

Highlights of Auditing and Assurance Standards Committee Meeting on 17 January 2020

The Institute of Singapore Chartered Accountants (ISCA) Auditing and Assurance Standards Committee (AASC or Committee) met on 17 January 2020. The following are highlights of the meeting:

1. Updated Audit Guidance Statement (AGS) 9 Illustration 2 on Group Audits

The illustration has been updated to remove the requirement for the auditor (of a statutory board which is a parent entity) to report on whether the accounting and other records of the subsidiary corporations audited by the same auditor have been properly kept, which is not mandated by the Public Sector (Governance) Act 2018.

Subsequent to ISCA Council's approval, the updated AGS 9 illustration was issued on 20 November 2019.

2. Proposed Amendment of SSA 705 Illustration 4 on Disclaimer of Opinion

The Committee approved the proposed amendment to remove the words "In our opinion" from the section "*Report on Other Legal and Regulatory Requirements*" to be consistent with the fact that auditors are not expressing an opinion.

3. Report on Moneylenders Act

In response to the notice issued by the Registrar of Moneylenders which imposes certain additional reporting duties on auditors, ISCA will work with relevant stakeholders to develop a standardised report.

4. Exposure Draft on Conforming Amendments to the International Standards due to revised IESBA Code

Given the limited nature of the amendments to the International Standards arising from the revised IESBA Code, no comment letter was submitted on the exposure draft.

On the local front, ISCA will update the local auditing and assurance pronouncements to align with the ethics revisions accordingly.

5. Localisation of ISA 315 (Revised 2019)

The IAASB released ISA 315 (Revised 2019), its revised standard for identifying and assessing risks of material misstatement, in December 2019. The standard has been revised to require a more robust risk identification assessment, thereby promoting better responses to the identified risks.

The standard will be effective for periods beginning on or after 15 December 2021. ISCA will review and localise the standard for public consultation.

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