



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **5**
Meeting Date: 1 December 2015
Subject: Auditor Reporting
Date Prepared: 16 November 2015

Action Required

For Information Purposes Only

Agenda Item Objectives

1. To approve for issuance, amendments to the Auditing Standards to align with the IAASB's changes to the equivalent ISAs in respect of:
 - (a) Enhancements to auditor reporting; and
 - (b) Improvements to various standards aimed at addressing disclosures in the audit of the financial statements.
2. To consider two technical issues raised by an AUASB member.
3. To approve the Basis for Conclusions for posting on the AUASB website.

Background

1. The request for approval to issue changes to the Australian auditing standards is the culmination of the two IAASB projects mentioned above and which has resulted in:
 - (a) One new auditing standard (ASA 701);
 - (b) Revisions to eight existing standards: ASAs 260; 570; 700; 705; 706; 720; 805 and 810;
 - (c) One statutory amending standard: 2015-1 (see following explanation); and
 - (d) Amendments to the following existing standards: ASAs 200; 210; 220; 230; 240; 300; 315; 320; 330; 450; 500; 510; 540; 560; 580; 600; 710 and 800.
2. Amendments [see 1 (c) and (d) above] were exposed via three separate "amending standards" which were driven by the three separately-timed tranches of the IAASB changes:

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.

	Tranche	Primary Changes	Amendments
Enhancements to Auditor Reporting	1	<ul style="list-style-type: none"> • New standard (ISA 701); • Revisions (see 1(b) above) 	ASA 2015-1 (Conforming)
	2	Revisions to ISA 720	ASA 2015-2 (Conforming)
Improvements addressing disclosures	3	Amendments to several existing standards	ASA 2015-3

Statutory

Amendments to existing standards, whether amendments in their own right or conforming amendments, are made through an “amending standard” which is lodged with the Federal Register of Legislative Instruments (FRLI).

To enable efficiency of lodgement, the three amending standards as proposed on exposure and referred to above, have now been amalgamated into ONE amending standard which is titled **ASA 2015-1**.

Please note: ASAs 805 and 810 are not legislative instruments as they relate to auditing matters that are not required under the *Corporations Act 2001*. Accordingly, amendments to these two standards are not included in ASA 2015-1 but are processed directly to the standard (revised).

Compilations

All amendments are processed by making the relevant changes to the existing standards, regardless of whether the existing standard has been previously changed by prior amendments. This process results in “compiled standards” which are to be used by auditors:

Original statutory standard	ASA 5x	Lodged with FRLI
Plus amendments	Amending standard(s)	Lodged with FRLI
	Compiled standard	AUASB website (also lodged with FRLI)

3. The total number of Australian standards for which approval to issue is sought, is 28.

Matters to Consider

Part A – General

The AUASB is asked to:

1. Approve for issuance all the (clean versions) of the standards described above (subject to final internal checks).
2. Consider and decide on the two technical issues raised by one AUASB member – see attachment to this BMSP. [Agenda Item 5.1]
3. Approve the Basis for Conclusions for publication on the AUASB website.

Part B – NZAuASB

1. AUASB staff has been in contact with NZAuASB staff and is not aware of many inconsistencies between the two sets of standards, other than those specific to the NZ legislative environment and the format of the standards.

Part C – “Compelling Reasons” Assessment

1. Only those changes that the AUASB has approved have been included in the standards submitted for approval.

The proposed changes conform with IAASB modification guidelines for NSS?

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AUASB Technical Group Recommendations

All standards should be approved for issuance subject to final internal checks.

Material Presented

Agenda Item 5	AUASB Board Meeting Summary Paper
Agenda Item 5.1	Attachment to BMSP
Agenda Item 5.2	Basis for Conclusions
Agenda Item 5.3	New Auditing Standard ASA 701 (Clean)
Agenda Item 5.4	Revised ASA 260 (Clean)
Agenda Item 5.5	Revised ASA 570 (Clean)
Agenda Item 5.6	Revised ASA 700 (Clean)
Agenda Item 5.7	Revised ASA 705 (Clean)
Agenda Item 5.8	Revised ASA 706 (Clean)
Agenda Item 5.9	Revised ASA 720 (Clean)
Agenda Item 5.10	Compiled ASA 200 (Clean)
Agenda Item 5.11	Compiled ASA 210 (Clean)
Agenda Item 5.12	Compiled ASA 220 (Clean)
Agenda Item 5.13	Compiled ASA 230 (Clean)
Agenda Item 5.14	Compiled ASA 240 (Clean)
Agenda Item 5.15	Compiled ASA 300 (Clean)
Agenda Item 5.16	Compiled ASA 315 (Clean)
Agenda Item 5.17	Compiled ASA 320 (Clean)
Agenda Item 5.18	Compiled ASA 330 (Clean)

Agenda Item 5.19	Compiled ASA 450 (Clean)
Agenda Item 5.20	Compiled ASA 500 (Clean)
Agenda Item 5.21	Compiled ASA 510 (Clean)
Agenda Item 5.22	Compiled ASA 540 (Clean)
Agenda Item 5.23	Compiled ASA 560 (Clean)
Agenda Item 5.24	Compiled ASA 580 (Clean)
Agenda Item 5.25	Compiled ASA 600 (Clean)
Agenda Item 5.26	Compiled ASA 710 (Clean)
Agenda Item 5.27	Compiled ASA 800 (Clean)
Agenda Item 5.28	Revised ASA 805 (Clean)
Agenda Item 5.29	Revised ASA 810 (Clean)
Agenda Item 5.30	Amending Standard 2015-1 (Final)

The following are provided for information only

Agenda Item 5.31	New Auditing Standard ASA 701 (Marked up) [electronic only]
Agenda Item 5.32	Revised ASA 260 (Marked up) [electronic only]
Agenda Item 5.33	Revised ASA 570 (Marked up) [electronic only]
Agenda Item 5.34	Revised ASA 700 (Marked up) [electronic only]
Agenda Item 5.35	Revised ASA 705 (Marked up) [electronic only]
Agenda Item 5.36	Revised ASA 706 (Marked up) [electronic only]
Agenda Item 5.37	Revised ASA 720 (Marked up) [electronic only]
Agenda Item 5.38	Compiled ASA 200 (Marked up) [electronic only]
Agenda Item 5.39	Compiled ASA 210 (Marked up) [electronic only]
Agenda Item 5.40	Compiled ASA 220 (Marked up) [electronic only]
Agenda Item 5.41	Compiled ASA 230 (Marked up) [electronic only]
Agenda Item 5.42	Compiled ASA 240 (Marked up) [electronic only]
Agenda Item 5.43	Compiled ASA 300 (Marked up) [electronic only]
Agenda Item 5.44	Compiled ASA 315 (Marked up) [electronic only]
Agenda Item 5.45	Compiled ASA 320 (Marked up) [electronic only]
Agenda Item 5.46	Compiled ASA 330 (Marked up) [electronic only]
Agenda Item 5.47	Compiled ASA 450 (Marked up) [electronic only]
Agenda Item 5.48	Compiled ASA 500 (Marked up) [electronic only]

Agenda Item 5.49	Compiled ASA 510 (Marked up) [electronic only]
Agenda Item 5.50	Compiled ASA 540 (Marked up) [electronic only]
Agenda Item 5.51	Compiled ASA 560 (Marked up) [electronic only]
Agenda Item 5.52	Compiled ASA 580 (Marked up) [electronic only]
Agenda Item 5.53	Compiled ASA 600 (Marked up) [electronic only]
Agenda Item 5.54	Compiled ASA 710 (Marked up) [electronic only]
Agenda Item 5.55	Compiled ASA 800 (Marked up) [electronic only]
Agenda Item 5.56	Revised ASA 805 (Marked up) [electronic only]
Agenda Item 5.57	Revised ASA 810 (Marked up) [electronic only]
Agenda Item 5.58	Explanatory Statement 260 [electronic only]
Agenda Item 5.59	Explanatory Statement 570 [electronic only]
Agenda Item 5.60	Explanatory Statement 700 [electronic only]
Agenda Item 5.61	Explanatory Statement 701 [electronic only]
Agenda Item 5.62	Explanatory Statement 705 [electronic only]
Agenda Item 5.63	Explanatory Statement 706 [electronic only]
Agenda Item 5.64	Explanatory Statement 720 [electronic only]
Agenda Item 5.65	Explanatory Statement Amending Standard 2015-1 [electronic only]

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Approval to issue standards	AUASB vote	AUASB	1 December 2015	o/s
2.	Decide on two technical issues	AUASB decision	AUASB	1 December 2015	o/s
3.	Approve the Basis for Conclusion	AUASB vote	AUASB	1 December 2015	o/s