



Subject: Highlights of the 68th meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: Ken Spencer Room, AUASB offices
Level 7, 600 Bourke St, Melbourne
Date: 24 February 2014

1. Revised Assurance Framework and ED 05/13 Proposed Standard on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information

The AUASB considered the papers presented on ED 05/13 ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ED 06/13 *Framework for Assurance Engagements* as part of their deliberations on the significant matters noted by respondents from the ED process. The AUASB decided on the following steps:

- Further consideration of options available to the AUASB to address the matters of risk assessment and an understanding of internal control as proposed in the Aus paragraph additions contained in ED 05/13;
- Further consultation to occur with assurance practitioners who currently use extant ASAE 3000 in the Australian market; and
- Further consultation with NZAuASB on the outcomes of the submissions received on NZAuASB ED 2014-1 and deliberations of the NZAuASB on such matters.

2. ED 07/13 Conforming Amendments to ASAE 3402, ASAE 3410 and ASAE 3420 as a Result of Revisions to ASAE 3000

The outcomes of the proposed conforming amendments proposed in ED 07/13 *Conforming Amendments to ASAE 3402, ASAE 3410 and ASAE 3420 as a Result of Revisions to ASAE 3000* were noted as being dependent upon highlight one above .

3. Department of Environment Presentation

Mr Jee Karunarathna, Director, ERF Task Force Division along with Mr Jed Buffier from The Department of Environment, presented an overview of the Emissions Reduction Fund Green Paper and the possible assurance implications of the scheme. The AUASB then discussed the implications of the assurance requirements imposed in relation to the ERF with the Department's representatives and a representative of the Clean Energy Regulator who was also in attendance at the meeting.

4. Assurance on Controls

The AUASB considered a further draft of proposed Standard for Assurance Engagements on Controls. The AUASB agreed that the proposed standard, following further drafting, would be brought back for further consideration and approval at the 7 April 2014 AUASB meeting.



5. ASIC Presentation

Mr John Price, ASIC Commissioner and Mr Doug Niven, Senior Executive Leader, presented an overview of the ASIC Audit Update and related developments including ASIC's strategic objectives, audit activities and issues emanating from past inspection findings.

6. International Matters

- (a) The AUASB received a report on key matters discussed and outcomes of the IAASB meeting held on 9-13 December 2013 in New York.
- (b) The AUASB noted the latest International Update being a report on recent activities of the IAASB and other international bodies, including national standards setters.
- (c) The AUASB noted the Consultation Paper for the IAASB's Proposed Strategy for 2015-2019 and agreed to prepare a submission to the IAASB over the next month.
- (d) Trans-Tasman harmonisation:

The AUASB considered and approved the revised communications protocol with the NZAuASB and noted that further work is being undertaken by the NZAuASB on the compelling reason test which is expected to be finalised by April 2014.

7. GS 003 Assurance Relating to Australian Financial Services Licences issued under the Corporations Act 2001

The AUASB considered a first draft of the revision to GS 003 *Assurance Relating to Australian Financial Services Licences issued under the Corporations Act 2001*. It is planned that a final draft of GS 003 will be considered for approval at the 7 April 2014 AUASB meeting.

8. Other Matters

(a) *Integrated Reporting*

The AUASB received an update on Integrated Reporting Matters since the release of the International Integrated Reporting Framework on 9 December 2013, including the IAASB's Innovation, Future Needs and opportunities (INFO) Working Group meeting that was held on 10-12 February 2014.

(b) *ACNC Update*

The AUASB received an update on recent discussions with the ACNC regarding the development of a pro forma auditor's report for 2014.

The next meeting of the AUASB will be held on 7 April 2014 commencing at 10am

at Level 7, 600 Bourke Street, Melbourne

The meeting will be open to the public