

October 15, 2017

Project Proposal

State Audit Institution of the UAE

This form is used to stand as a record of the proposal from the project team.

PART A: PROJECT IDENTITY

Description	Information
Project number and title as per SDP	1.3 - Project to improve the overall quality of financial audit ISSAIs 1200 to 1810 and to clarify their scope.
Working title(s) for the new pronouncement(s)	ISSAI 2000 – Application of Financial Audit Standards
Project aim	<p>Phase 1: To address non-technical opportunities for quality improvement in ISA 1200 to 1810 that were identified as a result of technical reviews that were performed by FAAS in 2016 to fulfil the maintenance responsibilities. These include:</p> <ul style="list-style-type: none"> • Correction of outdated referencing as a result of ISA and ISSAI revisions that have occurred subsequent to the initial publishing • Conforming amendments resulting from withdrawal of other ISSAIs (e.g former level 3 standards, ISSAI 1000, ISSAI 4000, ISSAI 4200) • Conforming amendments resulting from the development of new ISSAIs (new ISSAIs on level 3, ISSAI 40) • Correction of spelling errors and typos • Combining the Practice Notes into a single document to facilitate the annual update (e.g the annual updating of cross-references to the ISAs and other ISSAIs). Maintaining a single document is common practice applied by standard-setters to facilitate maintenance and to make the information more user-friendly. <p>Phase 2: To more clearly define the scope of the financial audit practice note content and to address other opportunities for technical improvement that were identified as a result of the quality reviews performed by FAAS in 2016.</p> <p>A phased approach is required to allow us to address the editorial issues in a timely manner. For example, there is a very high volume of outdated cross-references in the Practice Notes (since these have not been updated for many years) which is preventing public sector auditors from using the information effectively.</p>
Project objectives	<p>Phase 1: See project aim.</p> <p>Phase 2: To define “application guidance” and to identify existing practice note content that meets this definition. Such content will be classified as either “INTOSAI Standards” or as “GUIDS” as defined in the "The Revised INTOSAI Framework of Professional Pronouncements". The classification determination will be based on general distinctions provided by FIPP and depend on the technical conclusions reached by the FAAS project team. Financial audit ISSAIs 1200-1810 will</p>

	be revised as required to clarify the scope and to address other opportunities for technical improvement that were identified as a result of the quality reviews performed by FAAS in 2016.						
Project duration	Phase 1: 8 months (see part B below) Phase 2: 34 months (see part B below)						
Name of the lead WG ¹	FAAS						
Key contacts	Name	Surname	Address	Email	Office Phone	Business Mobile Phone	Organization / Sponsoring SAI
Project Group lead	Khalid	Hamid	UAE	k.hamid@saiuae.gov.ae	+971 2 699 4140	+971 2 699 4140	SAI of UAE
Contact person for the goal chair	Neil	Usher	Luxembourg	Neil.Usher@eca.europa.eu	+352 4398-45281	+352 4398-45281	European Court of Auditors (ECA)
FIPP liaison officer	Stuart	Barr	Canada	Stuart.barr@oag-bvg.gc.ca	613-952-0213	613-952-0213	OAG Canada

PART B: PROJECT MILESTONES

Stage		Due process milestones			
1.	Project proposal	Start Date	End Date	Expected Time in Total	Comments
		May 1, 2017	October 31, 2017	6 months	
2.	Phase 1 – Editorial Revisions	To be presented to FIPP for approval in January 2018 (no exposure required)			
3.	Exposure draft (Phase 2 only)	Start Date	End Date	Expected Time in Total	Comments
		January 1, 2018	December 31, 2018	12 months	
	N.B. Allow three months between end date above and start date below for FIPP approval of the exposure draft				
	Exposure period (Phase 2 only)	Start Date	End Date	Time in Total (not negotiable)	Comments
		March 31, 2019	June 30, 2019	90 Days	
4.	Endorsement version (Phase 2 only)	Start Date	End Date	Expected Time in Total	Comments
		October 1, 2019	November 30, 2019	2 months	
		N.B. Allow three months between end date of stage 3 and start date of stage 4 for FIPP approval			
5.	Final pronouncement, including translation into all official INTOSAI languages* (Phase 2 only)	Start Date	End Date	Expected Time in Total	Comments
		December 1, 2019	February 29, 2020	3 months	
*“Unless other mechanisms have been established, the working group is responsible for translation of the approved endorsement version into the five official languages.” (Due Process, page 9). Time must be allowed to obtain the required translations of the endorsement version(s).					

¹ For those “type A” projects where an existing working group/subcommittee is considered to have “natural ownership” of the project

PART C: INITIAL ASSESSMENT AND PROJECT PROPOSAL

N°	Initial assessment - Matters to be covered (Due Process, pages 6 and 7) ²	
C.1.	<p>Explanation of the need for the project</p> <p>Explanation of the purpose of the project</p>	<p>Phase 1:</p> <p>The maintenance reviews performed by FAAS in 2016 identified a very high volume of non-technical issues that need to be resolved.</p> <p>Phase 2:</p> <p>The need for the project was identified in the 2017-2019 Strategic Development Plan (SDP) approved by INCOSAI in December 2016. This project has been classified among priority 1 projects. The need for the project is also supported by the findings from the practice note technical reviews performed in 2016 which identified a need to clarify the scope of the practice notes.</p>
C.2.	Description of the categories of auditing or other engagements that will be covered by the new pronouncement(s)	<p>Phases 1 and 2:</p> <p>Audit of historical financial information (financial statements)</p>
C.3.	Description of different types of SAIs / audit engagements that must be accommodated in the new pronouncement	<p>Phases 1 and 2:</p> <p>This project will not create a new pronouncement, its objective is to improve the quality of existing information.</p>
C.4.	Challenges, if any foreseen, that would have to be managed by SAIs in implementing the new pronouncements	<p>Phases 1 and 2:</p> <p>Not applicable as this project will not create a new pronouncement.</p>

² Please give detailed explanations in the right-hand column or provide references to annexed supporting material

C.5.	Explanation of how consistency with ISSAI 100, other existing ISSAIs and other professional pronouncement(s) will be ensured	<p>Phases 1 and 2:</p> <p>The financial audit ISSAIs are presently aligned with ISSAI 100 and this project is not attempting to develop new information therefore the information will remain in alignment at the conclusion.</p>
C.6.	Explanation of the extent to which it will be possible and desirable to build on pronouncements from other internationally recognized, regional or national standard-setters and, if so, the extent to which supplementary pronouncements are needed to provide clarity on new pronouncement	<p>Phase 1:</p> <p>Not applicable, editorial revisions only.</p> <p>Phase 2:</p> <p>When developing the definition of “application guidance”, FAAS will consider the equivalent definitions of other auditing standards setters.</p>
N ^o	Project proposal - Matters to be covered (Due Process, page 7)²	
C.7.	Explanation of organisation of the project describing how project group members will be drawn from relevant sub committees/ working groups/ other interested parties	<p>Phases 1 and 2:</p> <p>A FAAS project team will be formed to complete the project.</p>
C.8.	Explanation of the outcome of the project specifying how existing professional pronouncements may be affected.	<p>Phase 1:</p> <p>Editorial revisions will be made to ISSAIs 1200 to 1810.</p> <p>Phase 2:</p> <p>Content that does not meet the definition of application guidance may impact other ISSAIs if the results of the analysis support the conclusion that some content should be repositioned within the ISSAI framework.</p>
C.9.	Explain the quality processes that will be applied in the drafting process (see Due Process, page 7 and 8) along with the parties that the project group will consult and engage with.	<p>Phase 1:</p> <p>The project team will adhere to the Due Process for INTOSAI’s framework of professional pronouncements that is applicable to editorial revisions.</p> <p>Phase 2:</p>

		<p>The project team plans to apply the following quality processes:</p> <ul style="list-style-type: none"> - The project team will clearly define “application guidance” and will take into consideration the equivalent definitions of other auditing standard setters. - The project team will establish clear criteria (based on the application guidance definition) to identify existing practice note content that meets this definition and will evaluate the existing content against these criteria in a consistent manner. - The project team will develop the required revisions to ensure the scope of the Practice Notes is clear. - The project team will develop the required revisions to address technical observations that were raised by FAAS as a result of the technical reviews performed in 2016 to fulfil the maintenance responsibilities. - The project team will adhere to the Due Process for INTOSAI’s framework of professional pronouncements.
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PART D: AUTHORITIES

PERSON	NAME	SURNAME	DATE	SIGNATURE
Project leader				
Responsible Goal Chair				