



Attachment to Board Meeting Summary Paper

Subject: GS XXX *Franchising Code of Conduct – Auditor's Reports*

Prepared by: AUASB Technical Group

Date: 30 August 2010

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## **ATTACHMENT 1**

### **Matters to Consider**

Key areas where changes have been made:

- Introduction – update to financial details that have come through the recent changes to the Franchising Code of Conduct
- Delete section on Nature of the Engagement to refine and include as part of Nature and Extent of the Audit Engagement
- Expand and include in paragraph 11 some discussion around procedures on prospective information and what the auditor needs to consider in these circumstances.
- Audit Approach – have broken down into two sections (1) Continuity in Auditor and (2) Initial Engagement – New Auditor with some expansion in paragraph 13 on what a new auditor undertaking this type of engagement for the first time should consider.
- Auditor's Report – updates and add references to the relevant clarified ASA's.
- Appendix 1: Update based on clarified Audit Reports.

### **Outcomes**

The AUASB to provide initial comment and feedback on draft GS XXX *Franchising Code of Conduct – Auditor's Reports* based on changes noted above.