



Subject: 112th Meeting of the Auditing and Assurance Standards Board - Highlights
Venue: TEQSA Executive Board Room, Level 14, 530 Collins Street, Melbourne
Meeting Date: Tuesday 3 December 2019 9:00 am – 5:30pm and
Wednesday 4 December 2019 9:00 am – 3:45pm

Further discussion of the meeting highlights are available via the meeting podcast [here](#) featuring the AUASB Chair, Deputy Chair and Technical Staff Members.

1. Farewell to AUASB Deputy Chair, Ms Robin Low

This was the last meeting for AUASB Member and Deputy Chair, Ms Robin Low. The AUASB Chair and Members thanked Robin for her six years' service on the AUASB.

AUASB Members also endorsed Ms Julie Crisp, Auditor-General of the Northern Territory, as the new AUASB Deputy Chair commencing 1 January 2020.

2. Parliamentary Inquiry into the Regulation of Auditing in Australia

The AUASB Chair presented to the Parliamentary Inquiry into the Regulation of Auditing in Australia on 29th November 2019. Board members reviewed various elements of the submissions and presentations made to the inquiry by the AUASB and other parties.

3. Guest Presentations

- The AUASB welcomed current AUASB Research Scholar Prof. Elizabeth Carson from UNSW Sydney to present on her recent research findings relating to Audit Market Structure and Competition in Australia, as well as an overview of her upcoming additional research into different types of modified and qualified audit reports of Australian listed entities.
- The AUASB welcomed the Chair of the Australian Accounting Standards Board (AASB), Ms Kris Peach to provide an update on current AASB projects, with an emphasis on those impacting both the AASB and AUASB. The AASB Chair presented on the importance of auditors' input into accounting standards and outlined changes the AASB are making to support this. This led to a discussion on how the AASB and AUASB can better work together at the board level, a topic which was also covered when the AUASB Chair presented to the AASB on 21 November 2019.
- The Chair and CEO of the Accounting Professional & Ethical Standards Board (APESB), Ms Nancy Milne and Mr Channa Wijesinghe, presented an update to the AUASB on recent APESB pronouncements and discussed various issues associated with the Parliamentary Inquiry into the Regulation of Auditing in Australia.

4. GS 005 *Using the Work of a Management's Expert*

The AUASB considered and provided input into the updated draft of GS 005 *Using the Work of a Management's Expert*. The AUASB requested several amendments to the draft guidance statement, which will be shared with the GS 005 Project Advisory Group and then brought back to the March 2020 AUASB meeting for consideration and approval.

5. Updated 2019-2023 AUASB Strategy

The AUASB considered and approved an updated Strategy covering the 2019-2023 period.



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

The AUASB received an update on the work the joint AUASB/NZAuASB subcommittee have done on this standard since the last AUASB meeting in September 2019, as well as details of the NZAuASB's deliberations on the feedback received from their stakeholders on the proposed changes to the equivalent NZAuASB exposure draft. The AUASB continues to consider how to best describe the auditor's responsibility relating to going concern in the auditor's review report and discussed feedback from stakeholders on other questions asked in the Exposure Draft. The AUASB requested that the sub-committee consisting of Members and technical staff from the AUASB and NZAuASB continue to work together to workshop possible solutions.

7. GS 008 The Auditor's Report on a Remuneration Report Under Section 300A of the Corporations Act 2001

The AUASB were provided with an update of the AUASB Technical Group's work to update GS 008, including addressing the two key issues raised by AUASB members since this Guidance Statement was presented to the AUASB in September 2019. The AUASB determined that the wording related to materiality in GS 008 needed to be revised and better linked to ASA 320 *Materiality in Planning and Performing an Audit* and ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. The AUASB Technical Group were also directed to undertake further outreach with stakeholders about the options for the wording of Auditor's Report on the Remuneration Report and present revised wording for consideration at the February 2020 meeting.

8. IAASB Matters

The AUASB were informed about, and discussed, the key matters on the IAASB's December 2019 Agenda, being:

- ISRS 4400 *Agreed-Upon Procedures Engagements*
- ISA 600 *Group Audits*
- The IAASB's Quality Management Standards (ISQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, ISQM 2 *Engagement Quality Reviews and ISA 220 Quality Management for an Audit of Financial Statements*)
- Non-authoritative Draft EER Assurance Guidance
- Less Complex Entities
- The IAASB's updated 2020-2023 Strategy and 2020-2021 Work Plan

9. Other items

The AUASB received updates on current projects associated with Public Sector Audit Issues and the update of several other pronouncements including GS 009 *Auditing Self-Managed Superannuation Funds* and GS 012 *Prudential Reporting Requirements for Auditors of ADIs*.

The next AUASB regular meeting will be held on the 4th February 2020 (location TBD) commencing at 9:00 am.

The meeting will be 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.