



# Board Meeting Summary Paper

**Subject:** ASA 315  
Identifying and Assessing the Risks of Material  
Misstatement Through Understanding the Entity  
and Its Environment (*Revised and Redrafted*)

**Date:** 28 March 2008

<b>AUASB AGENDA ITEM NO.</b>
<b>8(a)</b>
<b>Meeting Date: 14 April</b>
<b>2008</b>

**Action Required**

**For Information Purposes Only**

## Agenda Item Objectives

To review and approve proposed Auditing Standard 315 in ASA Redrafting format to be finalised for AUASB June meeting to allow for voting on issuance of the exposure draft.

## Background

ASA 315 (Revised and Redrafted) is presented to the Board for the first time. The proposed standard is based on ISA 315 (Revised and Redrafted) which has not been subject to IAASB revision under the Clarity project.

ASA 315 (Revised and Redrafted) includes standardised changes in accordance with the AUASB Drafting Rules. No other changes are proposed. Changes are shown as mark-ups (Agenda Item 8(a).3).

## Matters to Consider

The Board is requested to consider the *Table of Differences* (Agenda Item 8(a).2) and approve the proposed treatment of each difference.

The Board is requested to consider and resolve the issues detailed in the attachment to this Board Meeting Summary Paper (Agenda Item 8(a).1).

Extant ASA 315 (Agenda Item 8 E) and ISA 315 - Redrafted (Agenda Item 8(a).3) are included for the Board's information.

## Staff Recommendations

ATG recommends proposed ASA 315 (Revised and Redrafted) be approved for issue as an ED.

*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.*

### **Material Presented**

Agenda Item 8(a)	Board Meeting Summary Paper
Agenda Item 8(a).1	Attachment A to Board Meeting Summary Paper – Issues Paper
Agenda Item 8(a).2	Tables of Differences
Agenda Item 8(a).3	Proposed Exposure Draft (Marked Up Version)
Agenda Item 8(a).4	Extant ASA 315 Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement
Agenda Item 8(a).5	ISA 315 (Revised and Redrafted) Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and Its Environment

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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 finalisation for exposure	Board approval	AUASB	June 2008	Draft

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### **Notes**

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