



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **3**

Meeting Date: 25 October 2016

Subject: Project update on ASAE 3100 *Compliance Engagements*

Date Prepared: 13 October 2016

Action Required

For Information Purposes Only

Agenda Item Objectives

1. Update on project status and timing of responses to ED 04/16 ASAE 3100 *Compliance Engagements*.

Background

1. ASAE 3100 was issued in 2008 and a post-implementation survey was conducted in 2012. The results of that survey identified some matters to be addressed in any future revisions to ASAE 3100.
2. The NZAuASB also completed a post-implementation survey for SAE 3100 in April 2015 and any matters raised will be addressed by the NZAuASB in their revision of SAE 3100 and considered by the AUASB in the revision of ASAE 3100 to ensure consistency.
3. The AUASB approved a project plan to revise ASAE 3100 at the AUASB meeting in February 2015.
4. A project advisory group (PAG) was formed in March 2015 to advise the AUASB TCG specifically on the subject matter and issues encountered in practice with compliance engagements. Four project advisory (PAG) meetings were held in the 2015 calendar year.
5. A PAG meeting was held on 22 March 2016 to discuss with the PAG suggested changes made by the Board to ED ASAE 3100 at the December 2015 and February 2016 meetings.
6. A PAG meeting was held on 14 July 2016 to discuss the outcomes of the June AUASB board meeting and to seek input on the final draft of the ED XX ASAE 3100. The feedback from this PAG meeting is reflected in the final draft ED.
7. ED 04/16 ASAE 3100 *Compliance Engagements* was issued for exposure on 22nd August 2016 with a 60 day comment period closing on 19th October 2017. To date no submissions have been received and CA ANZ have requested a 3 day extension period.

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Matters to Consider

Part A – General

1. The OBPR process was completed on 15 August 2016 and clearance from OBPR that no RIS was required was received on 17 August 2016.
2. A verbal update will be given at the October teleconference on how many submissions were received and from whom and if there are any “fatal flaw” comments that may need to be addressed by the Board immediately, with a view to finalising the disposition of comments and approval of the final standard at the 29 November 2016 meeting.

Part B – NZAuASB

1. This is a joint project with NZAuASB, as they currently have SAE 3100 *Compliance Engagements* (August 2011) which is in clarity format however needs to be revised to remain consistent with ISAE 3000 (revised) and ASAE 3100 (revised).
2. The NZAuASB technical group provided a second draft of the ED (as provided to the AUASB at its 15 Sept meeting) to the NZAuASB for consideration at their 21 October meeting.
3. The NZAuASB also considered a draft of an ITC and ED SAE 3100 (Revised) *Compliance Engagements* for approval to expose at its December meeting on the 9th of December. This was subject to the approval of the AUASB’s exposure draft earlier in December. Draft ED SAE 3100 (Revised) is similar to draft AUASB ED, with amendments for New Zealand examples and ethical references. The New Zealand exposure draft will not include the equivalent of para 38 prohibiting direct assistance (this is consistent with harmonisation differences across the suite of New Zealand and Australian standards).
4. The AUASB has liaised with the NZAuASB who have completed the Quality Assurance process for ED XX ASAE 3100. No substantive technical points were raised. Points raised were primarily format and editorial in nature and these changes are now reflected in the final draft ED XX ASAE 3100.
5. NZAuASB have scheduled for the disposition of comments on ED SAE 3100 (Revised) *Compliance Engagements* to come back to their 8 December 2016 meeting. Depending on the outcomes of the AUASB 29 November 2016 meeting and the analysis of comments received by NZAuASB, approval of the standard will also be sort at the December meeting.

Material Presented

Agenda Item 4

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