



# Board Meeting Summary Paper

**Subject:** Specified Assurance Procedures and Agreed-upon Procedures Engagements  
**Date:** 3 December 2009

<b>AUASB AGENDA ITEM NO. 7</b>
<b>Meeting Date: 7 December 2009</b>

**Action Required**

**For Information Purposes Only**

## Agenda Item Objectives

To consider and approve a new standard to be developed on Specified Assurance Procedures and Agreed-upon Procedures engagements.

## Background

At the October Board meeting the Board discussed an issues paper on specified assurance procedures and approved the development of a pronouncement to highlight the differentiating factors between an assurance engagement and a non-assurance engagement and to identify the standards relevant to conducting specified assurance procedures engagements.

## Matters to Consider

Following the Board's decision to issue a pronouncement in this area, the AUASB Chairman, the PAG Chairman and the AUASB Technical Group gave further consideration to the type of pronouncement which would meet the objectives of the project and how this pronouncement would link in with the existing AUS 904 *Engagements to Perform Agreed-upon Procedures*.

The attached issues paper discusses:

- Needs identified in October Board meeting issues paper
- Requirements & Guidance provided in AUS 904
- The AUASB's Mandate

*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.*

- How to achieve the behavioural change required
- Type of Standard to issue

### **Staff Recommendations**

The AUASB Technical Group, after consultation with the AUASB Chairman and the PAG Chairman, recommends that a Standard be developed to replace AUS 904 on differentiating assurance from non-assurance engagements. It would be a Standard on Assurance Engagements (ASAE) focussing on the application of the Auditing and Assurance Standards, as appropriate, to the acceptance, scoping and conduct of assurance engagements. It would include requirements for differentiating assurance from non-assurance engagements conducted by the assurance practitioner. Illustrative examples would use the same subject matter and similar procedures to demonstrate the differences in scope, conduct and reporting between assurance and non-assurance engagements.

### **Material Presented**

- Agenda Item 7            Board Meeting Summary Paper
- Agenda Item 7.1        Attachment to Board Meeting Summary Paper – Specified Assurance Procedures Issues Paper
- Agenda Item 7.2        Table of Relevant Pronouncements.

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### **Action Required**

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1	Approve development of an ASAE on differentiating assurance and non-assurance engagements	Board approval	Board	7 Dec 2009	Pending

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### **Notes**

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