



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **4**

Meeting Date: 7 March 2018

Subject: AUASB Technical Work Program Update

Date Prepared: 1 March 2018

Action Required

For Information Purposes Only

Agenda Item Objectives

To provide an update to the AUASB on the 2017-18 Technical Work Program and Strategic Priority projects.

Background

1. At the July 2017 AUASB meeting the AUASB gave their feedback on priorities for the 2017-18 AUASB Corporate Plan and Technical Workplan. The eight areas of focus the AUASB concluded upon were:
 - (a) Auditor Reporting Implementation
 - (b) Coordination and cooperation with Regulators
 - (c) Assurance over Emerging Forms of External Reporting (EER)
 - (d) Auditing and Assurance issues in the Charities and NFP sector
 - (e) Public Sector Auditing and Assurance Issues
 - (f) Consideration of matters related to small and medium practices (SMPs) and audits of small- and medium-sized entities (SMEs)
 - (g) Data Analytics/Digitisation of the Audit
 - (h) The Auditor of the Future
 2. Consequently these topics were captured in the 2017-18 AUASB Corporate Plan finalised on 31 August 2017.
 3. The AUASB Technical Group then prepared a Draft 2017-18 Technical Work Program and presented it to the AUASB for consideration in September 2017. This Technical Work Program was then subject to feedback from constituents at the AUASB/UNSW Audit Roundtable in October 2017 and then a series of AUASB Consultation Forums held in November 2017.
 4. Additional to the Technical Work Program, Strategic Project Plans were prepared for the first four projects and these were presented to the AUASB at the September 2017 meeting, with updates provided at the November 2017 AUASB meeting.
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Matters to consider

1. The AUASB Technical Group has produced a status update of the AUASB Technical Work program for the AUASB to review (Refer **Agenda Item 4(a)**). The format of this update aligns to the reporting we are required to present to the FRC to ensure consistency and reduce duplication. This is the first time this update has been provided to the board and the intention is to provide this update at the first meeting following the end of each quarter, as well as a full year report at the first meeting after the end of financial year which will be used as the basis for our AUASB Annual Report.
2. Following feedback from stakeholders at our AUASB Consultation Forums that the two Strategic Projects relating to Data Analytics and Public Sector Audit Issues should be given a higher priority the AUASB Technical Group has produced Draft Strategic Project Plans for these topics (Refer **Agenda Items 4(b)(i) & 4(b)(ii)**). These are being presented to the AUASB for the first time at this meeting. AUASB project sponsors still need to be identified and confirmed for these two projects.
3. Feedback from AUASB members at the November 2017 AUASB noted the AUASB Technical Group should split the previous Strategic Project on ‘Coordination and cooperation with Regulators’ into two separate strategic projects addressing audit quality matters and our work on prescribed reports. The revised Strategic Project on Audit Quality – Working Collaboratively with the Financial Reporting Regulator, Practitioners, and Others in the Financial Reporting Supply Chain is presented in connection with the previous Agenda Item on our Audit Quality Plan (Refer **Agenda Item 2(b)**). Consequently the separated and revised Strategic Project on Prescribed Reports is available at **Agenda Items 4(b)(iii)**.
4. Verbal updates on each of the other Strategic Project Plans will be provided by the AUASB Technical Group at the March 2018 AUASB meeting, with more time allocated to update AUASB members on these other Strategic Project Plans at the April 2018 AUASB meeting.

AUASB Technical Group Recommendations

1. Provide feedback to the AUASB Technical Group on the Q2 update of the 2017/18 AUASB Technical Work Program and new and updated Strategic Project Plans presented at Agenda Item 4(b).
2. An AUASB member to nominate to the Project sponsor for each of the two new Strategic Projects relating to Data Analytics and Public Sector Audit Issues.

Material Presented

Agenda Item 4	AUASB Board Meeting Summary Paper
Agenda Item 4(a)	2017/18 AUASB Technical Work Program – Q2 Update for AUASB, March 2018
Agenda Item 4(b)(i)	Strategic Project Plan - Data Analytics (Draft)
Agenda Item 4(b)(ii)	Strategic Project Plan - Public Sector Audit Issues (Draft)
Agenda Item 4(b)(iii)	Strategic Project Plan - Prescribed Reports (Updated)