



Board Meeting Summary Paper

Subject: ASAE 3100 Compliance Engagements

Date: 2 September 2008

AUASB
AGENDA
ITEM NO.

8

Meeting Date:
9 September

2008

Action Required

For Information Purposes Only

Agenda Item Objectives

To consider and approve clarifying amendments to ASAE 3100 *Compliance Engagements*.

Background

Standard on Assurance Engagements ASAE 3100 *Compliance Engagements* was formally issued by the AUASB in June 2008, and is operative for reporting periods or engagements commencing on or after 1 October 2008 (early adoption permitted).

Subsequent to the release of ASAE 3100, the AUASB Technical Group identified a need to amend the Assurance Standard to:

1. clarify that a practitioner can not claim compliance with ASAE 3100 where the practitioner is not able to comply with the fundamental ethical principles, including those relating to independence (consistent with ASAE 3500 *Performance Engagements*); and
2. introduce a definition of the term “compliance framework” as used in the context of ASAE 3100, in order to differentiate the term from the same terminology used in ISA 700 (Redrafted), *Forming an Opinion and Reporting on Financial Statements*”, (soon to be adopted in Australia under the Clarity Redrafting of ASAs Project) to refer to a financial reporting framework.

Additional wording have been added to paragraph 3 of the Standard, to clarify that ASAE 3100 does not apply to audits or reviews of historical financial reports.

Matters to Consider

The Board is requested to consider and approve the attached marked up changes to ASAE 3100.

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Staff Recommendations

ATG recommends approval of clarifying amendments to ASAE 3100.

Material Presented

- Agenda Item 8 Board Meeting Summary Paper
- Agenda Item 8.1 Staff Attachment to Board Meeting Summary Paper
- Agenda Item 8.2 ASAE 3100 Compliance Engagements (Marked Up Version)

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1	Consider and approve clarifying amendments to ASAE 3100	Board approval	AUASB	9 Sept 2008	Pending

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