



# AUASB Board Meeting Summary Paper

**AGENDA ITEM NO.**      **8.1.0**

**Meeting Date:**            16 April 2019

**Subject:**                    Guidance Statement Revision Plan

**Date Prepared:**            25 March 2019

**Prepared by:**              Tim Austin

**Action Required**

**For Information Purposes Only**

## Agenda Item Objectives

1. The objective of **Agenda Item 8.1** is for the AUASB to provide responses to questions 1 and 2 below.

### **Questions**

1. Are AUASB Members aware of any Guidance Statements which should be prioritised for review?
2. Does the AUASB agree with the criteria outlined in paragraph 6?

## Background

2. In response to consultation with stakeholders on the AUASB's Corporate Plan / Work Program in 2017/18, the AUASB committed to:  
  
*Develop, update and maintain Australian specific Standards and/or Guidance Statements for topics not specifically addressed by IAASB Standards as required.*
3. To action this commitment, the AUASB and AUASB Technical Group (ATG) planned to:
  - (a) Review and revise out of date guidance statements beginning with GS 010<sup>1</sup>, and GS 019<sup>2</sup> in 2017-18; and
  - (b) Review, prioritise and revise all other statements beyond 2018-19.

<sup>1</sup> Guidance Statement GS 010 *Responding to Questions at an Annual General Meeting*

<sup>2</sup> Guidance Statement GS 019 *Auditing Fundraising Revenue of Not-for-Profit Entities*

*This document contains preliminary views and/or AUASB Technical Group recommendations to be considered at a meeting of the AUASB, and does not necessarily reflect the final decisions of the AUASB. No responsibility is taken for the results of actions or omissions to act on the basis of reliance on any information contained in this document (including any attachments), or for any errors or omissions in it.*

4. As a result of other work program commitments in the 2017-18 year, a revision of GS 010<sup>3</sup> and GS 019 was not completed. However, in the interim, the AUASB has initiated reviewing several other Guidance Statements (GSs) in response to specific requests from stakeholders or related projects, which includes:
  - (a) GS 005 *Using the Work of a Management's Expert* (**Agenda Item 8.2**)
  - (b) GS 012 *Prudential Reporting and Requirements for Auditors of Authorised Deposit-taking Institutions* (**Agenda Item 8.3**); and
  - (c) GS 009 *Auditing Self-Managed Superannuation Funds* (**Agenda Item 8.4**).

### **Matters to Consider**

5. The AUASB Technical Group (ATG), have provided below the full list of current AUASB Guidance Statements which have been broken down into four categories:
  - (a) Guidance Statements which are currently being considered as part of an AUASB Project;
  - (b) Guidance Statements which are known to require review; and
  - (c) Guidance Statements which were issued before 2015; and
  - (d) Guidance Statements which were issued in 2015 or later.
6. The ATG will undertake an assessment of each of the guidance statements to determine their order of importance for review. This will be based on the following criteria:
  - (a) Have there been changes in relevant legislation/regulation?
  - (b) Have there been changes to relevant reporting standards which would impact on how the audit is conducted? (For example, has GS 020 *Special Considerations in Auditing Financial Instruments* been impacted by AASB 9 *Financial Instruments* issued in December 2014.)
  - (c) Have there been changes in practice which would indicate a Guidance Statement is no longer relevant? (For example, GS 016 *Bank Confirmation Request* is written for paper based bank confirmations, when in practice most confirmations are done electronically.)
7. The ATG will conduct outreach to discuss the above criteria with relevant stakeholders. A summary of the outreach will be provided to the AUASB at the June 2019 AUASB Meeting.

### **Current Guidance Statement Revision Projects**

No.	Title	Issue Date	Operative Date
GS 005	<i>Using the Work of a Management's Expert</i>	Mar 2015	Mar 2015
GS 009	<i>Auditing Self-Managed Superannuation Funds</i>	Sep 2015	Sep 2015
GS 012	<i>Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions</i>	Jun 2009	Jun 2009

### **Guidance Statements Known to Require Review**

No.	Title	Issue Date	Operative Date
GS 016	<i>Bank Confirmation Requests</i>	Jun 2010	Sep 2010
GS 019	<i>Auditing Fundraising Revenue of Not-for-Profit Entities</i>	Apr 2011	Apr 2011

<sup>3</sup> The AUASB discussed revising GS 010 in 2017 to consider auditor reporting changes. Was not considered a priority at the time and was deferred for further discussion to a later date.

## Guidance Statements Issued Before 2015

### APRA Related Subject Matter

No.	Title	Issue Date	Operative Date
GS 002	<i>Audit Implications of Prudential Reporting Requirements for Registered Superannuation Entities</i>	Jan 2014	Jan 2014
GS 004	<i>Audit Implications of Prudential Reporting Requirements for General Insurers and Insurance Groups</i>	May 2013	May 2013
GS 017	<i>Audit Implications for Prudential Reporting Requirements of a Life Company</i>	Dec 2014	Dec 2014

### ASIC Related Subject Matter

No.	Title	Issue Date	Operative Date
GS 008	<i>The Auditor's Report on a Remuneration Report Under Section 300A of the Corporations Act 2001</i>	Mar 2010	Jan 2010
GS 013	<i>Special Considerations in the Audit of Compliance Plans of Managed Investment Schemes</i>	Aug 2009	Aug 2009
GS 014	<i>Auditing Mortgage Schemes</i>	Aug 2009	Aug 2009

### All Other Subject Matter

No.	Title	Issue Date	Operative Date
GS 006	<i>Electronic Publication of the Auditor's Report</i>	Mar 2010	Jan 2010
GS 007	<i>Audit Implications of the Use of Service Organisations for Investment Management Services</i>	Oct 2011	Jan 2012
GS 010	<i>Responding to Questions at an Annual General Meeting</i>	Mar 2009	Mar 2009
GS 011	<i>Third Party Access to Audit Working Papers</i>	Apr 2009	Apr 2009
GS 015	<i>Audit Implications of Accounting for Investments in Associates</i>	Nov 2009	Nov 2009
GS 020	<i>Special Considerations in Auditing Financial Instruments</i>	Mar 2012	Mar 2012
GS 021	<i>Engagements under the National Greenhouse and Energy Reporting Scheme, Carbon Pricing Mechanism and Related Schemes</i>	Nov 2012	Nov 2012

## Guidance Statements Issued in 2015 or Later

No.	Title	Issue Date	Operative Date
GS 001	<i>Concise Financial Reports Under the Corporations Act 2001</i>	May 2017	
GS 003	<i>Assurance Relating to Australian Financial Services Licences issued under the Corporations Act 2001</i>	Sep 2015	Sep 2015
GS 018	<i>Franchising Code of Conduct – Auditor's Reports</i>	Jun 2015	Jun 2015
GS 022	<i>Grant Acquittals and Multi-Scope Engagements</i>	Jun 2015	Jun 2015

## Questions for the AUASB

### Questions

1. Are AUASB Members aware of any Guidance Statements which should be prioritised for review?
2. Does the AUASB agree with the criteria outlined in paragraph 6?

**Material Presented**

Agenda Item 8.1.0

AUASB BMSP Guidance Statement Revision

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**Action Required**

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Consider and provide feedback on the ATG evidence gathering.	Approval	AUASB	16 April 2019	Pending

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