



Subject: Highlights of the 43rd meeting of the AUASB
Venue: Auditing and Assurance Standards Board, Melbourne
Date: 22 February 2010

1. ASA Redrafting (Clarity Format)

Approval of Other Pronouncements

The Board approved, with minor amendments, the final version of the revised *Framework for Assurance Engagements*, for release in March 2010.

2. Guidance Statements

The Board approved, with minor amendments, the final versions of the following Guidance Statements for release in March 2010:

- (a) GS 001 *Concise Financial Reports*
- (b) GS 006 *Electronic Publication of the Auditor's Report*
- (c) GS 008 *The Auditor's Report on a Remuneration Report Pursuant to Section 300A of the Corporations Act 2001*

The proposed Guidance Statements include amendments made to conform with the *Clarity* Auditing Standards, released in October 2009.

3. Exposure Draft – Standard on Assurance Engagements

The Board considered a draft of the proposed Standard on Assurance Engagements ASAE 3402 *Assurance Reports on Controls at a Service Organisation*. A further draft will be considered for out-of-session approval, as an exposure draft with a comment period of 30 days, for release in March 2010.

The proposed Standard will replace AGS 1042 *Reporting on Control Procedures at Outsourcing Entities*.

4. Project Plans

- (a) The Board approved a plan to revise Guidance Statement 007 *Audit Implications of the Use of Service Organisations for Investment Management Services*. The revised Guidance Statement will be released with ASAE 3402.
- (b) As a result of the impending reforms outlined in the draft Corporate Law Reform Bill, the Board has agreed to commence revision of ASRE 2400 for the reviews of financial reports of companies limited by guarantee.

5. International Matters

- (a) The Board received a report on the recent activities of the International Auditing and Assurance Standards Board (IAASB) and an update on other international audit and assurance related matters.

- (b) The Board also received updates from taskforce members on IAASB projects:
- Reviews and Compilations - Ms D Azoor Hughes
 - Pro Forma Information in Prospectuses – Mr D Simmonds
- (c) The Board noted submissions lodged to the IAASB on consultation papers on the following projects:
- Proposed ISAE 3410 *Assurance on a Greenhouse Gas Statement* (draft)
 - Complex Financial Instruments

6. National Greenhouse and Energy Reporting Scheme (NGERS) and Carbon Pollution Reduction Scheme (CPRS)

The Board received an update on the Department of Climate Change (DCC) programs involving auditing and assurance matters – in particular NGER, CPRS, EITE and ESAS programs. The Board noted that the NGERS Audit Regulations and NGER Audit Determination were approved in December 2009. The Board also noted that draft Audit Determination Guidance to support the NGER Audit Determination would be released for public comment shortly. The Board resolved to provide its comments and suggested alterations to this draft document to the DCC on a Government-in-confidence basis.

7. Bank Confirmation Requests

The Board received an update on the project to revise AGS 1002 *Bank Confirmation Requests*. A draft of the proposed Guidance Statement will be considered at the 19 April AUASB meeting, for expected release in May 2010.

8. Fundraisings and Comfort Letters Projects

The Board received updates on the projects to issue guidance statements on Fundraisings and Comfort Letters.

9. Corporate Law Reform Bill

The Board noted a submission on the proposed Corporate Law Reform Bill and considered the implication of proposed reforms on the Auditing Standards.

***The next AUASB meeting will be held on 19 April 2010
at Level 7, 600 Bourke Street, Melbourne.***

The meeting will be open to the public.

Details of the meeting agenda are posted on the AUASB web site www.auasb.gov.au in the week prior to the meeting.

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