



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **10(a)**
Meeting Date: 24 February 2015
Subject: GS 018 *Franchising Code of Conduct – Auditor's Report*
Date Prepared: 10 February 2015

Action Required

For Information Purposes Only

Agenda Item Objectives

To provide an update to the AUASB on the status of GS 018 *Franchising Code of Conduct – Auditor's Report*, which was last issued in October 2010.

Background

1. GS 018 *Franchising Code of Conduct – Auditor's Reports* was last revised and issued in October 2010. The Competition and Consumer (Industry Codes—Franchising) Regulation 2014 (the franchising code of conduct) on which the guidance is based and the audit requirements are outlined was initially introduced as a code that regulates the conduct of franchising participants in 1998 and since then has been amended four times 1999, 2001, 2008 and most recently in October 2014.

The purpose of GS 018 was to assist the auditor engaged to report under the previous Annexure 1 Item 20.3 audit reporting requirements as applicable of the code which is now Annexure 1 Item 21.4.

Matters to Consider

Part A – General

1. The AUASB should refer to the attachment to the Board Meeting Summary Paper 10(a).1 for more details on the specific changes to the audit requirements under the code and matters to consider for GS 018 as outlined by the AUASB Technical Group.

Part B – NZAuASB

1. N/A. This guidance statement is only applicable for the Australian jurisdiction as it relates specifically to laws under the Competition and Consumer (Industry Codes—Franchising) Regulation 2014 which is regulated by the Australian Competition and Consumer Commission (ACCC).

This document contains preliminary views and/or AUASB Technical Group 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.

Part C – “Compelling Reasons” Assessment

1. N/A

The proposed changes conform with IAASB modification guidelines for NSS?

Y N

AUASB Technical Group Recommendations

The AUASB to consider the need to retain and revise GS 018 *Franchising Code of Conduct – Auditor’s Reports*.

Material Presented

- Agenda Item 10(a) AUASB Board Meeting Summary Paper
- Agenda Item 10(a).1 Attachment to BMSP
- Agenda Item 10(a).2 Excerpt from the Franchising Code of Conduct

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	AUASB to decide on retaining and revising GS 018.		AUASB	24 February 2015	
