



Attachment to AUASB Board Meeting Summary Paper

AGENDA ITEM NO.	5.1
Meeting Date:	25 February 2013
Subject:	Review Engagements – ASRE 2400 and ASRE 2415
Date Prepared:	14 February 2013

Issues for the AUASB to consider and decide upon:

ASRE 2400

1. The Board is asked to consider all the responses to the ED comments received [see Agenda Item 5.3]. The AUASB Technical Group does not propose to make any changes as a result of the ED comments received - does the Board agree?
2. Does the Board agree that appendices 3 and 4 are to be removed from the final standard? The table and diagrams were included in the ED to assist constituents with a reminder of the existing AUASB suite of review standards.

ASRE 2415

1. The Board is asked to consider all the responses to the ED comments received [see Agenda Item 5.6]. The AUASB Technical Group proposes to make one change only* (add “early adoption permitted” to the compilation table on page 4 of the proposed standard) as a result of the ED comments received - does the Board agree?

* One respondent to the ED referred to the ACNC legislation – dealt with as a separate issue below.

ACNC Legislation [Agenda Item 5.7]

2. As detailed in the BMSP [Agenda Item 5] and the disposition of ED comments received [Agenda Item 5.6] there is a need to amend ASRE 2415 to address the new ACNC legislation.

The first reporting under the ACNC Act is for financial periods commencing 1 July 2013 with lodgement due on or before 31 December 2014.

3. The need to amend ASRE 2415 arises because a practitioner conducting a review under the ACNC Act will need to use ASRE 2400. ASRE 2400 is not a legislative instrument because it is commonly used for non-statutory engagements. ASRE 2415 originally came into existence to facilitate legislative backing to engagement under the *Corporations Act 2001* regarding companies limited by guarantee.
4. It should be noted that a number of entities that are required to report under the ACNC Act are companies limited by guarantee and will therefore (already) fall within the scope of ASRE 2415.

It would be appropriate for *all* entities reporting under the ACNC Act to be reviewed through the same standards. It would be *inappropriate* for *only* companies limited by guarantee to be reviewed through a legislative standard (ASRE 2415) and all other entities reporting under the ACNC Act to

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be reviewed directly through ASRE 2400. The structure of an entity should not dictate alternative pathways through AUASB standards that result in differing positions of legal enforceability.

5. The Board is asked to consider the first draft of proposed changes to address reporting under the ACNC Act – see Agenda Item 5.7. Does the Board agree to the proposed changes?
6. If the Board agrees that ASRE 2415 should be updated for the ACNC legislation, the question of public exposure arises. As the proposed changes effectively extend the scope of the standard only and do not impose additional requirements, public exposure is not considered necessary. There is no need for the application date of ASRE 2415 to change – i.e. from 1 July 2013 with early adoption permitted.

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