



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. 7

Meeting Date: 21 October 2014

Subject: GS 005 *Using the Work of a Management's Expert*

Date: 8 October 2014

Action Required

For Information Purposes Only

Agenda Item Objectives

To update the AUASB as to the progress of this project.

Background

GS 005, issued in October 2007, provides guidance to auditors on matters relating to the audit requirements for auditor's using the work of an actuary. GS 005 was written from the perspective of using a management's expert and provides guidance on the superseded ASA 620 (April 2006) that established requirements in relation to using the work of an expert (both auditor's and management's).

The current ASA 620 (October 2009) establishes requirements and provides application in relation to using the work of an auditor's expert. ASA 500 (November 2013) establishes requirements and provides application in relation to using the work of a management's expert.

At the 9 September 2014 AUASB meeting, the AUASB approved the project plan for an update to GS 005. It was agreed that the updated guidance statement would be broadened to take into account the use of all types of management's experts and fill the 'void' between ASA 620 and ASA 500.

The AUASB agreed for the formation of an informal advisory group comprising representatives from AUASB member practitioner firms to be established with the representatives providing input into the revised guidance statement.

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.

Matters to Consider

The technical group circulated to the representatives a working draft of the GS for their consideration, input and comment. The representatives have been specifically asked to comment on:

1. The application, introduction and scoping paragraphs.
2. Flow of the document.
3. Practical application issues.

To date, the AUASB Technical Group has received feedback from 3 of the 6 representatives and is working through the feedback received. Once the feedback process is complete, all representatives will receive a second draft of the guidance statement for further comment. If required, a conference call will be held to discuss matters arising.

One point raised to date that the AUASB may consider is whether it is beneficial for the revised guidance statement to include an example work program when using the work of a management's expert.

AUASB Technical Group Recommendations

N/A

Material Presented

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