the quantum of the grant amount is very substantial, the grantor may require a higher level of comfort.
- **Degree of reliance placed on the assurance report** – If the grantor has put in place other controls to monitor compliance, the degree of reliance placed on the assurance report may be lower, and correspondingly a lower level of assurance (i.e. limited assurance) may be sufficient.
- **Cost considerations** – Limited assurance engagements typically involve lesser effort than reasonable assurance engagements. If cost is a key consideration, a limited assurance engagement may be more appropriate.

The considerations above are non-exhaustive and should be considered holistically with other matters that the grantor considers applicable to the circumstances.

4.3 What is the value of an AUP engagement if it does not provide any assurance to the grantor?

AUP engagements may be more appropriate where:

- Grantor requires the performance of specific procedure(s) over an area or requires a certain level of coverage.

For example, a grantor may wish to focus on whether amounts claimed are for purchases made from local vendors and determines that xx% is an acceptable accuracy rate for this criterion. To achieve this, the grantor can design a procedure to check that amounts claimed are agreed to supplier invoices with a local address and prescribe a coverage of 75% for the procedure. Under an assurance engagement, the grantor may not be able to achieve the objective of addressing specific concerns as the practitioner would design the procedures and testing thresholds based on the practitioner's own risk assessment and methodology.

- For situations where an assurance engagement cannot be carried out as described under FAQ 4.1. While the practitioner would not be able to provide a conclusion on whether a grantee has met the objective of a scheme, the practitioner can perform procedures over certain measurable conditions. The grantor can then form their own conclusion based on the findings reported by the practitioner on whether the objective is met.

The value of an AUP engagement is derived from the practitioner objectively carrying out procedures with relevant expertise, saving the grantor time and resources from carrying out the procedures themselves. AUP engagements are most effective where the engaging party is knowledgeable enough to identify the area or matter to focus on, discuss and agree the procedures to be performed, and interpret the findings in its own decision making.

4.4 In describing the procedures in an AUP engagement, what are wordings or terms that are considered clear or unclear?

It is important that wordings or terms do not suggest that assurance has been provided by the practitioner in an AUP engagement as this would not be factual.

Some examples of descriptions of procedures that may be acceptable in an AUP engagement include:

- **Confirmed** with management that the information reported is complete.
- **Agreed, traced** or **compared** the amount reported to the general ledger / subledger.
- **Inspected** supporting documents (such as invoices and delivery orders) of amounts reported.
- **Inquired** with management that policies relating to [process] have been implemented.
- **Recalculated** the computations reported.
- **Observed** that an asset reported exists.

Some examples of terms that may be unclear, misleading, or subject to varying interpretations include:

- Terms that are associated with assurance such as “present fairly” or “true and fair”, “audit”, “review”, “assurance”, “opinion” or “conclusion”.

For example, a procedure such as “review cost allocations to determine if they are reasonable” is unlikely to meet the condition for terms to be clear, not misleading, or not subject to varying interpretations because:

- The term “review” may be misinterpreted by some users to mean that the cost allocation was the subject of a limited assurance engagement even though no such assurance is intended by the procedure.
 - The term “reasonable” is subject to varying interpretations as to what constitutes “reasonable”.
- Terms that imply expression of an assurance opinion or conclusion such as “we certify”, “we verify”, “we have ascertained” or “we have ensured” with regard to the findings.

The use of the abovementioned terms may be misinterpreted to mean that the subject matter was subjected to an assurance engagement.

- Unclear or vague phrases such as “we obtained all the explanations and performed such procedures as we considered necessary.”
- Terms that are subject to varying interpretations such as “material”, “significant” or “reasonable”.
- Imprecise descriptions of procedures such as “discuss”, “evaluate”, “test”, “analyze” or “examine” without specifying the nature and extent, and if applicable, the timing, of the procedures to be performed.

For example, using the word “discuss” may be imprecise without specifying with whom the discussion is held or the specific questions asked.

- Terms that do not reflect findings such as “in our view”, “from our perspective” or “we take the position that”.

Below are further examples of procedures that are not appropriately worded:

- “Check for compliance with the terms and conditions of the grant award letter” or “Check that qualifying costs incurred are strictly and directly for the purpose of the project.” do not objectively describe the procedure(s) the practitioner is expected to perform. Such wording may lead to varying interpretation of the procedure(s), which is not compliant with the standard.
- “Check that the description and authenticity of items claimed are valid by agreeing to appropriate source documents and other records” is unlikely to meet the condition for terms to be clear, not misleading, or not subject to varying interpretations. The term “authenticity” may be misinterpreted by users to mean that the source documents inspected are real and genuine even though the practitioner would not be able to determine whether the documents are counterfeit or not.

Grantors can make reference to the sample reports under Appendix 5 of AGS 1 for examples on how to word the procedures in an AUP engagement.

4.5 Is it necessary to impose independence requirements on AUP engagements, although it is not required by SSRS 4400 (Revised)?

If there are specific independence risks associated with the AUP engagement that need to be mitigated, the grantor can specify independence requirements. The grantor may consider specific independence requirements in the ACRA Code⁸.

For example, the grantor may impose an independence requirement that the practitioner has not provided accounting and bookkeeping services, which include preparing accounting records and financial statements, recording transactions and payroll services to the grantee, during the claim period.

⁸ The independence requirements contained in the ACRA Code that are applicable to assurance engagements are comprehensive due to reliance on the practitioner’s independent assessment. It is possible for narrower requirements to be established for AUP engagements than those applicable to assurance engagements.

4.6 Is it necessary for the practitioner to report all findings in an AUP engagement as the grantor only requires the reporting of exceptions for purposes of the incentive?

Yes, SSRS 4400 (Revised).30(o) specifically requires the reporting of "the findings from each procedure performed" and this includes details on exceptions found. All findings, including details, should ordinarily be in the body of the report.

While certain agencies may have catered for presentation of findings with no exceptions in an appendix and with exceptions in the body of the report, findings are nonetheless required to be reported in an AUP engagement. Failure to do so would result in non-compliance with the standard.

4.7 Can we have an overall conclusion at the end of the AUP report?

As explained under Section 3, there is no conclusion provided in an AUP report. Instead, the findings are reported to the grantor for them to draw their own conclusions. For example, a grantor adhering to a policy of low tolerance of errors may view even one finding with exceptions as unacceptable and require the grantee to refile its claims.

Appendix A – Questions for the Grantor to Consider

- 1) What are the grant's objectives and intended outcomes?
- 2) What information (including level of detail) is necessary for the grantor to assess that the objectives and intended outcomes have been met?
- 3) What are the grantee's capabilities and capacity (in terms of maintaining processes or records) for reporting?
- 4) How frequently should the reporting occur?
- 5) How will the reported information be used?
- 6) What are the consequences of non-compliance with reporting requirements?

For reference: ISCA Auditing and Assurance Pronouncements and Publications

The table below summarises the formal categorisation, degrees of authority and due process for issuance of ISCA’s auditing and assurance standards and guidances. This provides credence to ISCA’s technical content, promulgates ISCA’s views on the application of auditing and assurance standards as well as promotes best practices and consistency in auditing and assurance.

Category	Nature	Degree of authority	Due Process	Highest level of approval
1. a) Singapore Standard on Auditing (SSA) b) Singapore Standard on Assurance Engagements (SSAE) c) Singapore Standard on Review Engagements (SSRE) d) Singapore Standard on Related Services (SSRS) e) Singapore Standard on Quality Control (SSQC) f) Statement of Auditing Practice (SAP)	Authoritative pronouncements	Required to comply	Public consultation required	ACRA’s Public Accountants Oversight Committee
2. a) Audit Guidance Statement (AGS) b) Singapore Auditing Practice Note (SAPN)	Provide interpretive and practical guidance to auditors Non-authoritative	Expected to apply or explain departures	Public consultation required	ISCA Council
3. Audit Bulletin (AB)	Informative / educational publications to highlight pertinent topical issues to auditors Non-authoritative	For information and educational purposes	Public consultation not required	ISCA AASC

© 2024 Institute of Singapore Chartered Accountants. All rights reserved. This document contains general information only and ISCA is not, by means of this document, rendering any professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a professional advisor. Whilst every care has been taken in compiling this document, ISCA makes no representations or warranty (expressed or implied) about the accuracy, suitability, reliability or completeness of the information for any purpose. ISCA, their employees or agents accept no liability to any party for any loss, damage or costs howsoever arising, whether directly or indirectly from any action or decision taken (or not taken) as a result of any person relying on or otherwise using this document or arising from any omission from it.