



Subject: 119th Meeting of the Auditing and Assurance Standards Board - Highlights
Venue: Via Zoom Teleconference
Meeting Date: Wednesday 9 September 2020 9:00am – 3:00pm
Friday 11 September 2020 9:00am – 12:00pm

Further discussion of the meeting highlights will be available shortly via the AUASB September 2020 Meeting Podcast featuring the AUASB Chair and Technical Staff Members.

1. ASRS 4400 Agreed-Upon Procedures Engagements – Approval

The AUASB approved a revised version of ASRS 4400 after reviewing and finalising a number of Australian amendments to the standard. Additional requirements that restrict the use of AUP reports to intended users identified in the AUP report and for the AUP report to include an explicit statement that the practitioner has complied with the principle of objectivity were agreed. Changes to the wording relating to independence in the illustrative example engagement letter and an additional Australian appendix containing a table of differences between an AUP engagement and an assurance engagement were also made. The final version of the standard is expected to be released in October 2020.

2. GS 012 Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions (ADIs) and ADI Groups - Approval

A revised version of GS 012 was approved for issue by the Board and will be made available via the AUASB Website after final editorial changes have been made.

3. AUASB Guidance Statements Revision

The AUASB reviewed a proposed list of AUASB Guidance Statements (GS) to be updated or withdrawn, on the basis of research from the technical group, and feedback from stakeholders. The AUASB supported the proposed GS's (GS 003, GS 008, GS 022, GS 019, GS 016 and GS 010) for update and requested an update to GS 007 be added as a priority. The withdrawal of two GS's (GS 014 and GS 021) was in-principle supported, subject to further information being obtained from potential impacted stakeholders.

4. IAASB Matters

The AUASB was provided with an update on the final draft of the Quality Management Standards (ISQM 1, ISQM 2 & ISA 220), which are being presented for approval at the next IAASB meeting being held from 14 – 23 September 2020, and noted some minor issues with the standards that the AUASB technical staff will consider prior to the IAASB meeting. A brief update was also provided on the IAASB's EER Guidance which will also be discussed at the forthcoming IAASB meeting and how it was responsive to the AUASB feedback provided on July 2020.

5. Due Process Documentation and revision of the AUASB Preambles

The AUASB reviewed and provided feedback on an updated draft of the AUASB's Due Process Framework for Developing, Issuing and Maintaining AUASB Pronouncements and Other Publications, which will replace the existing AUASB Functions and Process publication. Finalisation of this publication is subject to completion of the AUASB's revised 'Compelling Reasons Test' and the AUASB/NZAuASB harmonisation policy, currently under review.

The AUASB was also presented with a paper reviewing the effectiveness of the current AUASB Preambles to AUASB Standards (ASA 100 and ASA 101). The AUASB supported a project to review and amend the Preambles into a single document which will improve understanding of the key components of AUASB Standards.

The next AUASB regular meeting will be held on 1st December 2020.

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.