



Subject: Minutes of the 107th meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: Teleconference
Date: Wednesday 20 March 2019, 10.00am to 11.30am

Attendance

AUASB Members: Professor Roger Simnett (Chair)
Ms Robin Low (Deputy Chair)
Mr Gareth Bird
Mr Robert Buchanan
Ms Julie Crisp
Mr Klynton Hankin
Dr Noel Harding
Mr Rodney Piltz
Ms Carolyn Ralph
Mr Justin Reid

AUASB Technical Group: Mr Matthew Zappulla
Ms Rene Herman
Ms Marina Michaelides
Ms Anne Waters
Mr Tim Austin
Ms Jean You

Apologies: Ms Jo Cain

Minutes

(Agenda Item 1 – Minute 1257) Welcome and Introduction

The Chair welcomed members to the meeting to approve, for exposure in Australia, the IAASB's suite of proposed Quality Management Standards.

(Agenda Item 3 – Minute 1258) Update from March IAASB Meeting

The Chair provided an update to the AUASB on the key discussions of the IAASB's March Meeting, the first since the Chair's appointment as an IAASB Member. The key topics discussed were the progress the IAASB was making in the revisions of ISA 315 *Identifying and Assessing the Risk of Material Misstatement* in response to the feedback received globally and the Less Complex Entities project. A discussion paper on the Less Complex Entities project is expected to be released in April 2019, the AUASB will conduct outreach to obtain Australian stakeholder's views on the discussion paper. A summary will be provided to the AUASB as part of the April 2019 AUASB Meeting.

(Agenda Item 4 – Minute 1259) Approval of Exposure Drafts for Quality Management Standards

As directed by the AUASB at the 6 March AUASB Meeting (Agenda Item 4) the AUASB Technical Group (ATG) prepared an Australian Explanatory Memorandum to wrap-around each of the IAASB's Quality Management Exposure Drafts (EDs).

The AUASB was also presented with an Explanatory Guide which outlined to Australian stakeholders how the Quality Management Standards were being exposed in Australia and the AUASB discussions that resulted in this exposure process.



Explanatory Guide

The AUASB were supportive of the Explanatory Guide and considered that it met its objective. AUASB Members provided editorials to the document offline to improve the clarity, in particular that the Explanatory Guide should make it clear to stakeholders that the AUASB may re-expose the standard after it has been finalised by the IAASB. The AUASB may re-expose if the changes from ED to the final standard are significant or if any proposed Australian modifications are considered significant by the AUASB.

Explanatory Memorandum

The AUASB were supportive of the structure of the Explanatory Memorandums and provided feedback to be applied across all three EMs.

The AUASB challenged whether all the Australian questions developed by the ATG were necessary, as in the view of Members an existing IAASB question has appropriately covered the matter. A number of changes across the three standards were made to highlight the major changes from the extant standard (where relevant) and to improve the Australian questions being asked. The AUASB requested that the request for comment section be amended to ask stakeholders, if they are responding to the IAASB directly, to please respond to the Australian questions.

The AUASB approved for issuance the Explanatory Guide and the three Explanatory Memoranda, subject to final approval by the Chair.

Next meeting

The next regular meeting of the AUASB will be held in the Melbourne on Tuesday, 16 April 2019, commencing at 9:00 am.

Close of Meeting

The Chair closed the meeting at 11.30 a.m.

Approval

Signed as a true and correct record.

Roger Simnett
Chair

Date: 16 April 2019