



# Board Meeting Summary Paper

AUASB  
AGENDA  
ITEM NO.  
**9(a)**

Meeting Date:  
**1-2 June**

**2009**

**Subject:** ASA 101  
*Preamble to Auditing Standards*  
(Revised and Redrafted)

**Date:** 19 May 2009

Action Required

For Information Purposes Only

## Agenda Item Objective(s)

Approve ASA 101 for issuance as an Exposure Draft.

## Background

This working document was first discussed at the September 2008 meeting and read as “version 1” at the October 2008 meeting. It is now being presented to the Board for the fifth time (as v-4).

At the June 2008 AUASB meeting, the Board agreed initially for this interpretive document to be “stand-alone” as opposed to an additional section in the extant *Preamble*. Accordingly, the working document was developed as a new Standard.

The first working document was drafted by updating extant paragraphs that have relevance to the clarity versions of the ASAs only and, as agreed by the Board in September 2008, it was loaded onto the AUASB website (15 September 2008) to assist interested parties in developing their responses to the exposure drafts now progressively being published.

At the 26-27 October 2008 meeting, the Board considered the working document (v-1) and requested that it be developed in the clarity format.

At the 1 December 2008 meeting, the Board considered the clarity format version [2<sup>nd</sup> version, (v-2)] and, having regard to the contents of ASA 200 (Revised and Redrafted) [*Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards*], requested an alternative approach be taken – i.e. that the extant *Preamble* be updated as an alternative to a stand-alone document. V-2 was not posted on the AUASB website.

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At the February 2009 meeting the Board considered an updated version of extant ASA 100 (v-3) and concluded that a stand-alone document would be preferable. Version 3 was not posted on the AUASB website.

Version 4 was considered at the April 09 meeting and the Board requested additional explanatory material to be included. [Accordingly, additional material has now been included in the Preface to the standard.] It was also agreed that subject to executive approval, a working document version be loaded onto the AUASB website. This was done 22 April 2009.

In May 09, the revised document, in exposure draft format, was circulated to Board members for comment. Responses have been included in the attached Agenda Item 9(a) proposal.

Notes:

1. The extant *Preamble* will need to remain intact, in one form or another, for a period after the 1 January 2010 while the extant ASAs remain operative. The extant *Preamble* relates to all AUASB Standards, not just the Australian Auditing Standards.
2. The intention is for the revised *Foreword* to set out:
  - The powers, functions, composition and operating procedures of the AUASB;
  - Descriptions of the range of pronouncements, including the Australian Auditing Standards, issued by the AUASB; and
  - The framework within which the AUASB issues pronouncements on auditing and assurance services (including a revised diagram of the framework).
3. For the Board's information, the extant *Foreword to AUASB Pronouncements* and (proposed) *ASA 200 Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards* (Revised and Redrafted) are included in electronic form only.

**Matters to Consider**

The Board is requested to consider Agenda Item 9(a).1 and approve issuance as an exposure draft.

**Staff Recommendations**

Approve the proposed exposure draft.

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## **Material Presented**

- Agenda Item 9(a) Board Meeting Summary Paper
- Agenda Item 9(a).1 Proposed Exposure Draft ASA 101 (Clean Version)
- Agenda Item 9(a).2 Extant *Foreword to AUASB Pronouncements* [electronic copy only]
- Agenda Item 9(a).3 (Proposed) *ASA 200 Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards* (Revised and Redrafted) [electronic copy only]

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## **Action Required**

<b>No.</b>	<b>Action Item</b>	<b>Deliverable</b>	<b>Responsibility</b>	<b>Due Date</b>	<b>Status</b>
1	Approve the proposed ED	Board approval	AUASB	1.6.09	o/s

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## **Notes**

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