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## Terms of Reference – Specific Expert Groups

-for Reference Panel experts of the INTOSAI PSC Financial Audit Guidelines Subcommittee (FAS), appointed to contribute to the development of Financial Audit Guidelines through participation in an Expert Group.

### Background

FAS leads the work of producing guidelines for financial auditing in the public sector which will form in depth guidance to the INTOSAI Fundamental Auditing Principles (previously the INTOSAI Auditing Standards). These guidelines will be included in the fourth level of the ISSAI (International Standards of Supreme Audit Institutions) hierarchy of standards and guidelines in INTOSAI.

To achieve the above FAS shall, with the aid of experts nominated by INTOSAI members, participate in the development of International Standards on Audit (ISAs) by the International Auditing and Assurance Standards Board (IAASB) and develop Practice Notes to the related ISAs. The aim of participation is to assist the IAASB to incorporate in its standards, to the greatest degree possible, the specific conditions of public sector financial audits. The Practice Note will together with the relevant ISA constitute one guideline (or ISSAI).

To develop the ISSAIs, Reference Panel experts are appointed by the subcommittee to participate in the work in different capacities. In addition to the task-forces developing the ISSAIs the FAS Secretariat appoints experts to different expert groups on specific subjects such as:

- Focus Group
- Court of Accounts Expert Group, CAEG
- Compliance Audit Reference Expert Group, CAREG
- Clarity Reference Expert Group, CREG
- Etc.

In these terms of reference the objectives, responsibilities etc are described in a general way to be applicable for several different Specific Expert Groups. Terms of Reference for each group is based

on these general terms of reference. See appendix for details related to each group.

## Objective

The objective of the Specific Expert Groups is to ensure that specific issues are taken into consideration in the process of developing the ISAs and the Practice Notes, as well as any other documents related to the INTOSAI Financial Audit Guidelines.

An Expert Group shall cooperate with INTOSAI and IAASB Task Forces working to develop standards and guidelines, other Expert Groups, the FAS Secretariat and occasionally with other INTOSAI committees and subcommittees in order to:

- Upon request, or on its own initiative, provide advice to the parties mentioned within the Expert Group's area of expertise.
- Upon request provide INTOSAI members and in particular FAS with public sector considerations relating to the specific area dealt with by the Expert Group.
- Upon request develop general guidance regarding a specific area to be included in the general part of the Financial Audit Guidelines.

The number of members in an Expert Group may vary, but the group should be small enough to be a manageable team working with each other long-distance, via e-mail, telephone or video conference. One expert is always appointed as chair by the FAS Director.

The work of the Expert Group is concluded when assistance to FAS no longer is needed based on a decision by the FAS Director.

## Responsibilities

*General responsibilities of an Expert Group chair:*

- Report progress and results to the FAS Secretariat and other relevant stakeholders on issues raised within the INTOSAI community.
- Report on any issue raised by the FAS Secretariat in order to assist in developing the INTOSAI Financial Audit Guidelines in a timely manner.
- Lead and coordinate the work, arrange meetings or telephone conferences within the Expert Group.
- Comment on exposure drafts (or early drafts) upon request by the FAS Director or by a task force working on the development of ISAs or Practice Notes. The comments shall be made in the format requested in order to achieve the overall objectives of FAS.
- Keep updated on information on the FAS website.

- Respond to all issues brought to the Expert Group in a timely manner.

At the discretion of the FAS Director, the chair may be called upon to present findings and facilitate discussions relating to the advice and guidance issued by the group.

*General responsibilities of a member in an Expert Group:*

- Participate and contribute her/his particular expertise without representing their own institution (SAI), but with the ambition to reflect the broadly based interests of INTOSAI.
- In a timely manner, review documents, discuss issues and provide technical advice and support to the chair in order to achieve the objectives.
- Objectively consider the input from their own institution (SAI).
- Keep updated on information on FAS website.

Travelling is generally not expected.

## Appendix 1: Terms of Reference – Focus Group

The Focus Group consists of at least five members, four members from the Financial Audit Guidelines Subcommittee (FAS) and the FAS representative on the IAASB Consultative Advisory Group (CAG). One expert is appointed as chair by the FAS Director.

The FAS representative on CAG may be asked to attend FAS meetings, but is not expected to do so on a regular basis. Between meetings, FAS members may be asked to consider comments and proposals from the Focus Group and to provide input via e-mail or telephone.

### *The Focus Group Chair*

In addition to the general description of the responsibilities of a chair described above the Focus Group Chair (or, in his/her absence, another selected representative) reports on the group's activities during each subcommittee meeting.

### *IAASB Project proposal*

The Focus Group shall review and respond to project proposals, surveys, consultations etc received for informal comments from the IAASB. The aim of this review is to ensure that the subject matter, the reasons why the project is considered necessary, the proposed scope of the project and the discussion of the key issues to be addressed, take into consideration, to the greatest degree possible, the specific conditions of public sector audits.

The Focus Group shall share comments provided to the IAASB related to new project proposals, surveys or other consultations with the subcommittee for their information. Information on such responses may be given during regularly scheduled subcommittee meetings, or via e-mail.

### *IAASB Exposure Drafts*

The Focus Group shall review and consider IAASB Exposure Drafts relevant for FAS and draft comment letters from FAS for the subcommittee's consideration via e-mail or during a regularly scheduled meeting.

## Appendix 2: Terms of Reference – Court of Accounts Expert Group (CAEG)

The Court of Accounts Expert Group consists of at least five members - experts from the Reference Panel - one of whom is appointed as chair by the FAS Director.

The Court of Accounts Expert Group ensures that specific considerations relating to the Court of Accounts systems are included in the Financial Audit Guidelines. The group does this by:

- Providing draft texts to be included in Practice Notes and other texts drafted by FAS and INTOSAI experts.
- Providing early comments on draft Practice Notes and other texts.
- Commenting on Exposure Drafts.

### Appendix 3: Terms of Reference – Compliance Audit Reference Expert Group (CAREG)

The INTOSAI PSC Compliance Audit Subcommittee (CAS) leads the development of the INTOSAI Compliance Audit Guidelines. The guidelines give practical guidance on how compliance audits should be planned, executed and reported on.

The Compliance Audit Reference Expert Group's role is to ensure that the guidance on compliance audit and financial audit are developed in a consistent way.

The sole responsibility for the development of the Compliance Audit Guidelines lies with CAS. The responsibility of the Compliance Audit Reference Expert Group is limited to reporting to CAS and FAS on issues relating to the scopes of the Compliance Audit Guidelines and the Financial Audit Guidelines.

The Compliance Audit Reference Expert Group reviews proposed guidance on compliance audit as requested by the Project Administrator of CAS.

## Appendix 3: Terms of Reference – Clarity Reference Group (CREG)

The Clarity Reference Group consists of at least two members, experts from the Reference Panel, who together with the FAS Director constitute the group.

The objective of the Clarity Reference Expert Group is to review the considerations specific to public sector entities incorporated into the redrafted ISAs suggested by the IAASB Clarity Redraft Task Forces. CREG may also identify additional considerations for inclusion in the application material.

The Clarity Reference Expert Group supports the IAASB in the redrafting of existing ISAs according to the IAASB clarity drafting conventions. (For further information regarding the IAASB Clarity project, please refer to the IAASB website:

<http://www.ifac.org/IAASB/ProjectHistory.php?ProjID=0024.>)