



Subject: Minutes of the 93rd meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: Ken Spencer Meeting Room, Tower Level 14, 530 Collins Street, Melbourne
Teleconference
Date: 13 June 2017 from 8.30 a.m. to 10.00 a.m.

Attendance

AUASB Members: Mr Roger Simnett (Chairman)
Ms Robin Low (Deputy Chairman)
Mr Gareth Bird
Mr Chris George
Ms Jo Cain
Prof. Nonna Martinov-Bennie
Mr Colin Murphy
Mr Justin Reid
Ms Carolyn Ralph
Mr Ashley Wood

AUASB Technical Group: Mr Matthew Zappulla
Ms Rene Herman
Ms Marina Michaelides
Ms Anne Waters
Mr Mark Dowling

Apologies: Mr Robert Buchanan

Welcome

(Agenda Item 1 – Minute 1134)

Members were welcomed to the meeting, which was to discuss issues related to auditor reporting and provide feedback on the matters included in the IAASB June 2017 Meeting Papers.

Issues raised by AUASB members on the IAASB meeting papers will be shared with Australasian based IAASB members (Fiona Campbell and Lyn Provost) by the AUASB Chair and AUASB Technical Director who are attending the IAASB meeting as official observers.

Auditor Reporting

(Agenda Item 1A – Minute 1135)

The AUASB discussed the following matters in relation to Auditor Reporting:

ASA 701 Basis for Conclusions and Explanatory Statement

The AUASB discussed a number of changes to the wording of the Basis for Conclusions and requested that the updated version be circulated to the AUASB for an out of session vote.

FAQs

The AUASB approved the release of updated FAQs in relation to Auditor Reporting subject to some editorial changes.



Quality Control - ISQC 1

(Agenda Item 2 – Minute 1136)

The AUASB discussed a number of papers in relation to ISQC 1 to be tabled at the upcoming IAASB meeting to be held on 19 - 22 June in New York.

The AUASB noted a number of concerns in relation to the prescriptive nature of the standard as well as the challenges faced by SMPs in relation to the scalability of the requirements. There was also feedback that additional consideration should be included to ensure the revised requirements of ISQC 1 can be applied equally for Firms that perform non-financial assurance engagements.

Quality Control - ISA 220

(Agenda Item 3 – Minute 1137)

The AUASB discussed a number of papers in relation to ISA 220 to be tabled at the upcoming IAASB meeting to be held on 19 - 22 June in New York.

The AUASB noted the linkage to ISQC 1 and raised similar concerns in relation to the prescriptive nature of the standard.

Group Audits

(Agenda Item 4 – Minute 1138)

The AUASB discussed a number of papers in relation to Group Audits to be tabled at the upcoming IAASB meeting to be held on 19 - 22 June in New York.

The AUASB noted a number of issues in relation to how firm wide quality control processes apply to Group Audits as well as issues with the inclusion of guidance in the requirements.

Networks

(Agenda Item 5 – Minute 1139)

The AUASB discussed a number of papers in relation to Networks to be tabled at the upcoming IAASB meeting to be held on 19 - 22 June in New York.

The AUASB noted a number of concerns in relation to the definition of a network as well as challenges engagement partners may have when intending to place reliance on firm wide systems and controls.

Professional Scepticism

(Agenda Item 6 – Minute 1140)

The AUASB discussed a number of papers in relation to Professional Scepticism to be tabled at the upcoming IAASB meeting to be held on 19 - 22 June in New York. There was support expressed for the creation of a combined IAASB, IESBA and IAESB working group to address this and other related issues in the future.



Other IAASB Agenda items - Emerging External Reporting (EER) & Data Analytics

(Agenda Item 7 – Minute 1141)

The AUASB did not discuss the upcoming agenda items on EER and Data Analytics included at the upcoming IAASB meeting to be held on 19 - 22 June in New York as the relevant board papers were not yet available.

Next Meeting

The next regular meeting of the AUASB will be held in the Fraser and King Room, CA ANZ, Level 9, 33 Erskine Street, Sydney, on Tuesday, 18 July 2017, commencing at 8.30 a.m.

Close of Meeting

The Chairman closed the meeting at 10.00 a.m.

Approval

Signed as a true and correct record.

Roger Simnett
Chairman

Date: 18 July 2017