

Circular No. ID 13/19

6 November 2019

To Chief Executives
All Insurers

Dear Sir/Madam

APPROVAL OF EXTERNAL AUDITORS

Under section 36(3A) of the Insurance Act (Cap. 142) (“the Act”), every licensed insurer, other than a captive insurer and a marine mutual insurer, shall appoint an auditor annually. Further, under section 36(6) of the Act, licensed insurers shall seek MAS’ approval prior to the appointment of auditors.

2 In response to feedback received, MAS has revised the application form for the appointment of auditor in Appendix 2 of Circular No. ID 08/18 to include fee information relating to audit-related services provided by the auditor.

3 The latest application forms are appended to this Circular. The completed application forms should be submitted to MAS no later than one month before the proposed date of appointment of auditor.

4 Circular No. ID 08/18 is cancelled with immediate effect. Please contact your company’s liaison officer should you require further clarification. Thank you.

Yours faithfully

[sent via MASNET]

DANIEL WANG
EXECUTIVE DIRECTOR
INSURANCE DEPARTMENT

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cc: Institute of Singapore Chartered Accountants

APPLICATION FORM FOR APPOINTMENT OF AUDITORS
SECTION 36(6)(c) OF THE INSURANCE ACT (CAP 142)
(To be completed by the licensed insurer)

SECTION I BASIC INFORMATION

- 1.1 Name of insurer

- 1.2 Proposed engagement for the audit relating to:
 - (a) Accounting period ended
 - (b) Financial year ended

(Note: This application form should be submitted to the Authority no earlier than the beginning of the above-mentioned accounting period.)

- 1.3 Proposed date of appointment (if any)

(Note: This application form should be submitted to the Authority no later than one month before the proposed date of appointment.)

SECTION II DETAILS OF PROPOSED AUDITOR

- 2.1 Name of audit firm

- 2.2 (a) Name of audit partner (who will be signing the audit report) ("Signing Partner")

- (b) Name of engagement audit partner (if different from above)

- 2.3 (a) Is there a change in audit firm or Signing Partner from the preceding engagement?

- (b) If yes, state the reason for the change

SECTION III RECOMMENDATION BY BOARD AND/OR AUDIT COMMITTEE *(Only applicable for licensed insurers incorporated in Singapore)*

- 3.1 Date of Board and/or Audit Committee meeting

- 3.2 Extract of minutes of Board and/or Audit Committee meeting on the assessment, recommendation and approval for appointment of proposed auditor.

I, <Name of Chief Executive/ Deputy Chief Executive>, Chief Executive/ Deputy Chief Executive* of <Name of Insurer>, hereby submit this application and declare that all information given in this application (including any annexes and appendices attached) is true and complete to the best of my knowledge and belief.

Signature: _____

Date: _____

* Delete as appropriate.

**APPLICATION FORM FOR APPOINTMENT OF AUDITORS
SECTION 36(6)(c) OF THE INSURANCE ACT (CAP 142)**

(To be completed by the auditor for the licensed insurer. A soft copy of this application form in excel format should also be submitted to MAS.)

SECTION I BASIC INFORMATION

1.1 Name of insurer

1.2 Proposed engagement for the audit relating to: (a) Accounting period ended 31 Dec YYYY
 (b) Financial year ended DD MMM YYYY

SECTION II INFORMATION ON PRECEDING AUDIT ENGAGEMENT *(Not applicable for the first year of engagement)*

Name	Years of audit experience	Years of insurance audit experience	Man-hours for audit engagement
<u>Partner</u>			
<u>Manager</u>			
<u>Team Leader</u>			
<u>Team Member</u>			
Total man-hours			

	S\$	%
Total audit fee		
Total audit-related services fee		
Total non-audit services fee		
Total fees		100%

SECTION III INFORMATION ON PROPOSED AUDIT ENGAGEMENT

	Years of audit experience	Years of insurance audit experience	Estimated man-hours for audit engagement
Name of Partner(s)			
Managers/ Team Leaders/ Team Members <i>(Names are not required)</i>			
No. of Managers = _____			
No. of Team Leaders = _____			
No. of Team Members = _____			
Total man-hours			

	S\$	%
Total audit fee		
Total audit-related services fee		
Total non-audit services fee		
Total fees		100%

I, <Name of Signing Audit Partner>, on behalf of <Name of Audit Firm>, hereby submit this application and declare that all information given in this application (including any annexes and appendices attached) is true and complete to the best of my knowledge and belief.

Signature: _____

Date: _____

Note

Audit fee includes fee relating to:

- (i) Statutory audit of financial statements*
- (ii) Review of interim financial information*
- (iii) Audit of MAS returns*
- (iv) Audit of financial information and/or specified processes for purposes of reporting to head office or parent company*
- (v) Audit of Investment-linked Policy sub-funds under MAS Notice 307*

Audit-related services fee includes fee relating to:

- (i) Assurance engagements under Singapore Standard on Assurance Engagements or Singapore Standard on Review Engagements other than those stated under "audit fee"*
- (ii) Special audits required by MAS, including those under sections 36(9) and 49FD of the Insurance Act*
- (iii) Annual certification for Central Provident Fund Board*
- (iv) Agreed-upon procedures engagements under Singapore Standard on Related Services*
- (v) Comfort letters issued as part of capital market offerings*