



Board Meeting Summary Paper

AUASB AGENDA ITEM NO. 11(b)
Meeting Date: 7-8 September
2009

Subject: ASA 520 (Revised and Redrafted)
Analytical Procedures

Date: 14 August 2009

Action Required

For Information Purposes Only

Agenda Item Objectives

To:

- Review Auditing Standard ASA 520 (Revised and Redrafted) for changes made subsequent to exposure.
- Clear the Standard for approval/voting at the October 2009 Board meeting.

Background

ASA 520 (Revised and Redrafted) is presented to the Board for the first time subsequent to it being approved for issue as an ED at the 1-2 June 2009 Board meeting. Due to timing constraints, it has not been possible to process this standard through the “cleared, pending final approval” stage. Accordingly, the standard is presented with (marked up) changes arising from both:

- Constituents’ comments on the exposure draft; and
- Finalisation changes (late ISA amendments etc.)

Overall constituents were supportive of the proposed standard and specific technical comments were minimal. (See agenda item 11(b).4 ED Comments and Propose Dispositions)

Changes to ASA 520 (Revised and Redrafted) result from:

- (1) Constituents’ comments;
- (2) ISA Conforming and other amendments;
- (3) AUASB Drafting Policies and Rules; *and*

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(4) AUASB technical group quality assurance review procedures.

No other changes are proposed. All changes are shown as mark ups, with the source of each change (other than minor formatting) identified by way of text box. (See agenda item 11(b).2)

Matters to Consider

The Board is requested to consider the changes made on the mark-up version of the Auditing Standard. (See agenda item 11(b).2)

The standard now includes requirements on substantive analytical procedures—included as guidance only in the extant. Further, the extant requirements relating to risk assessment have now been moved to ASA 315.

There are no significant contentious matters in regard to the drafting of this Auditing Standard.

The clean version of ASA 520 (Revised and Redrafted), and the final version of ISA 520 are included for the Board's information, in electronic form only.

AUASB Technical Group Recommendations

AUASB Technical Group recommends Auditing Standard ASA 520 (Revised and Redrafted) be cleared for approval/voting at the October 2009 board meeting.

Material Presented

- Agenda Item 11(b) Board Meeting Summary Paper
- Agenda Item 11(b).1 Auditing Standard ASA 520 (Clean Version) [electronic copy only]
- Agenda Item 11(b).2 Auditing Standard ASA 520 (Marked Up Version)
- Agenda Item 11(b).3 Explanatory Statement ASA 520 (Clean Version)
- Agenda Item 11(b).4 Comments on ED and Proposed Dispositions (Clean Version)
- Agenda Item 11(b).5 Final ISA 520 [electronic copy only]

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1	Cleared for approval/voting at the October 2009	Board clearance	AUASB	7-8 September 2009	O/S

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