# Sample Presentation Format on ACRA’s AQI Disclosure Framework

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| **Granularity of AQI**  - Engagement-level  - Firm-level |

| **AQI** | **Sample Format** |
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| **1. Audit Hours** | |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Audit Hours of Senior Audit Team Members** | **FY 20X5** | | **FY 20X4** | | | Lead Audit Partner Hours | [70] | | [56] | | | Concurring Partner Hours | [18] | | [16] | | |  | **Singapore**  **Firm** | **Member**  **Firms** | **Singapore**  **Firm** | **Member Firms** | | Other Partner(s) Hours | [0] | [120] | [0] | [150] | | Audit Manager(s) Hours | [170] | [300] | [160] | [290] | | Total Audit Hours | [1,402] | [3,052] | [1,201] | [2,804] | | Total Partner(s) and Audit Manager(s) Hours as a % of Total Audit Hours   * Singapore Firm only * Member Firms of the Same Network | [18%]  [14%] | | [19%]  [16%] | |   **[Firms can include relevant narratives/commentaries (e.g. analysis of significant variances)]**  Note:   1. For audit tenders, budgeted hours of the proposed audit team for the first year audit will be provided. 2. At the end of the first year audit, a comparison of actual hours against budgeted hours will be provided. 3. At the end of the second and subsequent year audit, actual hours for the past two years will be provided. |
| **2. Experience** | |  |  |  | | --- | --- | --- | | **Years of Audit Experience** | **FY 20X5** | **FY 20X4** | | Lead Audit Partner | [20] | [19] | | Concurring Partner | [25] | [24] | | Audit Manager(s) | [10] | [8] | | Audit Professional Staff | [3.4] | [3.0] |   **[Firms can include relevant narratives/commentaries (e.g. analysis of significant variances)]**  Note:   1. For audit tenders, estimated years of experience of the proposed audit team for the first year audit will be provided. 2. At the end of the first year audit, a comparison of actual years of experience against budgeted figures will be provided. 3. At the end of the second and subsequent year audit, actual years of experience for the past two years will be provided.   **Industry Specific Experience of Senior Audit Team Members**  [E.g. Mr X has been an audit partner in Firm ABC since 1990. He has approximately 30 years of experience in the audits of financial institutions. He specialises in the audits of retail and commercial banks, and sits on the audit firm’s technical consultation panel on financial institution audits. Mr X is also the Chairman of the Institute of Singapore Chartered Accountants’ Banking and Finance Committee. He was previously the audit partner for (name of past clients in similar industry).] |
| **3. Training**  & | **Firm-Level (Average Training Hours)**   |  |  |  | | --- | --- | --- | | **Training Hours** | **12 months ended**  **30 Sep 20X5** | **12 months ended**  **30 Sep 20X4** | | Audit Partners | [50] | [40] | | Audit Managers | [60] | [56] | | Audit Professional Staff | [80] | [84] |   **[Firms can include relevant narratives/commentaries (e.g. training hours committed by the firm for each staff grade if they are significantly different to actual training hours)]**  **Engagement-Level (Industry Specific Training of Senior Audit Team Members)**   |  |  |  | | --- | --- | --- | | **Industry Specific Training Hours** | **12 months ended**  **30 Sep 20X5** | **12 months ended**  **30 Sep 20X4** | | Lead Audit Partner | [15] | [14] | | Concurring Partner | [25] | [25] | | Audit Manager(s) | [8] | [8] |   **[Firms can include relevant narratives/commentaries (e.g. description of courses or topics covered)]** |
| **4. Inspections**  & | **Firm-Level (Inspection Results)**   |  |  |  | | --- | --- | --- | | **Type of Inspection: External Inspections by ACRA** | | | | Inspection Year | [20X4] | [20X2] | | No. of Audit Partners Inspected | [10] | [10] | | Inspection Results | [9 Pass, 1 Fail] | [10 Pass] |   **[Firms can include relevant narratives/commentaries (e.g. nature of findings, whether systemic or one-off issue and remedial actions)]**   |  |  |  | | --- | --- | --- | | **Type of Inspection: Internal Inspections** | | | | Inspection Year | [20X4] | [20X3] | | No. of Audit Partners Inspected | [13] | [14] | | Inspection Results by Audit Partner\*  \* Inspection results should be presented by audit engagement in instances where more than one audit engagement is inspected per partner. | [11 Satisfactory]  [2 Improvement Required] | [11 Satisfactory]  [2 Improvement Required]  [1 Not Satisfactory] |   **[Firms can include relevant narratives/commentaries (e.g. scope and rating of inspection programme, as well as the remedial actions)]**  **Engagement-Level (Inspection Results of Lead Audit Partner and Concurring Partner)**   |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | **External Inspections** | | **Internal Inspections** | | | **Year last inspected** | **Results** | **Year last inspected** | **Results** | | Lead Audit Partner | [20X4] | [Fail] | [20X3] | [Satisfactory] | | Concurring Partner | [Not Inspected] | [Not Inspected] | [20X4] | [Satisfactory] |  |  |  | | --- | --- | | **Inspection findings for: [Lead Audit Partner] / [Concurring Partner]**  **Type of Inspection: [External / Internal] Inspections** | | | [Details of findings]  [E.g. Inadequate work was performed to ascertain whether the client’s revenue recognition policy was appropriate] | [Details of remediation actions taken by the audit team / firm]  [E.g. Remediation actions taken include:  - Mandatory refresher training on revenue by the audit team;  - Subsequent consultation and collaboration with the firm’s technical department to address the finding;  - Assignment of a more experienced concurring partner on the audit; and  - Communication of the finding as a case study during firm’s training] |   **[Firms can include relevant narratives/commentaries (e.g. root causes of finding and applicability to the audit engagement)]** |
| **5.Independence**  & | **Firm-Level (Independence Compliance Testing Results / Description of Breaches)**   1. **Independence Compliance Testing Results**  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **Area and description of independence testing** | **Scope** | **12 months ended**  **30 Sep 20X5** | | **12 months ended 30 Sep 20X4** | | | **No. of Samples tested** | **No. of Breaches** | **No. of Samples tested** | **No. of Breaches** | | [E.g. Partner, Manager and Professional Staff Independence] | [E.g. To ascertain whether the partner, manager and professional staff of the firm (including their immediate family members) held shares in any of the firm’s audit clients.] | [28] | [1]  (Breach described in the next table) | [30] | [0] |  1. **Description of Breaches**  |  |  | | --- | --- | | **Detected via:** | **Description of breach, including follow-up actions** | | [E.g. Partner, Manager and Professional Staff Independence testing] | [E.g. An audit assistant had held shares in an audit client of the firm he audited. The shares were disposed upon discovery of the breach. The firm had assessed that audit work had not been compromised as it was adequately reviewed by the audit manager. The audit work also did not involve any significant risk or judgement areas. The firm had issued a stern notification letter to the audit assistant, which was reflected in his annual performance review.] | | [E.g. Self-Reported] | [E.g. An audit manager had gone for an interview with an audit client for the position of a finance manager before the audit report was finalised. The firm had removed the individual from the audit team and subjected his work performed to an additional layer of review by the firm’s quality assurance team prior to sign-off. The firm had ascertained that the audit work had not been compromised. The firm had also issued a stern notification letter to the audit manager.] |   **[Firms can include relevant narratives/commentaries (e.g. scope of independence compliance testing)]**  **Engagement Level (Compliance by Audit Team Members)**  [E.g. One audit manager and twoprofessional staffof the audit team were subjected to the audit firm’s staff independence testing in 20X5. No breaches were detected.]  **[Firms can include relevant narratives/commentaries]** |
| **6. Quality Control** | |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Quality Control Functions (QCF)** | **12 months ended**  **30 Sep 20X5** | | **12 months ended**  **30 Sep 20X4** | | | **Partners** | **Managers** | **Partners** | **Managers** | | Risk Management | [0.6] | [3.3] | [0.5] | [3.0] | | Training | [0.5] | [6.0] | [0.2] | [7.1] | | Quality Assurance | [0.7] | [5.6] | [0.7] | [6.1] | | Technical | [0.5] | [7.5] | [0.4] | [7.4] | | Total Headcount | [2.3] | [22.4] | [1.9] | [23.6] |  |  |  |  | | --- | --- | --- | | **Ratio of:** | **12 months ended**  **30 Sep 20X5** | **12 months ended**  **30 Sep 20X4** | | QCF Partners to Total Audit Partners | [1 : 12] | [1 : 11] | | QCF Partners and Managers to Total Audit Partners and Audit Managers | [1 : 27] | [1 : 26] |   **[Firms can include relevant narratives/commentaries (e.g. overview of quality control set-up)]** |
| **7. Staff Oversight** | |  |  |  | | --- | --- | --- | | **Ratio of:** | **12 months ended**  **30 Sep 20X5** | **12 months ended**  **30 Sep 20X4** | | Partners to manager and audit professional staff | [1 : 23] | [1 : 31] | | Managers to audit professional staff | [1 : 5.0] | [1 : 4.8] |   **[Firms can include relevant narratives/commentaries (e.g. comparison vis-à-vis the audit team assigned to the audit engagement)]** |
| **8. Attrition Rate** | |  |  |  | | --- | --- | --- | |  | **12 months ended**  **30 Sep 20X5** | **12 months ended**  **30 Sep 20X4** | | Attrition rate | [30%] | [32%] |   **[Firms can include relevant narratives/commentaries (e.g. the retention rate of key audit engagement team members or attrition rates of high potential professional staff in the audit firm)]** |