



Attachment to Board Meeting Summary Paper

Subject: Outline of GS XXX Prudential Reporting Requirements for Auditors of a Life Company

Prepared by: AUASB Technical Group

Date: 8 April 2010

ATTACHMENT 1

Outline

In preparing the outline for *GS XXX Prudential Reporting Requirements for Auditors of a Life Company* the following principles have been applied:

- structure for *GS XX Prudential Reporting Requirements for Auditors of a Life Company* is based on GS012 ADI's which was issued in June 2009 and is aligned with the new APRA Prudential Standards where audit and actuarial requirements have been separated;
- format/outline check with GS 004 General Insurance is in the process of being completed to ensure that anything relevant is retained in the Life Insurance GS - especially in relation to the requirement for controls review and sign off on actuarial data integrity and financial reporting risks;
- consider more emphasis on the subject matter specific guidance for life insurance company's as compared to the general guidance given for ADI's; and
- PAG to provide feedback on subject matter specific areas that were raised at the 1st meeting (refer attached notes from the meeting) in the next meeting and drafting phase.

PAG Meetings

The first PAG meeting was held on 22nd March and was attended by all participants being the Big 4, APRA and the AUASB. The second meeting is scheduled for Thursday 15th April and the 3rd for 17th May 2010.

Process / Timeline

Post the 19 April Board meeting, drafting will continue on the GS XXX taking into account comments from the 2nd PAG meeting. This will include focus on relevant and specific report examples in the Appendices and subject matter specific guidance as discussed with PAG members and APRA.

| Key Milestones | Due date |
|---|--|
| Circulate 1 st detailed draft Guidance Statement to PAG and APRA for comment (excluding appendices) | 12 th April 2010 |
| 2 nd PAG Meeting – discuss and flesh out areas for specific guidance noted at 1 st PAG meeting | 15 th April 2010 |
| Further develop detailed Guidance Statement content in consultation with PAG and APRA (including appendices) | 15 th April – 17 th May 2010 |
| Circulate 2nd draft GS XXX to AUASB for consideration out of session & PAG for 3rd meeting | 10th May 2010 |
| 3 rd PAG Meeting – feedback from PAG on preliminary final draft GS | 17 th May 2010 |
| Detailed drafting to continue based on feedback from 3 rd PAG meeting | 18 th May – Beg June 2010 |
| Quality Assurance process to be completed | End of May 2010 |
| Table final proposed Guidance Statement at AUASB meeting for approval to issue | 7-8 June 2010 |
| Finalise editorials and formatting with view to release of Life GS XX on or around 30 June 2010. | 8 th June – 30 June 2010 |

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