

Conclusions drawn by FIPP as basis for the approval of

GUID 2900 Guidance to the financial auditing standards (endorsement version)

Background

The INTOSAI framework of professional pronouncements derives its financial audit standards (ISSAIs) from International Standards on Auditing (ISAs). During the application of these financial auditing standards in the public sector, auditors may face the interpretation of:

- Terminology not usually found in the public sector - for example, the terms engagement partner, listed entity
- Audit mandates sourced from legislation
- Distinguishing a compliance engagement from a financial audit with elements of compliance with authorities
- Reporting matters required by law or regulation

The ISAs are relevant to engagements in the public sector. A Supreme Audit Institution (SAI)'s responsibilities, however, may be affected by the audit mandate or by obligations on public sector entities arising from law, regulation or other authority (such as ministerial directives, government policy requirements, or resolutions of the legislature), which may encompass a broader scope than an audit of financial statements in accordance with the ISAs. The ISAs therefore declare that this broader scope of a public-sector audit may be defined through INTOSAI's professional pronouncements or by standards or guidance issued by SAIs or other national standard-setters

The GUID 2900 Guidance to the financial auditing standards aims to support SAIs and auditors in implementing and using the financial auditing standards (ISSAI 2000-2899) by providing additional guidance in relation to the definitions, objectives, requirements and explanatory and further application material contained in the standards. This guidance considers the International Standards on Auditing that were issued up December 31, 2020.

This project is included within the INTOSAI Strategic Development Plan 2017– 2019. The following stages of the due process have been completed:

- November 2017: FIPP's approval of the project proposal;
- June 2020: exposure draft approved by FIPP;
- June 2021: endorsement version approved by FIPP.

FIPP conclusions

The pronouncement is included in the category of Guidance as the **GUID 2900 Guidance to the financial auditing standards**. During its June 2021 Web meetings FIPP discussed the proposed endorsement version of the GUID 2900 Guidance to the financial auditing standards.

FIPP had previously considered (June 2020) that the exposure draft developed by the project group fulfilled the purpose of the project and could be submitted for public exposure. The resulting endorsement version was submitted by the PSC Chair for approval by FIPP in May 2021.

FIPP concludes that the comments provided in the exposure process are appropriately reflected in the endorsement version of the document. FIPP would like to emphasize that with this GUID the category of 'practice notes' have ceased to exist.

The document is approved by FIPP and can be forwarded to the INTOSAI Governing Board.