



Board Meeting Summary Paper

Subject: Authorised Deposit-Taking Institutions
[Proposed new Guidance Statement to
replace AGS 1008]

Date: 22 May 2009

AUASB
AGENDA
ITEM NO.

13

Meeting Date:
1-2 June

2009

Action Required

For Information Purposes Only

Agenda Item Objectives

To : Consider APRA's comments on the proposed new Guidance Statement (1 April 2009 version), and the AUASB Technical Group's disposition of issues raised.

Approve clean copy of Guidance Statement for subsequent issuance (Agenda Item 13.3).

Agree to executive approval to issue the Guidance Statement subsequent to the Board meeting, once the materiality issue and QA procedures have been finalised.

[Note: Please see *Matters to Consider* on the next page.]

Background

Board papers for previous AUASB meetings contain details of the development of the proposed new Guidance Statement GS XXX *Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions (ADIs)* which will replace AGS 1008 *Audit Implications of Prudential Reporting Requirements for Authorised Deposit-taking Institutions (ADIs)*.

A first draft of the new Guidance Statement was considered by the Board at its 6-7 April 2009 meeting. The Board did not identify any significant concerns with the proposed new Guidance Statement at this meeting.

A copy of the proposed Guidance Statement was circulated to APRA in early April for review and comment. The AUASB Technical Group worked with the ADI Project Advisory Group (PAG) and APRA during May to resolve concerns raised by APRA. Amendments have been made to the Draft tabled at the April AUASB meeting, in response to concerns raised, and suggestions made, by APRA, and following further consultation with the ADI PAG.

Copies of the final proposed Guidance Statement (Agenda Item 13.3) will be circulated to the PAG and APRA before the June AUASB meeting, for a final 'fatal flaw' review.

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.

Matters to Consider

The Board is requested to:

1. Consider the attachments to this BMSP, in particular:
 - Agenda Item 13.1 - Key Issues for AUASB Consideration
 - Agenda Item 13.2 - APRA Comments and Disposition of Issues Raised
 - Agenda Item 13.4 - Marked up changes to the Draft tabled at the April 2009 AUASB meeting.
2. Consider and approve the clean copy of the Guidance Statement for subsequent issuance [Agenda Item 13.3].
3. Agree to executive approval to issue the Guidance Statement subsequent to the Board meeting, once the materiality issue and QA procedures have been finalised.

Staff Recommendations

The AUASB Technical Group recommends that:

- the proposed Guidance Statement be approved for subsequent issuance (subject to finalisation of matters listed as outstanding); and
- that the Board agrees to executive approval to issue the Guidance Statement subsequent to this Board meeting.

Material Presented

Agenda Item 13	Board Meeting Summary Paper
Agenda Item 13.1	Attachment to BMSP – Key Issues for AUASB Consideration
Agenda Item 13.2	APRA Comments and Disposition of Issues Raised
Agenda Item 13.3	Proposed new Guidance Statement GS XXX <i>Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions (ADIs)</i> (Clean Version)
Agenda Item 13.4	Proposed new Guidance Statement GS XXX <i>Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions (ADIs)</i> (Marked up Version) [Electronic copy only]
Agenda Item 13.5	APRA ADI Prudential Standard APS 310 <i>Audit and Related Matters</i> [Electronic copy only]
Agenda Item 13.6	Extant AGS 1008 <i>Audit Implications of Prudential Reporting Requirements for Authorised Deposit-taking Institutions (ADIs)</i> [Electronic copy only]

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Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1	Consider and approve Guidance Statement for subsequent issuance	Approval	AUASB	1-2 June 2009	Pending
2	Agree to executive approval to issue the Guidance Statement subsequent to the Board meeting	Approval	AUASB	1-2 June 2009	Pending

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