

PAS activities 2013-2014

The PSC's Performance Audit Subcommittee (PAS) has the maintenance responsibility for the performance auditing guidelines, which currently include ISSAI 3000 and ISSAI 3100.

During 2013, the PAS concluded an ISSAI 3000 draft, considering the new Fundamental Auditing Principles, endorsed by INCOSAI in October 2013. However, after consulting the chairs of CAS and FAS, it was clear that it is necessary to adopt a common structure for the standards. For this reason, the draft demands additional consideration. This work includes the clear organization of requirements for performance audit and the corresponding explanation in a single document.

The 7th PAS meeting was held in Amsterdam on 7-9 April 2014. There were representatives from fourteen members: Austria, Brazil, Canada, Denmark, European Court of Auditors, Hungary, India, Iran, Netherlands, Norway, Sweden, Tunisia, UK and USA. Besides the members, there were three observers from: Institute of Internal Auditors (IIA - host of the meeting), Poland, representing the Subcommittee for Internal Controls, and the INTOSAI Development Initiative (IDI).

During the meeting, the major decision was the formation of 4 working groups to review the level 4 documents. One group is in charge of the adaptation of the ISSAI 3000 draft to the amended drafting conventions. The other 3 groups will develop guidelines on the practical implementation of the new PA standards. The basis will be the existing material available in the "new" ISSAI 100 and 300 and the existing ISSAIs 3000 and 3100, including their appendices and the five practice papers previously developed by PAS, and giving due consideration to the comments received in the level-three exposure process. The tasks and the composition of the groups were decided during the 7th PAS meeting as stated in table 1.

The PAS Secretariat will send exposure drafts of ISSAI 3000, 3100 and 3200 to the PSC Secretariat by 30th April 2015.

Table 1 – Tasks and composition of PAS working groups

Working group	Project	Participants from SAIs
A	Working title – "Performance auditing process", which is planned to become ISSAI 3200. Process (Planning - Selection of audit topics and Designing the audit, Conducting - Evidence, findings and conclusions, Reporting - Contents of the report, Recommendations, Distribution of the report, Follow-up.	Sweden (team leader) and Denmark
B	Working title – "Central concepts for Performance Auditing", which is planned to become ISSAI 3100. Building of new concepts (definition of PA, intended users, subject matter, confidence and assurance, audit approach, audit risk)	Norway and Netherlands (team leader)
C	Working title – "Central concepts for Performance	Canada (team leader)

	Auditing ”, which is planned to become ISSAI 3100. Reviewing existing material – independence, audit objective, audit scope, audit criteria, communication, skills, supervision, professional judgment and skepticism, quality control, materiality, documentation	and Hungary
D	Adaptation of the draft standard for PA to the amended drafting conventions, which is planned to become ISSAI 3000.	Austria, Brazil (team leader), India and USA

PAS has an internal due process to discuss and comment the products under development. Each working group presents the draft document on Moodle for receiving the comments of PAS members. The Moodle is also used as a way to exchange information among the working groups and the PAS community.

Recently, PAS, FAS and CAS began developing mechanisms to enhance the cooperation between Subcommittees. As a result, it was presented a proposal for amendment of the drafting conventions for level 4 ISSAIs which meets the Subcommittees needs for level 4 maintenance. A common work plan is being developed to comprise collaborative efforts between the Subcommittees.

The PAS has been collaborating with the Intosai Development Initiative (IDI) through the INTOSAI Implementation Initiative Programme (3i programme). Activities include:

- Taking part in the development of programme products such as the Handbook for ISSAI based PA and the e-course about the Handbook (april/2013).
- Mentoring the e-course about the handbook (sep/oct-2013).
- Facilitating and participating in workshops for facilitators (October and November/2013).
- Writing dissemination articles to be posted in the 3i e-community.