



Attachment to Board Meeting Summary Paper

Subject: ASA Redrafting Project – ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Accounting Standards* (Revised and Redrafted)

Prepared by: AUASB Technical Group

Date: 16 February 2009

Issues

The AUASB is requested to consider and resolve the following issues:

Item #	Issues	Approve? Y/N
1	<p><i>Issue:</i> Is the proposed treatment of each comment from respondents to the ED listed at Agenda Item 13 (a).4 appropriate?</p> <p><i>Recommendation:</i> Yes, the treatment is appropriate.</p>	
2	<p>Issue: The application paragraph has been amended to:</p> <p>(a) incorporate a reference to ASA 805 (single financial statements) which apply to financial services licensee obligations under section 989B of the <i>Corporations Act 2001</i></p> <p>(b) incorporate the Australian Accounting Standard terminology ‘financial statements’. This facilitates the consistency of terminology used in the <i>Corporations Act 2001</i> audits, which use “financial report”, as well as to those audits not required under the Act, which may use “complete set of financial statements”.</p> <p>Aus 0.1 This Auditing Standard applies to:</p> <p>(a) an audit of a financial report for a financial year, or an audit of a financial report for a half-year, or a single financial statement in accordance with the <i>Corporations Act 2001</i>; and</p> <p>(b) an audit of a financial report, or a complete set of financial statements prepared, for any other purpose.</p> <p>Aus 0.2 This Auditing Standard also applies, as appropriate, to an audit of other historical financial information.</p> <p>Does the Board agree with this approach?</p> <p>Recommendation: Yes, the approach is appropriate.</p>	

Information

The following matters are brought to the Board's attention for information purposes only:

Item #	Information only Matters	Para. #
1	Requirements and/or Guidance paragraphs in Extant ASA which contained references to Australian ethical body, which have not been retained are listed	A14-17
2	Paragraphs that contain "management" or "those charged with governance" references, which have been amended	NA

Conforming Amendments

Item #	ASA (Revised & Redrafted)	Proposed Amendment	Approve? Y/N
1	<i>ASA 100 Preamble</i>	None noted at this point. However, a number of generic changes will have to be made to the <i>Preamble</i> , in due course, that will cover all standards including ASA 200.	
2	<i>Assurance Framework</i>	None noted at this point	
3	<i>Glossary</i>	ASA (Revised and Redrafted) includes definitions at [para 13] which will have to be included in the Glossary	
4	<i>Foreword</i>	None noted at this point. However, a number of generic changes will have to be made to the <i>Foreword</i> , in due course, that will cover all standards including ASA 200.	
5	<i>Other</i>	There are conforming amendments required to other standards as a result of ASA 200. These amendments are as follows: (1) <i>Preface to the International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services (Preface)</i> (Requirements/Guidance) (2) ASA 230 (Revised and Redrafted), " <i>Audit Documentation</i> " (Requirements/Guidance) (3) ASA 240 (Revised and Redrafted), " <i>The Auditor's Responsibilities Relating to Fraud In an Audit of a Financial Report</i> " (Requirements/Guidance) (4) ASA 260 (Revised and Redrafted), " <i>Communication with Those Charged with Governance</i> " (Definitions/Guidance) (5) ASA 250 " <i>Consideration of Laws and Regulations in an Audit of a Financial Report</i> " (Revised and Redrafted), paragraph 8 . (terminology) (6)ASA 540 " <i>Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures</i> " (Revised and Redrafted), paragraph A40. (terminology)	

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.

Item #	ASA (Revised & Redrafted)	Proposed Amendment	Approve? Y/N
		<p>(7) ASA 550 “<i>Related Parties</i>” (Revised and Redrafted), paragraph A9. (terminology)</p> <p>(8) ASA 315 “<i>Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and Its Environment</i>” (Revised and Redrafted), paragraph A42. (terminology)</p>	