Work plan of Collaboration between FAS, PAS and CAS

Objective:

To achieve short term improvements of the activities within and between the sub-committees, in order to maximize their value.

The following categories have been identified for consideration:

1. **Additional guidance on drafting conventions**
2. **Improving the effectiveness of the sub-committees and the PSC structures**
3. **Define/explore/discuss different ways for receiving feedback**
4. **Interpretation and clarification of the Standards**

1 – Additional guidance on drafting conventions

The quality of the standards in terms of their content has been rigorously processed. To ensure that this value is understood it is important that the "look and feel" of the standards is consistent. To start this process prior to the issuance of the revised level 4 documents for PAS and CAS the following outputs will be provided:

1a- *Ensure that the requirement part on ISSAIs is presented in a standardized format. (First version ready);*
1b- *Guidance parts on ISSAIs the concept of understanding the guidance in terms of:*
  - *Guidance explaining the requirements (what it means)*
  - *Guidance explaining the implementation of the requirement (how can it be done)*

Target: *A drafting convention document will be made available for discussion during the PSC meeting in Bahrain May 2014.*

2 – Improving the effectiveness of the sub-committees and the PSC structures

Currently there are inefficiencies within, for example, the operation of the sub-committee meetings and their communication to the PSC. In addition the value and contribution of different members of the sub committees are not prescribed. These issues can be addressed through:

2a- *Identify common matters and treat them consistently and provide joint presentations (e.g. drafting conventions).*
2b- *Agenda and time management protocol e.g. reduce presentation of papers and ensure prep meeting preparation is done thoroughly prior to meetings.*
2c- *Sharing the drafts among FAS, PAS and CAS before starting the overall exposure. This is kind of a transition towards a setting consultancy or advisory body.*

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2d- Identify protocols for participation in sub-committees as well as criteria for assuming senior responsibilities within the PSC or sub-committees.

Target: A protocol document to be drafted by *December 2014.*

3 – Define/explore/discuss different ways for receiving feedback

Currently there is no systematic basis for obtaining feedback from SAI regarding the ISSAI. At this stage the consideration is moving away from standard setting towards assisting with implementation. Therefore a priority is to create a feedback loop. The following groups have been identified:

*3a- From IDI including Common **MoU** with **IDI.***

3b- From regional groups.

3c- From SAIs.

Target: *Establish a feedback protocol* *December 2014.*

4 – Interpretation and clarification of the Standards

4a- FAS are currently considering updating ISSAI 1000 as a tool to provide a roadmap for implementation for the level 4 Financial Auditing Guidelines[1]. This exercise could be expanded to include an understanding on how to combine the different audit type and how to explain them. This activity could to reduce the gap between the content and requirement of the standards and the understanding of SAI auditors. Therefore the following elements could be added to the FAS research project.

- *Assess the current cross references between the different standards and provide consistency (this includes other documents within the ISSAI Framework)*

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[1] FAS work plan for the ISSAI 1000 project includes the following extract:

1.1 The following areas are to be considered within the scope of the initial research are as follows:

- Auditing principles and consistency of application between audit types
- Overlap between the difference types of audits
- Linkages to accounting frameworks
- Audit responsibilities beyond financial statements e.g. including opinion on internal controls
- Common glossary of terms

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- *A document explaining the history and purpose of the standards*
- *Consistency across all types of audits and within the standards and guidelines on level 3 and 4 will be defined.*
- *To build a Glossary perhaps using ISSAI 1003 as a base.*

Target: *ISSAI 1000 discussion paper March 2015 prepared by FAS in consultation with other sub-committees.*