

# Explanatory Memorandum

## REQUEST FOR COMMENTS

This Exposure Draft, GUID 2900 - Financial Audit ISSAI Guidance, was developed by the INTOSAI Financial Audit and Accounting Sub-committee (FAAS).

Respondents are asked to submit their comments electronically by **xx, 2019** to the email address for the responsible project leader, [Gregg.Ruthman@oag-bvg.gc.ca](mailto:Gregg.Ruthman@oag-bvg.gc.ca). Please submit comments to specific paragraphs of the GUID using the file circulated at the same time as the exposure draft. General comments may be submitted using PDF or Word documents. All comments will be considered a matter of public record and may be posted on the FAAS website.

The FAAS will consider all comments received when preparing the final version of the text for submission to the Forum for INTOSAI Professional Pronouncements (FIPP) for approval.

## Introduction

1. This memorandum provides background to, and an explanation of proposed new GUID 2900 – Financial Audit ISSAI Guidance. The FIPP approved the exposure of this new GUID on **[XXXX 2018]**.

## Background

2. The content of proposed GUID 2900 is not new. This content is currently presented in the Practice Notes to ISSAIs 2200 to 2810.
3. FAAS analysed the content of the Practice Notes to ISSAIs 2200 to 2810 to address quality issues that were identified during the performance of the scheduled maintenance activities in 2016. As a result of this analysis, FAAS is proposing some technical revisions to this information. Each proposed revision is explained in the exposure draft. FAAS performed a rigorous technical analysis and has proposed a low volume of technical revisions therefore we believe this provides comfort over the technical integrity of the present content of the Practice Notes to ISSAI 2200 to 2810 that will become the content of GUID 2900.
4. FAAS evaluated the content of the Practice Notes to ISSAIs 2200 to 2810 against the definitions of the potentially relevant IFPP content classifications. This was necessary to identify the appropriate classification for this information in the IFPP. FAAS has concluded that this content is appropriately classified as a GUID based on the nature of the content of the Practice Notes to ISSAIs 2200 to 2810. This conclusion is based on the identified objective of the content which helps an auditor apply the ISSAIs in practice and does not extend the requirements of the auditor in the financial audit ISSAI standards.

Please provide your comments on the proposed revisions to the existing content of the financial audit Practice Notes that will now be presented in GUID 2900.