



**Subject:** Highlights of the 97<sup>th</sup> Meeting of the Auditing and Assurance Standards Board  
**Venue:** ASIC, Level 5, 100 Market Street, Sydney  
**Meeting Date:** Tuesday 28 November, 2017

More detailed meeting highlights are available via the [meeting podcast](#) (12 minutes) featuring AUASB Chair **Prof. Roger Simnett AO**, AUASB Technical Director **Matthew Zappulla** and AUASB Member and Macquarie University Professor **Nonna Martinov-Bennie**.

### 1. **Audit Quality Matters (in camera session)**

The AUASB received an update on the work the Financial Reporting Council is currently engaged in through a presentation from the FRC Chair Bill Edge. The AUASB discussed recent press articles on audit quality containing observations critical of the profession by the former ASIC Chair and considered how the AUASB can assist with and respond to real or perceived audit quality issues arising from this recent topic. The AUASB acknowledged that their role on this topic will focus primarily on challenges practitioners and regulators have in interpreting auditing standards or guidance.

### 2. **International Matters (in camera session)**

The AUASB received an update on current projects from IAASB members Fiona Campbell and Lyn Provost. The AUASB will hold a teleconference on Tuesday, 5 December 2017 to discuss the international papers on these agenda items to be tabled at the IAASB meeting (11 – 15 December, New York).

The AUASB discussed the AUASB's plan for its consultation activities and final response to the Monitoring Group Consultation Paper – *Strengthening the Governance and Oversight of the International Audit-Related Standard-Setting Boards in the Public Interest*. Outreach activities on this matter are currently being planned with other impacted stakeholders to ensure knowledge can be shared and reduce duplication of effort. Details of outreach events on this topic will be communicated shortly.

### 3. **AUASB-UNSW Roundtable and AUASB Agenda Consultation Forums**

The AUASB discussed feedback received from constituents at the AUASB-UNSW Roundtable held in Sydney on 13 October 2017 and the AUASB Agenda Consultation Forums held in November 2017 at various locations. Participants at these sessions were invited to provide feedback on the AUASB's most recent technical work program and current strategic projects.

Stakeholders provided positive feedback that the technical work program was appropriate and that the AUASB was addressing relevant strategic projects. The AUASB acknowledged that the technical work program will likely be amended based on timing of when projects are likely to be completed by the IAASB. The AUASB discussed stakeholder's commentary on the need for timelier action by the AUASB in relation to providing guidance for local practitioners in relation to the application of Data Analytics in the audit and requested the AUASB to make this area a higher priority in its current work program.

A separate summary of matters raised by participants at the AUASB Agenda Consultation Forums held in November 2017 will be prepared and the current AUASB technical work program updated in early 2018 to reflect the feedback received from stakeholders at these sessions.



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**4. Auditor Reporting**

The AUASB discussed the need for a revision to GS 010 *Responding to Questions at an Annual General Meeting*. While the AUASB agreed that such a revision would remain on the AUASB's technical work program, the AUASB did not consider this to be a priority project and accordingly the guidance would not be updated at this time.

**5. NZ Auditing Standard on the Audit of Service Performance Information**

The AUASB were presented with a summary of the latest exposure draft from the New Zealand Auditing Standards Board (NZAuASB), ED 2017-2 *Service Performance Information*. AUASB Members were very complimentary of the work the NZAuASB and its staff had done on the ED and noted a number of innovative methods the NZAuASB had applied to address some of the challenges faced by assurance practitioners who operate in the NZ Charities and Not-for-profit sector. AUASB Members discussed some of the differences between the Australian and New Zealand jurisdictions with regard to reporting service performance information, which would need further consideration should an equivalent assurance standard be developed in Australia. The AUASB authorised the AUASB Technical Group to develop a response to key questions which the NZAuASB has requested feedback on in the Invitation to Comment released with the exposure draft.

**6. ASA 102 Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements**

The AUASB considered and provided feedback on draft ASA 2017-3 *Amending Standard to ASA 102 Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements* and draft ASA 102 *Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements*. The AUASB requested the drafts to be brought back to the 7 March 2018 AUASB meeting for final consideration and approval to issue.

**7. Acknowledgement of retiring AUASB Members**

As it was their last face to face meeting the AUASB Chair, Prof. Roger Simnett AO, acknowledged the tremendous contribution retiring AUASB members Colin Murphy and Nonna Martinov-Bennie had made to the AUASB. All the remaining AUASB members and AUASB Technical Group staff echoed Roger's sentiments and we wish both of them well in their future endeavours.

***The next AUASB meeting will be held in Sydney  
on Wednesday, 7 March 2018 commencing at 8.30 am.  
The meeting will be open to the public.***