



October 2013

# A&A Update

## The Technical Standards Update of Crowe Horwath International

---

### From the Standards Setters

#### **ARSC Makes Major Change to Proposed Compilation Standard**

The compilation standard will be revised to eliminate the submission requirement, so that accountants will only perform the compilation when they are engaged to do so. Also, the proposal would eliminate a non-reporting option for financial statements that are not expected to be used by a third party.

The actual ED is expected to be out for comment late October / early November.

#### **Governance Definition Proposal Is Released for Comment**

The AICPA's Professional Ethics Executive Committee (PEEC) released for comment on September 10, 2013, the ED "Proposed Definition of Those Charged with Governance—AICPA Professional Ethics Division." Comments are due by November 10.

The phrase "those charged with governance" is referenced in a number of provisions in the AICPA's Code of Professional Conduct. The amended definition defines those charged with governance as the people or organizations responsible for overseeing the strategic direction of the entity and the obligations related to the entity's accountability. The responsibility includes overseeing financial reporting. The amended definition may include management.

The AICPA's Auditing Standards Board adopted guidance concerning governance to converge with the International Standards on Auditing (ISA). The International Ethics Standards Board for Accountants (IESBA) adopted a final definition for governance in June and, as part of the PEEC's convergence efforts, the committee is proposing a definition that is largely equivalent to the IESBA's, ASB's, and ISA's definitions and related guidance.

The full text of the Ed is available [here](#).

#### **SOP 13-2 Offers Guidance on XBRL-Formatted Information**

In September, the AICPA issued Statement of Position SOP 13-2, *Performing Agreed-Upon Procedures Engagements That Address the Completeness, Mapping, Consistency, or Structure of XBRL-Formatted Information*. SOP 13-2 provides guidance on performing agreed-upon procedures engagements for issuers submitting exhibits to the SEC containing eXtensible Business Reporting Language (XBRL) files.

The SOP is available for purchase from the AICPA [here](#).

---

---

## Headlines from Around the World

### Profiles of IFRS Around the World

To help assess the progress being made towards the goal of a global set of financial reporting standards, the IFRS Foundation is in the process of preparing profiles describing the status of IFRS in countries around the world. To date, 81 such profiles are completed and can be accessed [here](#).

### Singapore to Become Asia's Integrated Reporting Hub

The Singapore Accountancy Commission (SAC) is determined to transform the country into the hub of Integrated Reporting (IR) in South East Asia. According to SAC chief executive Uantchern Loh, the International Integrated Reporting Council (IIRC) chairman Mervyn King supports the idea of Singapore becoming the hub of IR in South East Asia. SAC is investing resources to promote and help companies adopt IR not only in Singapore but in South East Asia. SAC is firmly committed to invest in IR as Singaporean companies are already showing interest in advanced non-financial reporting models.

---

## Useful Links

- International Accounting Standards Board (IASB) [www.iasb.org](http://www.iasb.org)
- [IASB Exposure Drafts open for comment](#)
- International Auditing and Assurance Standards Board (IAASB) [www.ifac.org/iaasb](http://www.ifac.org/iaasb)
- International Federation of Accountants (IFAC) [www.ifac.org](http://www.ifac.org)
- [IFRS Interpretations Committee \(IFRIC\)](#)
- Financial Accounting Standards Board (FASB) [www.fasb.org](http://www.fasb.org)
- Public Company Accounting Oversight Board (PCAOB) [www.pcaob.org](http://www.pcaob.org)
- [American Institute of CPAs Auditing Standards Board \(AICPA ASB\)](#)
- United States Securities and Exchange Commission (SEC) [www.sec.gov](http://www.sec.gov)
- [European Commission \(EC\)](#)
- [Forum of Firms \(FoF\)](#)
- [Transnational Auditors Committee \(TAC\)](#)
- [TAC Guidance Statement No. 1, Definition of Transnational Audit](#)
- [UK Financial Reporting Council www.frc.org.uk](http://www.frc.org.uk)
- [AICPA Center for Audit Quality document explaining PCAOB inspections](#)
- [Sustainability Accounting Standards Board \(SASB\)](#)

---

Published by Crowe Horwath International

Editor-in-Chief: Howard Sibelman  
Editors: David Chitty, Beth Share