

Highlights of Auditing and Assurance Standards Committee Meeting on 21 October 2014

The Institute of Singapore Chartered Accountants (ISCA) Auditing and Assurance Standards Committee (AASC) met on 21 October 2014. The following are highlights of the meeting:

1. Statements of Auditing Practice (SAP) 2, Auditors and Public Offering Documents (formerly SAP 24)

SAP 2 was developed to provide the general principles governing engagements relating to public offering documents. As there were revisions to the Securities and Futures Regulations, the ISCA Corporate Finance Committee (CFC) was tasked to look into the revision of SAP 2 for it to remain updated and relevant.

The Public Accountants Oversight Committee (PAOC) approved the amendments on 20 October 2014.

2. Withdrawal of Audit Guidance Statement (AGS) 8 – Reports on the Internal Control Procedures of Service Organisations

AGS 8 was developed to provide guidance to reporting accountants engaged to report on internal control procedures relating to specific areas or functions performed by service organisations.

AGS 8 was superseded by SSAE 3402 *Assurance Reports on Controls at a Service Organisation* when issuing reports covering periods ending on or after 15 June 2012. As a reasonable timeframe of approximately 2.5 years has lapsed for any engagements covering periods ending prior to 15 June 2012 to be completed, AASC recommended the withdrawal of AGS 8 for ISCA Council's approval.

3. AGS 9, Opinion on Receipts, Expenditure, Investment of Moneys and the Acquisition and Disposal of Assets by Statutory Boards

The applicability of AGS 9 was clarified by inserting the clarification statement, which was currently located on the Centre for Auditing and Assurance, on its cover page. The statement stated that the principles in AGS 9 may be applied by analogy to the compliance audit of entities other than statutory boards, with similar reporting requirements as those specified in the acts of statutory boards.

PAOC noted the above amendment to AGS 9 on 25 July 2014.

4. Signing Convention for Assurance, Review and Related Services Engagements

PAOC approved the proposed amended pronouncements on 20 October 2014.

5. International Auditing and Assurance Standards Board (IAASB)'s Framework for Audit Quality: Key Elements That Create an Environment for Audit Quality (Framework)

AASC noted a publication which brought together viewpoints from key stakeholders in Singapore on the Framework and its application in practice.

6. IAASB Exposure Draft – Proposed Changes to the ISAs in Addressing Disclosures in the Audit Of Financial Statements

The approved comment letter was submitted to IAASB on 5 September 2014.

7. AASC Strategy and Work Programme

PAOC noted the AASC Strategy and Work Programme for April 2015 to March 2018 on 17 September 2014. The AASC Strategy and Work Programme encompassed the direction and priorities for the activities of AASC and were set within the context of the overall strategic direction of AASC as set out in its Terms of Reference.

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