



Subject: 116th Meeting of the Auditing and Assurance Standards Board - Highlights
Venue: Via Zoom Teleconference
Meeting Date: Tuesday 21 April 2020, 9:00am – 4:30pm

Further discussion of the meeting highlights will be available shortly via the meeting podcast featuring the AUASB Chair and Technical Staff Members.

1. Coronavirus Guidance

The AUASB Technical Group (ATG) provided an update to the AUASB on the COVID-19 Frequently Asked Questions (FAQs) that have been issued to date and the areas where further FAQs and guidance will be issued over the coming weeks. The AUASB provided positive feedback on the quality and responsiveness of the guidance already issued, including the joint publication with the AASB and supported those areas identified by the ATG where more guidance was required.

The AUASB discussed the significant challenges being faced by auditors in the current environment as a result of the significant uncertainties regarding restrictions in travel and business activity (including accessing client premises and information). The importance of auditors exercising professional scepticism when assessing if there is sufficient appropriate audit evidence was also considered. These challenges will potentially result in more Material Uncertainties in Relation to Going Concern, Emphasis of Matters and Modified Audit Opinions. The AUASB agreed that it was important that the ATG continues to provide additional guidance to auditors in these areas to assist them in navigating these challenging times.

2. ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity

The AUASB considered the ASRE 2410 sub-committee's recommendation in relation to how to describe the auditor's responsibility in relation to going concern in the interim review report. The AUASB agreed with the recommendation not to include the auditor's responsibility in relation to going concern in the review report due to the complexity of going concern in a limited assurance environment as this may have unintended consequences, especially in the current COVID-19 impacted reporting environment. Consequently, the AUASB also agreed with the ATG recommendation to exclude management's responsibility for going concern in the review report. ASRE 2410 will now be presented to the AUASB at its upcoming June meeting for approval.

3. GS 009 Auditing Self-managed Superannuation Funds

The ATG provided an update to the AUASB on the steps undertaken to finalise the revision to GS 009 since the March 2020 AAUSB meeting. The Board debated the merits of the structure and purpose of GS 009, noting that this guidance statement (GS) is different to other GS's as it includes references to a number of other Australian Auditing Standards and applicable legislation. The AUASB agreed to provide any further comments to the ATG so these can be addressed so the AUASB can issue GS 009 prior to June 2020.

4. Assurance Framework Publications

The AUASB was presented with an updated version of the proposed guide being developed by the AUASB to assist prescribers of assurance to draft clear and effective requirements. AUASB Members provided comments on the content and examples of the guide and considered that the publication sufficiently covered the areas needed. The ATG will update the proposed guide based on feedback from AUASB members and then distribute it for review by other key stakeholders so it can be issued as soon as practical.

The next AUASB regular meeting will be held via Video Conference in May 2020 (Date to be advised).

AUASB Meetings are open to the public. Please register via the AUASB website (www.ausb.gov.au) or send an email to enquiries@ausb.gov.au if you wish to attend.