Australian Government

Auditing and Assurance Standards Board

Performance Measure One: *Issue Australian Auditing and Assurance Standards based on IAASB equivalent standards in accordance with AUASB functions and mandate from the Financial Reporting Council (FRC).*

What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
Develop and issue Australian Auditing and Assurance Standards following the release of their IAASB equivalent, ensuring all Australian legislative and regulatory requirements are considered, including changes required by the AUASB's "compelling reason" test.	▪ Issue all Australian IAASB equivalent Standards and Exposure Drafts within 3 months of PIOB clearance or 1 month of AUASB approval, as appropriate	ASA 315 (incl. Amending Standard and Compilations)	February - April
		ASRS 4400	June
Coordinate and develop high quality responses from the AUASB to all IAASB exposure drafts, other IAASB pronouncements and invitations to comment, incorporating relevant feedback from AUASB members and Australian stakeholders.	▪ Release Exposure Drafts/Discussion Papers via the AUASB Website within two weeks of approval by AUASB ▪ Stakeholder engagement plan developed and implemented for each IAASB pronouncement ▪ Responses developed with appropriate AUASB input and sent to the IAASB by the closing date	ISA 600 ED	April - June
		IAASB Quality Management Standards (ISQM 1, ISQM 2 & ISA 220)	June
		EER Guidance ED	December - March
		LCE Discussion Paper	TBD[1]
Develop and issue implementation support materials and activities for all new IAASB/AUASB standards.	▪ AUASB implementation support materials and activities for all new IAASB/AUASB standards in place before effective date	ASA 540	February
		ASA 315	June
		ASRS 4400	June
		Update the AUASB Standards Web Interface	TBD
Conduct post-implementation reviews of IAASB equivalent issued AUASB Standards, feeding into the IAASB's post-implementation review projects as required.	▪ Obtain evidence appropriately evaluating implementation of IAASB equivalent issued AUASB Standards in Australia ▪ Provide feedback to IAASB as requested	Auditor Reporting Post Implementation Review	TBD[1]
Finalise and implement revised AUASB Due Process procedures and documentation for exposing and issuing International Exposure Drafts.	▪ Revised AUASB Due Process for exposing and issuing International Exposure Drafts in place for all IAASB EDs issued in 2020 and beyond	Board approval of revised process	March
		Update AUASB Due Process Documentation	March
		Resolve process for repeal of AUASB standards	June

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[1]   Timing subject to IAASB releasing appropriate materials

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Performance Measure Two: *Develop, update and maintain Australian specific Standards and/or Guidance Statements for topics not specifically addressed by IAASB Standards as required.*

What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
Develop and issue Australian specific AUASB Standards and Exposure Drafts within one month of AUASB approval, in accordance with AUASB legislative drafting and registration requirements.	▪ Issue all Australian specific AUASB Standards and Exposure Drafts within one month of AUASB approval ▪ Finalise conforming amendments and compilation standards as a result of changes to AUASB standards within one month of the AUASB standard being issued	ASRE 2410	December
		ASRS 4400 ED	Feb - June
		ASAE 3450 update / New Standard on Prospective Information	TBD
Update existing AUASB pronouncements, including identifying and revising AUASB Guidance Statements which are out of date or need revision determined by AUASB member and stakeholder feedback.	▪ Complete project to review all AUASB Guidance Statements (GS) by December 2019 ▪ Develop and implement Project Plans for the update all GS identified as out of date over the next 3 year (i.e. from 2019-2022) ▪ Release updated GS within two weeks of approval by AUASB	GS 005 (Use of Experts)	December
		GS 008 (Rem Reporting)	December
		GS 009 (SMSFs)	April
		GS 012 (APS 310)	March
		GS 0XX (EER)	June
		Other GS's as required (TBD)	TBD
Determine where other AUASB Framework Pronouncements require updating.	▪ Review and update other AUASB Framework Pronouncements, as required.	None currently identified for 2019-20	n/a
Conduct post-implementation reviews of Australian specific AUASB Standards, as required.	▪ Conduct post-implementation reviews of Australian specific AUASB Standards, within 2 years of their operative date.	ASAE 3100	March
		ASAE 3500	June

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Performance Measure Three: *Monitor the Assurance Environment (including the impact of regulatory inspection findings) and address any implications for Australian auditing and assurance standards and guidance.*

What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
Review and update the 2019-2023 AUASB Strategy and 2019-20 AUASB Technical Work Program based on feedback from AUASB members and key stakeholders and informed by the final 2020-2023 IAASB Strategy.	▪ Update AUASB 2019-23 Strategy based on AUASB feedback ▪ Finalise 2019-20 Technical Work Program and align it to AUASB 2019-23 Strategy ▪ Produce quarterly update and reporting of progress against AUASB 2019-20 Technical Work Program for FRC and AUASB for each relevant FRC and AUASB meeting	Update AUASB Strategy	September – December
		Develop 2019-20 Technical Work Program	October
		Produce a quarterly status update on auditing and assurance matters and progress against the Work Program for the AUASB and FRC.	*Ongoing/ Quarterly*
Work with the FRC to develop the FRC Audit Quality Plan and implement those elements that are the responsibility of the AUASB.	▪ AUASB involvement in FRC Audit Quality Plan approved by FRC ▪ AUASB Audit Quality activities delivered as required by the updated FRC Audit Quality Plan	Activities from updated FRC Audit Quality Action Plan	*Ongoing*
		Audit Quality Surveys of Audit Committee Chairs and CFO's	November (CFOs) February (ACCs)
Monitor developments associated with the Joint Parliamentary Inquiry on the regulation of Auditing, working across the profession to promote audit quality and the AUASB's role.	▪ Develop submission for parliamentary inquiry ▪ Coordinate with other key stakeholders across the profession (e.g. FRC, APESB) as required ▪ Prepare and assist the AUASB Chair with any presentations to the parliamentary joint committee ▪ Work with respected academics to produce background papers on state of Australian auditing and NAS markets to aid evidence-informed decision making ▪ Monitor and respond to any recommendations relevant to the AUASB	AUASB submission to PJC inquiry	October
		Presentations to PJC enquiry by AUASB Chair	TBD (by March)
		Research project on Audit market structure and competition	October
		AUASB responses to PJC findings	TBD
Following on from the AUASB LCE Survey work with small and medium audit practitioners to determine implications for Australian Standard Setting.	▪ Develop additional guidance and initiatives to support LCE auditors based on LCE survey outcomes ▪ Provide input to IAASB on proposed response to LCE Discussion Paper	Feedback to IAASB on global issues	TBD

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What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
Monitor developments in public sector auditing and assurance issues by maintaining regular engagement with Auditors-General through the AUASB Public Sector Audit Issues Project Advisory Group and the ACAG Auditing Standards Subcommittee.	▪ Develop and have approved specific AUASB guidance (in a form to be determined) for public sector auditors on issues raised by the Public Sector Audit Issues PAG ▪ Provide ongoing input to FRC subcommittee on Public Sector Reporting and Assurance matters ▪ Positive engagement with Auditors-General and ACAG Auditing Standards Committee	Public Sector specific AUASB GS	April
		Input to FRC on Public Sector Reporting and Audit issues	TBD
		Engagement with ACAG and A-Gs	*Ongoing*
Working with regulators and auditing firms, assess and respond to implementation issues and issue AUASB guidance to address key inspection findings.	▪ Analyse and respond to 2019 ASIC inspection Findings ▪ Identify and produce relevant guidance materials addressing common inspection findings in key audit areas ▪ Work with AASB to identify accounting and auditing issues impacting audit quality	Finish update of GS 005	December
		Plan guidance on auditing of revenue	June
		Engage with practitioners and stakeholders to analyse 2019 inspection outcomes	December - March
Monitor international auditing and assurance developments (including global audit inspection developments and trends) and consider the impact for the Australian auditing and assurance environment.	▪ Engage with IAASB and NSS representatives to monitor international developments ▪ Consider issues arising from UK audit inquiries ▪ Review IFIAR and other global publications to determine impact on Australian standard setting environment	Response to Monitoring Group proposals (if revived)	n/a
		Monitor and consider findings from UK audit inquiries	*Ongoing*
Hold regular formal meetings with the professional accounting bodies, other standard setting bodies and regulators to discuss trends in assurance environment and identify the impact on the AUASB Agenda and Technical Work Program.	▪ Regular meetings (at least quarterly) to be held with key regulatory contacts and representatives from the professional bodies. ▪ Meeting with other key stakeholders to be held as necessary ▪ Maintain meeting register and report to AUASB at each meeting	Quarterly meetings to be held with representatives from ASIC, APESB, ACNC, CA ANZ and CPA Australia	*Ongoing/ Quarterly*
		Meeting to be held with other relevant stakeholders as required on specific topics (e.g. APRA, AICD, ATO)	*Ongoing*
Support the development of research into the Australian auditing and assurance environment	▪ Produce and publish AUASB research papers via the AUASB Research Centre and promote them with academics	Research project on Audit market structure and competition	October

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Performance Measure Four: *Build, maintain and enhance key international relationships around key focus areas with both global and national standard-setters.*

What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
AUASB to be represented at all IAASB meetings.	▪ AUASB Chair and Technical Team member to attend all IAASB meetings ▪ Summary of each IAASB meeting prepared and presented to the AUASB	Attend all IAASB meetings	*Ongoing/ Quarterly*
		Summary of IAASB meeting for AUASB sent within 2 weeks	*Ongoing/ Quarterly*
Arrange for AUASB review of relevant IAASB projects at each AUASB meeting and share feedback on key matters with regional IAASB members and relevant IAASB Task Force members before each IAASB meeting.	▪ IAASB papers reviewed and papers prepared by AUASB staff for each AUASB meeting. ▪ Feedback on AUASB key issues prepared and sent to Australasian IAASB members and relevant Task Forces prior to each IAASB meeting	AUASB Technical Team analysis of IAASB papers provided for each AUASB meeting	*Ongoing/ Quarterly*
With the IAASB, Canadian AASB and NZAuASB, identify and implement initiatives to drive increased sharing and collaboration across the National Standards Setting (NSS) network, including attending and presenting relevant topics at regional and global IAASB NSS meetings.	▪ Develop and share updated NSS vision and roadmap ▪ Collaboration and support from IAASB steering committee for NSS initiatives ▪ Increased influence of NSS on IAASB Agenda and Outcomes ▪ Identify and implement initiatives to collaborate on key international auditing and assurance focus areas with other key NSS.	Regularly scheduled NSS meetings with AASB Canada and NZAuASB	*Ongoing/ Quarterly*
		IAASB Signing Partner Project	March
		Planning and developing of materials for 2020 IAASB NSS Meeting	May
Engage with relevant global standard setters and advisory groups (e.g. IAASB EER Project Advisory Panel, IIRC, GRI and WBCSD) on emerging forms of assurance.	▪ Monitor and contribute to IAASB EER Project Advisory Panel meetings ▪ Support associated regional activities and local panel members ▪ Link in Australian EER initiatives where appropriate ▪ Valuable input into to IIRC, GRI and WBCSD.calls and meetings on behalf of the AUASB	Develop summaries for IAASB PAP member	December
		Attend and contribute to calls and meetings as required	*Ongoing*
		Present updates at AUASB meetings	*Ongoing*

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Performance Measure Five: *Maintain harmonisation of auditing and assurance standards in Australia and New Zealand in accordance with relevant agreements and protocols.*

What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
AUASB Chair to attend all NZAuASB meetings as a NZAuASB Member.	▪ AUASB Chair input into NZAuASB meetings ▪ AUASB staff to review relevant NZAuASB board papers and provide feedback to AUASB Chair and NZAuASB staff where applicable ▪ Updates from the NZAuASB Chair to the AUASB at each meeting	Attend all NZAuASB meetings	*Ongoing*
		AUASB updates prepared and presented at each NZAuASB meeting	*Ongoing*
		ATG review of NZAuASB board papers prior to each NZAuASB meeting	*Ongoing*
Ensure AUASB Standards are issued in accordance with the principles of harmonisation with New Zealand Standards.	▪ All AUASB Standards are issued in accordance with the common set of principles in relation to the standards that each board issues	ASRE 2410	December
		ASA 315	March
Work collaboratively with NZAuASB Technical Staff to ensure co-operation and co-ordination between the AUASB and NZAuASB's activities, including on joint AUASB/NZAuASB projects where appropriate.	▪ Identification and prioritisation of joint AUASB/NZAuASB projects ▪ AUASB and NZAuASB staff to ensure collaboration on the 'high' rated joint projects ▪ For other potential joint projects, the AUASB and NZAuASB Technical Director to build joint activities into each board's respective technical work programs	IAASB Quality Management Standards	June
		Auditor Reporting Post Implementation Review	TBD[2]
		Less Complex Entity Guidance	TBD[2]
		NSS Collaboration	*Ongoing*
		Review of Compelling Reasons Test and standard-setting process	March
		Assurance for Small NFPs and Charities	TBD
		Update of ASRE/NZRE 2410	December
		EER Collaboration	TBD
		ASAE 3450 update / New Standard on Prospective Information	TBD
		AUASB/NZAuASB joint staff meeting to be held in early 2020	February/March

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[2] Timing subject to IAASB releasing appropriate materials

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Performance Measure Six: *Develop thought leadership by identifying and implementing strategic projects that address emerging issues in auditing and assurance.*

What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
Undertake strategic thought leadership projects in the following topical or emerging auditing and assurance areas: - Audit quality - Assurance over Emerging Forms of External Reporting (EER) and other information in annual reports and other public reports - Assurance of Financial Reporting Frameworks - Audit and assurance of Charities and Not for Profit organisations - The Value of Audit and reducing the Audit Expectation Gap - Use of Technology in the Audit, including Data Analytics	▪ Project plans developed and 2019-20 outputs identified for each strategic thought leadership project area ▪ Develop and implement outreach and engagement plans with subject matter experts and key stakeholders for each strategic thought leadership project area ▪ Regular updates provided to AUASB members at AUASB meetings	FRC Audit Quality Action Plan	*Ongoing*
		EER Thought Leadership (incl. EER Survey on extent and type of EER engagements being performed)	TBD
		Collaboration with AASB on IASB Management Commentary Project	TBD
		Collaboration with AASB on common areas of focus for Reporting and Assurance Frameworks (incl. AASB PAPs)	*Ongoing*
		Development of guidance targeted at NFP Auditors	TBD
		Engagement with ACNC on Assurance requirements for NFPs	TBD
		New Assurance Framework Publications	December
		Develop local guidance addressing common technology issues auditors face at a practical level	TBD
		Provide input to IAASB Technology and Audit Evidence Working Groups	TBD

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What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
In accordance with the AUASB Evidence Informed Standard Setting Strategy, support or conduct high quality research in these and other areas relevant to the AUASB's strategic thought leadership areas.	▪ Promote research opportunities in these strategic thought leadership projects through academic networks and conferences in accordance with the EISS strategy ▪ Ensure current and past research undertaken with the AUASB are published on the AUASB Research Centre and promoted across the profession	Collaboration with respected academics to identify and develop research in these strategic thought leadership projects published on AUASB Website	*Ongoing*
		Publish LCE and NFP Research findings	*Ongoing*
		Outputs from current and future AUASB Research Scholars	*Ongoing*
Author or contribute to publications on major auditing and assurance developments.	▪ Develop and publish articles or publications in selected strategic thought leadership project areas	Identify opportunities and develop articles in relevant publications for AUASB thought leadership topics	TBD

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Performance Measure Seven: *Increase stakeholder satisfaction and engagement with AUASB activities, with a specific focus on assurance practitioners, regulators, the professional bodies and financial report users.*

What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
Develop and issue AUASB Publications (e.g. Bulletins, FAQs) to provide guidance to Stakeholders as required on AUASB Pronouncements and topical/emerging auditing and assurance issues and in conjunction with the release of all major AUASB standards and guidance statements.	▪ Develop Bulletins based on evidence and existing AUASB requirements ▪ Engage with regulators, stakeholders, AUASB members and other stakeholders as required to develop content ▪ Promote availability of AUASB guidance through various communication channels	Auditors responsibility for Framework Bulletin	July
		ASA 540 Client Briefing	October
Implement and promote the AUASB Evidence Informed Standard Setting (EISS) Strategy.	▪ Communicate benefits of EISS Strategy to academic community at conferences and technical forums ▪ Promote engagement with AUASB to attain research in thought leadership areas	Launch EISS Strategy at 2019 AFAANZ Conference	July
		Approved plans for AUASB Academic Scholars to co-develop research and education materials	*Ongoing*
		Develop AUASB Research Centre on AUASB Website	September
AUASB members or staff to attend and present at auditing or assurance related professional and academic events/conferences and regular professional and regulatory forums.	▪ Identify appropriate local and international professional and academic events/conferences for the AUASB to present at or attend ▪ Attendance at local professional and regulatory forums	Keynote by Roger at 2019 AFAANZ Conference	July
		Present at 2019 AFAANZ SIG	July
		AUASB involved at 2019 ANCAAR Conference	December
		Regularly present at ASIC Audit Committee Chairs Forum	*Ongoing/ Quarterly*
Obtain positive feedback from FRC members on AUASB activities.	▪ Valuable engagement with FRC members at FRC meetings ▪ AUASB staff to develop auditing and assurance related papers for FRC meetings	Collaborate with FRC on matters related to the Parliamentary Joint Committee Inquiry on the regulation of Auditing	TBD
		FRC Audit Quality Plan outputs	TBD

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What do we need to do? (Objectives)	Targeted Outputs/Outcomes/Process	2019-20 Projects	Proposed Timing
		Public Sector Reporting Framework and Auditing Issues	TBD
		Auditing Issues for Charities and NFPs	TBD
Develop and distribute a quarterly AUASB Update publication.	▪ AUASB Newsletters developed and sent out every 3 months	AUASB Newsletters to be produced and published in Sept 2019, Dec 2019, March 2020 and June 2020	*Ongoing/ Quarterly*
Conduct a regular AUASB Stakeholder Satisfaction Survey and respond to results.	▪ Evaluate results from and develop actions in response to inaugural AUASB Stakeholder Satisfaction Survey completed in July 2019 ▪ Consider need for additional survey in 2020.	Develop and implement action plan for AUASB Communications Strategy based on key themes from Stakeholder Satisfaction Survey	December