



Project Plan

Agenda Item	4.1
Project Title:	ASRS 4400 Agreed-Upon Procedures Engagements
Project ID:	ASRS 4400-2018
Project Objective(s):	<ol style="list-style-type: none">1. To provide comments to the IAASB on ED ISRS 44002. To issue revised ASRS 4400 based on the amended ISRS and making appropriate Australian amendments as necessary
Priority:	Medium
Issue/Reason:	Refer AUASB Strategic Direction re adoption of ISAs
Date Prepared:	20 November 2018
Date To Be Approved:	4 December 2018

Project Objectives

1. To provide comments to the IAASB on ED ASRS 4400 based on stakeholder input (Phase 1).
2. To release a revised ASRS 4400, based on the amended ISRS, after making appropriate Australian amendments to conform to Australian regulatory and statutory requirements, and further amendments where is a 'compelling reason' to do so (Phase 2).

This project plan deals with the timing for phase 1 only. Phase 2 timing will be developed once the timing of the final IAASB standard is determined.

Background

The IAASB has redrafted the Agreed-Upon Procedures standard using the clarity drafting conventions so that this standard is consistent with other IAASB International Standards as well as to better reflect practice in Agreed-Upon Procedures (AUP) engagements being undertaken.

At its September 2018 meeting the IAASB approved the proposed ISRS 4400 for a 120-day exposure period. In November, the IAASB issued the Exposure Draft *Proposed International Standard on Related Services 4400 (Revised) Agreed-Upon Procedures Engagements*, with a comments close date of 15 March 2019.

The AUASB has been tracking the progress of the development of ISRS 4400 (Revised) and have flagged 3 areas of focus/concern:

- exercise of professional judgement
- independence; and
- restriction on use of report.

Stakeholders Impacted by Revised ISRS 4400

- Practitioners – private (large, medium and SMP) and public sector
- Regulators - ASIC, APRA, ACNC

- Accounting bodies – CA ANZ, CPA Australia & IPA – representing practitioners
- Users of AUP reports

Risks/Issues

- Issues are not identified and communicated to the IAASB on the ED.
- ISRS 4400 is not consistent with ASRS 4400 and principles and practices currently adopted in the Australian environment.
- Final ISRS 4400 not consistent with feedback from the AUASB (and its stakeholders).

Action Plan

Phase 1

To provide comments to the IAASB on ISRS 4400. Phase 1 steps:

- a. Draft the AUASB's ED ASRS 4400 based on the IAASB's ED. The Australian exposure period will be less than the IAASB's to allow the audit technical group time to consider stakeholder comments and provide input to the AUASB for the 6 March 2019 AUASB meeting. The comment period will be 60-days closing 14 February 2019.
- b. Proposed targeted outreach:
 - Communications via website and email to stakeholder database;
 - Targeted email offering discussions over January and February 2019 to the Big 6, Institutes (IPA, CAANZ, CPA), ASIC, APRA and the networks large discussions group; and
 - Webinars early/mid February 2019 in conjunction with NZAuASB.
- c. AUASB to review and provide comments on submissions received from Australian stakeholders and the AUASB draft submission to the IAASB at its 6 March 2019 meeting.

Phase 2

To be developed once the timing of the issuance of the IAASB's final standard is known.

Resources

Robin Low – Project Specific AUSAB member.

Rene Herman – Project Specific dedicated AUASB technical group member.