



**Subject:** Highlights of the 78<sup>th</sup> meeting of the Auditing and Assurance Standards Board (AUASB)  
**Venue:** Ken Spencer Room, AUASB offices  
Level 7, 600 Bourke St, Melbourne  
**Meeting Date:** 15 September 2015

**1. Proposed Auditing Standard ED 02/15 ASA 720 *The Auditor's Responsibilities Relating to Other Information and Related Conforming Amendments***

The AUASB considered comments received on ED 02/15 and recommendations for proposed final revised ASA 720. The AUASB then provided preliminary clearance, subject to minor editorial amendments, on the second tranche of the enhanced auditor reporting standards comprising revised ASA 720 and associated conforming amendments. Revised ASA 720 together with consequential changes to other auditing standards, will be given final approval at the 1 December 2015 AUASB meeting, as part of a consolidated set of final auditing standards.

**2. Auditor Reporting – Disclaimers in Auditors Reports**

The AUASB discussed a recent UK court decision in relation to the inclusion of disclaimers in auditor's reports. The AUASB requested further research into the efficacy of mandating disclaimers to third parties in auditor's reports, with a view to considering this matter further at the 1 December 2015 AUASB meeting.

**3. GS 009 *Auditing Self-Managed Superannuation Funds***

The AUASB approved for issue the revised version of GS 009 *Auditing Self-Managed Superannuation Funds* subject to final editorials and quality review being completed. The revised guidance statement will be released by the end of September 2015.

**4. GS 003 *Assurance Relating to Australian Financial Services Licences issued under the Corporations Act 2001***

Further to discussions at the 28 July 2015 AUASB meeting, the AUASB considered a further version of revised FS71 as issued by ASIC. As this version is now expected to be final, the AUASB considered a revised draft of GS 003. The AUASB was agreeable to finalise its approval of this guidance statement on an out-of-session basis pending discussion of one outstanding matter with ASIC over the coming week. It is expected that GS 003 will be considered further and approved out of session by 30 September 2015.

**5. ASAE 3100 *Compliance Engagements***

The AUASB considered a second draft of a proposed ED of revised ASAE 3100 *Compliance Engagements* and outcomes from the most recent PAG meeting. Work will continue on this project with the PAG and a final exposure draft will be considered at the 1 December 2015 AUASB meeting for approval.



**6. ASAE 3500 Performance Engagements**

The AUASB considered a second draft of a proposed ED of revised ASAE 3500 *Performance Engagements* and outcomes from the most recent PAG meeting. It was recognised that there are a number of issues with this project that require further discussion with the PAG. Once these issues are further articulated, another draft ED will be brought to an AUASB meeting.

**7. Service Performance Information**

The AUASB received an update on the NZAuASB project to develop an auditing standard on service performance information and the AASB's project to issue ED 270 *Reporting Service Performance Information*. The AUASB will continue to monitor the NZAuASB audit project and the comments received on the AASB's ED 270 and how assurance engagements on service performance information as required, may be addressed in Australia in due course.

**8. Non-Compliance with Laws and Regulations (NOCLAR)**

The AUASB considered the IAASB exposure draft on proposed changes to ISA 250 *Consideration of Laws and Regulations in an Audit of a Financial Report* and other ISAs as a result of conforming changes brought about by the IESBA NOCLAR project. The AUASB agreed on a way forward with a view to approving the proposed submission to the IAASB at a special teleconference meeting which will be held on 13 October 2015.

**9. Other**

It was agreed that the AUASB would consider and approve at a special teleconference meeting on 13 October 2015, the proposed exposure draft of changes to various ASAs as a result of the IAASB changes to ISAs emanating from its disclosures project. The exposure draft would have a 30-day comment period to enable these changes to be consolidated with changes from the enhanced auditor reporting and ASA 720 projects in a timely manner.

***The next meeting of the AUASB will be held at the new offices of the<sup>1</sup> AUASB situated at Level 14, 530 Collins Street, Melbourne on Tuesday, 1 December 2015 commencing at 9.00 a.m. The meeting will be open to the public.***

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<sup>1</sup> Please note that the AUASB will be relocating to Podium Level, Level 14, 530 Collins Street Melbourne from Monday 21 September 2015.