



Board Meeting Summary Paper

Subject: Inquiry into Victorian *Audit Act* (1994)
Date: 16 February 2010

AUASB AGENDA ITEM NO. 13(a)
Meeting Date: 22 February 2010

Action Required

For Information Purposes Only

Agenda Item Objective

To agree on the preparation of a submission to the Victorian Public Accounts and Estimates Committee on its inquiry into the Victorian *Audit Act* (1994).

Background

The AUASB has been invited by the Victorian Public Accounts and Estimates Committee to provide comments via a written submission, on its inquiry into the Victorian *Audit Act* (1994). The *Audit Act* (1994) is the enabling legislation which establishes the operating powers and responsibilities of the Victorian Auditor-General.

On review of the discussion paper, the AUASB may be interested in commenting on the matters covered in Chapter 5 *Operational Powers and Responsibilities of the Auditor-General*, and in particular, Section 5.2.6 dealing with the *Application of Auditing Standards*.

Matters to Consider

The three issues in Section 5.2.6 which the AUASB may wish to provide comment from a public interest standards-setting perspective, are:

1. *The desirability or otherwise, of assigning to the Auditor-General within Section 13 of the Audit Act are a more explicit discretionary power in relation to the adoption of professional auditing and assurance standards.*

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2. *The value of inserting within the Audit Act a power for the Auditor-General to set the official standards to apply to the performance of audit functions, accompanied by a responsibility to explain in VAGO's Annual Report the nature of adopted standards and the reason for any departures from professional standards.*
3. *Any other matters considered relevant to the subject.*

Material Presented

- Agenda Item 13(a) Board Meeting Summary Paper
- Agenda Item 13(a).1 Letter dated 8 February 2010 from the Chair of the Public Accounts & Estimates Committee
- Agenda Item 13(a).2 Public Accounts and Estimates Committee, *Inquiry into Victoria's Audit Act 1994* Discussion Paper (February 2010) Chapter 5 *Operational Powers and Responsibilities of the Auditor-General*

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