



Subject: Highlights of the 62nd meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: Ken Spencer Room, AUASB offices
Level 7, 600 Bourke St, Melbourne
Date: 29 April 2013

1. ASA 610 Using the Work of Internal Auditors

Further to its previous consideration at the 25 February 2013 meeting, the AUASB considered an issues paper and draft exposure drafts of the proposed revisions to ASA 610 and ASA 315. After extensive discussion of the various issues presented, in particular on the matter of “direct assistance”, the AUASB agreed to defer finalisation of the draft exposure drafts until the 17 June 2013 meeting. At that time, it should also be known what position the APESB has taken in relation to any related changes to APES 110 *Code of Ethics for Professional Accountants*, which may impact on the revision of ASA 610. The AUASB also agreed to consult further with ASIC on the proposed changes to ASA 610.

2. Composite Auditing and Assurance Engagements (including Grant Acquittals)

The AUASB approved a revised project plan to develop a Guidance Statement designed to assist auditors and assurance practitioners to prepare appropriate reports when reporting under more than one AUASB reporting framework, with focus on Grant Acquittals and report formats prescribed by relevant organisations such as licensing authorities.

3. Assurance Engagements on Controls

The AUASB received an update on the project to develop an assurance standard on *Assurance Engagements on Controls* (revision of AUS 810). A first draft exposure draft of the proposed assurance standard will be considered at the 17 June 2013 AUASB meeting.

4. Agreed-upon Procedures Engagements

The AUASB considered a paper regarding restriction on distribution of Agreed-upon Procedures Engagements reports. The AUASB agreed to effect a miscellaneous amendment to the wording of ASRS 4400 *Agreed-upon Procedures Engagements to Report Factual Findings* to remove the restriction on distribution of reports issued under the standard but retain the restriction on use of those reports. This miscellaneous amendment will be approved for exposure at the 17 June meeting.

5. Australian Accounting Standards Board

Mr Kevin Stevenson, AASB Chairman, and Mr Robert Keys AASB Technical Director, provided an update on the AASB’s current projects including, *The AASB’s consideration of research into private company and similar reporting*, as well as other matters on the AASB’s work program.

6. International Integrated Reporting Council

Ms Liz Prescott, International Integrated Reporting Council (IIRC), provided an update to the Board, on the integrated reporting project activities, including work on development of the recently released *Consultation Draft of the IR Framework*.

7. International Matters

- (a) The AUASB received a report on matters discussed and outcomes of the IAASB meeting held on 15-19 April 2013 in New York.



- (b) The AUASB considered and approved the draft submission on the IAASB's Consultation Paper *A Framework for Audit Quality*. The submission reflected input from stakeholders obtained at roundtables held in Melbourne and Sydney on 20 and 21 March.
- (c) The AUASB discussed its proposed response to the IAASB's *Future Strategy Survey*. The AUASB agreed to finalise the response out-of-session in time for the due date of 7 May 2013.

8. GS 004 Audit Implications of Prudential Reporting Requirements for General Insurers

The AUASB approved, subject to further editorial amendments and OBPR clearance, the revision of GS 004. It is expected that the revised Guidance Statement will be released in mid-May 2013.

9. Assurance on Water Accounting Reports

The AUASB received an update on the project to issue a joint AUASB/WASB auditing standard on Assurance on Water Accounting Reports, including a preliminary analysis of responses to ED 04/12 *Assurance Engagements for General Purpose Water Accounting Reports*.

The joint Project Steering Committee will consider a final draft assurance standard in June. Once cleared by the Steering Committee, the proposed standard will then be considered for approval by the AUASB and WASB.

10. Other Matters

(a) *Updated AUASB work program and Strategic Plan for 2013-2014*

The AUASB considered a draft amended Strategic Plan and agreed to revise the document further and recast the plan for the period 1 July 2013 to 30 June 2016.

(b) *Auditing Managed Investment Schemes*

The Board received an update on the project to revise GS 013 *Special Considerations in the Audit of Compliance Plans of Managed Investment Schemes*. After discussion, the AUASB agreed to liaise further with ASIC on this project, and any proposed changes to ASIC's RG 132 *Managed Investments: Compliance Plans*.

(c) *SBR/XBRL*

The AUASB received an update on recent developments in this area including matters raised at a roundtable presented by The Treasury in Melbourne on 1 March 2013.

***The next meeting of the AUASB will be held on 17 June 2013
at Level 7, 600 Bourke Street, Melbourne***

The meeting will be open to the public