



Subject: Highlights of the 44th meeting of the AUASB
Venue: Auditing and Assurance Standards Board, Melbourne
Date: 19 April 2010

1. Guidance Statement – *Bank Confirmation Requests*

The Board approved, with minor amendments, the final version of the Guidance Statement GS 016 *Bank Confirmations Requests*, for release in May 2010.

2. Exposure Draft – Proposed ASAE 3402 *Assurance Reports on Controls at a Service Organisation*

The Board approved the final version of proposed ASAE 3402 *Assurance Reports on Controls at a Service Organisation*. The proposed ASAE has just been released as exposure draft ED 01/10 with a comment period of thirty days until 21 May 2010.

3. Audits or Reviews of Companies Limited by Guarantee

The Board considered a draft revision of ASRE 2400 *Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Company*, which addresses proposed changes to the *Corporations Act* allowing certain companies limited by guarantee to be subject to a review of their financial report rather than an audit. The Board, however, agreed that a separate standard be prepared to address the review requirements of such companies. This standard will direct the auditor to the relevant standard for these reviews, i.e. ASRE 2400 or ASRE 2410, depending upon whether an audit has been conducted in the prior year.

4. International Matters

- (a) The Board received a report on the March 2010 International Auditing and Assurance Standards Board (IAASB) meeting attended by the Chairman as an observer.
- (b) The Board considered agenda items for the IAASB National Standards Setters meeting to be held 29-30 April 2010.
- (c) The Board received a report on the recent activities of the IAASB and an update on other international audit and assurance related matters.
- (d) The Board also received updates from taskforce members on IAASB projects:
 - Reviews and Compilations - Ms D Azoor Hughes
 - Pro-Forma Information in Prospectuses – Mr D Simmonds

5. National Greenhouse and Energy Reporting Scheme (NGERS) and Carbon Pollution Reduction Scheme (CPRS)

The Board received an update on the Department of Climate Change (DCC) programs involving auditing and assurance matters.

6. Project Updates

The Board received updates on the following projects:

- Assurance Standards on Fundraisings and Comfort Letters.
- Specified Assurance Procedures - including agreed-upon procedures.
- Guidance Statement on the Prudential Reporting Requirements for the Auditor of a Life Company – a final version will be considered for approval at the June AUASB meeting.
- Assurance on Water Accounting Reports

7. Standard Business Reporting

The Board considered the first draft of an AUASB Bulletin on developments relating to Standard Business Reporting including the use of eXtensible Business Reporting Language (XBRL). A final version will be considered for release at the June AUASB meeting.

8. ASIC Audit Inspection Program – Public Report 2008-2009

The Board considered findings of the report, the need for communication with constituents and whether there are any implications for the Australian Auditing Standards.

9. Office of Best Practice Regulation (OBPR) – Department of Finance and Deregulation

The Board noted confirmation of the AUASB's compliance with the best practice regulation requirements for the period 1 July to 31 December 2009. The Board discussed implications of proposed changes to OBPR requirements in the forthcoming year.

10. Other

- (a) The Board considered ASIC Report 192 *Audit Inspection Program Public Report for 2008-09*, in particular with regard to the application of Australian Auditing Standards by auditors.
- (b) The Board considered a revised draft of the AUASB business plan for the year ending 30 June 2011, which will be released on the AUASB website once finalised.

***The next regular AUASB meeting will be held on 7-8 June 2010
at Level 7, 600 Bourke Street, Melbourne.***

The meeting will be open to the public.

Details of the meeting agenda are posted on the AUASB web site www.auasb.gov.au in the week prior to the meeting.

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