



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **3**

Meeting Date: 29 November 2016

Subject: Audit Committee Guide Revision

Date Prepared: 15 November 2016

Action Required

For Information Purposes Only

Objective:

To present to the AUASB, and to receive AUASB input on the first draft of the Audit Committee Guide Revision as prepared by the three authors, the Australian Institute of Company Directors (AICD), the Institute of Internal Auditors Australia (IIA) and the Australian Auditing and Assurance Standards Board (AUASB).

Background:

At the 26 July 2016 AUASB meeting, the AUASB approved a project plan for all three authors, AICD, IIA and the AUASB, to work jointly, to take into account changes in the regulation and operation of audit committees since the guide was last issued in February 2012.

This project is a high level update/revision only – the project is not intended to be a re-write.

The colour coded table of contents (Agenda Item x.1) has been provided and sections highlighted yellow are the AUASB allocated work areas.

Extract of timetable – AUASB input/timing:

August – October 16: Working group members complete each section as noted above.

AUASB: 25 October AUASB meeting – AUASB allocated sections only presented to AUASB

Nov – Dec 2016: Draft sent out for review and review comments received by mid-December

AUASB: 29 November AUASB meeting – First Draft of full revision

February 2017 Review comments incorporated and Draft 2 sent out for review (including ASIC review)

AUASB: 1 March AUASB meeting – Second Draft of full revision

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.

AUASB Technical Group Comments

Bearing in mind that the target audience is audit committees, and that content needs to be appropriate for that audience, there are several issues that will need resolution in relation to 4 particular sections: Responsibilities of the Audit Committee (except for the piece on external audit); Internal Auditor role and responsibilities, Glossary and new Appendix 4. These matters relate to:

1. general: granularity of content and appropriateness to target audience;
2. potential confusion around the usage of the term “assurance” under the responsibilities of the audit committee section (pages 14/15 clean, page 17 in mark up);
3. granularity and content used in the controls risk management section (pages 21-24 clean, pages 27-30 mark up);
4. content and relevance to audit committees of appendix 4 (page 54 clean, page 63 mark up)

Material Presented

Agenda Item 3	AUASB Board Meeting Summary Paper
Agenda Item 3.1	Colour coded table of contents
Agenda Item 3.2	Draft 1 Audit Committee Guide (mark up)
Agenda Item 3.3	Draft 1 Audit Committee Guide (clean)

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Input	Input	AUASB	29 November 2016	
