



Subject: Minutes of the 81st meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: TEQSA Boardroom, Tower Level 14, 530 Collins Street, Melbourne
Date: 18 April 2016 from 10.00 a.m. to 4.30 p.m.

All Agenda Items were discussed in public¹.

Attendance

AUASB Members: Ms Merran Kelsall (Chairman)
Ms Robin Low (Deputy Chairman)
Ms Jo Cain
Prof. Nonna Martinov-Bennie
Mr Neil Cherry
Mr Chris George
Ms Caithlin Mc Cabe
Ms Jane Meade
Mr Colin Murphy
Ms Carolyn Ralph
Mr Ashley Wood

AUASB Technical Group: Mr Richard Mifsud (Executive Director)
(except for Agenda Item 9 Ms Rene Herman
discussion)
Ms Marina Michaelides (in part)

Declarations of Interest

(Agenda Item 1 – Minute 1025)

“Declarations of Interests” forms for Members were tabled, confirmed, and amended as appropriate.

Members have adopted the standing policy in respect of declarations of interests that a specific declaration will be made where there is a particular interest in an issue before the AUASB.

Minutes

(Agenda Item 2 – Minute 1026)

The AUASB approved the minutes of the 80th meeting held on 18 April 2016.

Matters Arising and Action list

(Agenda Item 3 – Minute 1027)

The status of matters arising brought forward from previous AUASB meetings and action items were noted. The AUASB requested for the matters arising to be expanded to include agreed action items particularly in the area of auditor reporting. In addition, the AUASB reminded staff on an earlier decision that the board

¹ Except for Agenda Item 5, Presentation by APRA.



meeting summary papers prepared by the technical group, include a more fulsome history of the particular project and decisions reached at each AUASB meeting.

IAASB ITC Enhancing Audit Quality – A Focus on Professional Scepticism, Quality Control and Group Audits

(Agenda Item 4 – Minute 1028)

The AUASB considered a preliminary draft of the submission to the IAASB ITC. The AUASB provided additional commentary and agreed that the AUASB Technical Group would further engage with the specific AUASB members assigned to the various elements of the ITC. A revised draft would be circulated to the AUASB out of session, with a teleconference to be scheduled for the response to be further considered and approved out of session, ahead of the 16 May 2016 due date.

Presentation by APRA

(Agenda Item 5 – Minute 1029)

Mr Brandon Khoo and Mr Rob Sharma, presented an overview of APRA's responsibilities and the key focus areas in prudential supervision of APRA regulated financial institutions and other entities in the short and medium term, as well as a brief overview of APRA's obligations imposed on auditors and APRA's view of emerging audit issues.

Auditor Reporting – Special Purpose Reports and Single Element Reports

(Agenda Item 6 – Minute 1030)

The AUASB considered the draft exposure drafts on ASA 800 *Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks* and ASA 805 *Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement*. The AUASB requested minor changes on these drafts which will be brought back to the 14 June 2016 AUASB meeting for approval to issue as exposure drafts.

The AUASB considered the issues paper on proposed revised ASA 810 *Engagements to Report on Summary Financial Statements*. The AUASB requested an additional Australian example, on an unmodified Concise Financial Report, to be included in the appendices. A draft exposure draft on ASA 810 will be presented at the 14 June 2016 meeting.

International

(Agenda Item 7 – Minute 1031)

(a) IAASB Meeting 14-18 March 2016

The AUASB received a report on key matters discussed at the IAASB meeting on 14-18 March 2016 in New York, including:

- Professional Scepticism;
- Integrated Reporting;
- Data Analytics;
- Financial Institutions
- NOCLAR; and
- Agreed Upon Procedures



(b) *Integrated Reporting*

The AUASB received an update on current assurance related <IR> activities being undertaken both internationally and within Australia.

Other Matters

(Agenda Item 8 – Minute 1032)

(a) *Report from AUASB Chairman on Recent Meetings*

The AUASB noted the Chairman's key meetings attended and presentations given since the last AUASB meeting. In addition, the Chairman noted that Mr Jim Sylph, consultant to the IAASB, would be visiting Australia in November 2016 and meeting with the AUASB, firms, preparers, audit committee members and professional bodies in relation to implementation of the auditor reporting standards.

(b) *Report from NZAuASB Chairman*

The NZAuASB Chairman provided a report on the latest New Zealand activities including a research project underway on the value of audit. In addition, an Exposure Draft of the new standard on Assurance of Statements of Service Performance is due mid-2016.

(c) *AUASB updated Technical Work Program*

The AUASB noted the updated AUASB Technical Work Program for the year ending 30 June 2016.

(d) *Current AUASB PAG memberships*

The AUASB noted the current PAG membership listing.

Corporate and Strategic Planning Matters

(Agenda Item 9 – Minute 1033)

This agenda item was a closed session.

Next Meeting

The next regular meeting of the AUASB will be held in the TEQSA Boardroom, on Level 14, 530 Collins Street, Melbourne, on Tuesday, 14 June 2016 commencing at 10.00 a.m.

Close of Meeting

The Chairman closed the meeting at 4.30 p.m.

Approval

Signed as a true and correct record.

M H Kelsall
Chairman

Date: 14 June 2016