

Highlights of Auditing and Assurance Standards Committee Meeting on 18 January 2016

The Institute of Singapore Chartered Accountants (ISCA) Auditing and Assurance Standards Committee (AASC) met on 18 January 2016. The following are highlights of the meeting:

1. Auditor Reporting

The Committee had completed a number of initiatives in 2015 to create awareness of and to provide implementation guidance on the new and revised auditor reporting standards. More initiatives had been planned for 2016 to reach out to the various stakeholders.

The comment letter on International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements* was submitted to the International Auditing and Assurance Standards Board (IAASB) on 30 October 2015.

2. International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

As there was no available reference in the market, the Committee acknowledged that it would be challenging to develop a generic, but yet practical and useful, guidance incorporating sample ISAE 3000 (Revised) reports. As an alternative, the Committee agreed to publish an article in the IS Chartered Accountant Journal to create awareness of Singapore Standard on Assurance Engagements (SSAE) 3000 (Revised) and the reports that could be issued under the SSAE 3000 (Revised) framework.

3. Review of ISCA's Locally Developed Pronouncements

The amended Audit Guidance Statement (AGS) 1, *Sample Independent Auditor's Reports* (with the amended Appendix 3) was issued on 2 December 2015.

The other ISCA's locally developed pronouncements would be reviewed based on the agreed timeline shared at the previous AASC meeting.

4. Guidance on Audit Documentation

In addition to the existing initiatives of the Institute to improve audit quality and address ongoing audit documentation issues, the Committee agreed to develop a template on understanding the component auditor, to provide guidance to practitioners on the nature and extent of documentation required.

5. Singapore Standard on Auditing (SSA) 720 (Revised), The Auditor's Responsibilities Relating to Other Information and Related Conforming Amendments

The revised SSA 720 and its related conforming amendments were issued on 25 November 2015.

6. Addressing Disclosures in the Audit of Financial Statements

The amended standards were issued on 15 January 2016.

7. ISA 800 (Revised), Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks and ISA 805 (Revised), Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement

The revised standards issued by the IAASB would be localised and approved by the Committee and ISCA Council prior to public consultation.

8. IAASB's Invitation to Comment (ITC), Enhancing Audit Quality in the Public Interest: A Focus on Professional Skepticism, Quality Control and Group Audits

A Sub-Committee was formed to lead initiatives such as focus groups, to solicit comments on the IAASB's ITC.

9. Audit Guidance Statement (AGS) 11, Comfort Letters and Due Diligence Meetings

The Exposure Draft on AGS 11 would be issued for public consultation after ISCA Council's approval.

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