



Board Meeting Summary Paper

AUASB AGENDA ITEM NO. 15
Meeting Date: 6-7 April
2009

Subject: Proposed new Guidance Statement
GS XXX *Prudential Reporting
Requirements for Auditors of Authorised
Deposit-taking Institutions (ADIs)*

Date: 23 March 2009

Action Required

For Information Purposes Only

Agenda Item Objectives

To review and provide comment on the first draft of the proposed new Guidance Statement GS XXX *Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions (ADIs)* which will replace AGS 1008 *Audit Implications of Prudential Reporting Requirements for Authorised Deposit-taking Institutions (ADIs)*.

Background

The AUASB, at its September 2008 meeting, approved a project plan to develop and issue new guidance to assist ADI auditors reporting pursuant to the prudential reporting requirements specified by APRA in its Prudential Standard APS 310 *Audit and Related Matters*.

During 2008 the AUASB Technical Group worked closely with APRA and practitioners in finalising APS 310, which was issued by APRA on 23 December 2008.

A Project Advisory Group (PAG), consisting of practitioners from large and mid-sized audit firms, has been formed to provide industry and specific technical advice to the AUASB on issues relating to the project. During the period November 2008 to March 2009, the AUASB Technical Group consulted extensively with APRA and the PAG, to discuss working drafts of the proposed new Guidance Statement and to resolve contentious issues.

A Working Group, made up of a senior staff member from each audit firm represented on the PAG, was set up to provide assistance to the AUASB Technical Group on a more detailed level during the initial drafting phase of the project.

A copy of the proposed Guidance Statement will be circulated to APRA in early April for review and comment. The AUASB Technical Group will consult further with the PAG and APRA during April and May 2009, to finalise the proposed Guidance Statement.

This document contains preliminary views and/or staff recommendations to be considered at a meeting of the AUASB, and does not necessarily reflect the final decisions of the AUASB. No responsibility is taken for the results of actions or omissions to act on the basis of reliance on any information contained in this document (including any attachments), or for any errors or omissions in it.

It is expected that a final draft of the proposed new Guidance Statement will be tabled at the 1-2 June 2009 AUASB meeting for final approval to be issued.

The new Guidance Statement will replace AGS 1008 (issued in July 2002), and will be effective for engagements undertaken in relation to reporting periods commencing on or after 1 January 2009.

Matters to Consider

The Board is requested to review the attached proposed Guidance Statement (see Agenda Item 15.2), and provide comment to further develop the Guidance Statement.

For key issues considered by the PAG, refer to Agenda Item 15.1.

For further background information in relation to the project, refer to Agenda Item 15.3 (Project Plan).

Material Presented

Agenda Item 15	Board Meeting Summary Paper
Agenda Item 15.1	Attachment to BMSP – Key Issues for Consideration
Agenda Item 15.2	First Draft of proposed new Guidance Statement <i>GS XXX Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions (ADIs)</i> (Clean Version)
Agenda Item 15.3	Project Plan
Agenda Item 15.4	APRA Prudential Standard APS 310 <i>Audit and Related Matters</i> [Electronic copy only]
Agenda Item 15.5	Extant AGS 1008 <i>Audit Implications of Prudential Reporting Requirements for Authorised Deposit-taking Institutions (ADIs)</i> [Electronic copy only]

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1	The AUASB is asked to review the 1st Draft of the proposed new Guidance Statement, and provide comment	Board input	AUASB	6-7 April	Pending

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