



**Subject:** 113<sup>th</sup> Meeting of the Auditing and Assurance Standards Board - Highlights  
**Venue:** Productivity Commission Board Room, Level 12, 530 Collins Street, Melbourne  
**Meeting Date:** Tuesday 4 February 2020 10:00am – 4:00pm

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

**1. ED 01/20 ASRS 4400 Agreed-Up On Procedures and Engagements**

AUASB members discussed and provided input into the proposed Explanatory Memorandum (EM) and Exposure Draft (ED) for ED 01/20 Proposed Standard on Related Services ASRS 4400 *Agreed-Up On Procedures and Engagements* (ED 01/20). The AUASB requested changes to the questions for respondents in the EM/ED, additional background information be provided in the EM and an extension of the exposure period to 60 days. A revised draft of the Explanatory Memorandum incorporating these changes will be circulated to the AUASB for review and approval out of session.

**2. ASA 315 Identifying and Assessing the Risks of Material Misstatement**

The AUASB considered ASA 315 *Identifying and Assessing the Risks of Material Misstatement* for approval and issue, including whether there were any Australian 'compelling reasons' amendments required and whether the standard should be re-exposed. The AUASB determined that the significant matters raised in relation to previous versions of the standard have been addressed in the final standard, and that there were no Australian compelling reason amendments to make to the international equivalent version of the standard (ISA 315). Accordingly, the standard was approved for issue and will not be re-exposed, subject to final quality review by the AUASB Technical Group.

The AUASB deliberations noted that ASA 315 is long and complex, and implementation guidance to support practitioners in implementing the new requirements is required. The AUASB directed the AUASB Technical Group to work on a comprehensive communications and engagement plan to address some of the potential implementation risks associated with the revised standard, and this will be presented for AUASB review at a future meeting.

**3. 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 GS 008 *The Auditor's Report on a Remuneration Report Under Section 300A of the Corporations Act 2001*. The AUASB determined that the guidance relating to materiality in GS 008 needed to be expanded to include examples specific to the audit of a Remuneration Report. The AUASB Technical Group were also directed to further reconsider the wording in the proposed Auditor's Report, including obtaining legal advice (if necessary) to formally establish the basis on which the audit of the Remuneration Report is performed under the *Corporations Act 2001* for this purpose.

**4. Audit Quality Update**

The AUASB received an update on the Parliamentary Inquiry into the Regulation of Auditing in Australia, including that the AUASB had responded to several questions on notice. The AUASB also received an update on Audit Quality surveys being conducted in conjunction with the Financial Reporting Council.

***The next AUASB regular meeting will be held on the 3<sup>rd</sup> March 2020 in Melbourne commencing at 9:00 am.***

***The meeting will be open to the public. Please register via the AUASB website ([www.auasb.gov.au](http://www.auasb.gov.au)) or send an email to [enquiries@auasb.gov.au](mailto:enquiries@auasb.gov.au) if you wish to attend.***