



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **7**

Meeting Date: 9 June 2015

Subject: GS 018 *Franchising Code of Conduct – Auditor's Report*

Date Prepared: 28 May 2015

Action Required

For Information Purposes Only

Agenda Item Objectives

To provide the AUASB with a final revised GS 018 *Franchising Code of Conduct – Auditor's Report* for consideration and approval, to issue.

Background

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 is requested to refer to the final revised draft GS 018 *Franchising Code of Conduct – Auditor's Report* at Agenda Item 7.1 for consideration. The marked up is provided for information only.
2. On 27 May 2015, OBPR clearance was received on the revised GS 018 with no RIS required and the internal quality assurance review completed.

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 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).

Part C – “Compelling Reasons” Assessment

1. N/A

The proposed changes conform with IAASB modification guidelines for NSS?

Y N

Recommendation

The AUASB to approve revised GS 018 *Franchising Code of Conduct – Auditor’s Reports* to be issued subject to final quality assurance processes being completed.

Material Presented

Agenda Item 7	AUASB Board Meeting Summary Paper
Agenda Item 7.1	Final revised GS 018 <i>Franchising Code of Conduct – Auditor’s Report</i> (clean)
Agenda Item 7.2	Final revised GS 018 <i>Franchising Code of Conduct – Auditor’s Report</i> (marked up) (electronic only)

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	AUASB to approve final revised GS 018 to be issued.		AUASB	9 June 2015	
