



Subject: Highlights of the 91st Meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: CPA Australia, Level 3, 111 Harrington Street, Sydney
Meeting Date: 26 April 2017

1. ASAE 3500 Performance Engagements

The AUASB discussed and approved to issue, subject to minor amendments, the revised exposure draft ASAE 3500 *Performance Engagements*. The exposure draft will be issued after an internal quality review with a 60-day comment period.

2. ISA 540 Auditing Accounting Estimates and Related Disclosures

The AUASB discussed the project plan and approved the approach to be adopted by the AUASB Technical Group in relation to stakeholder engagement for ISA 540 and production of the IAASB submission. ISA 540 is currently on exposure by the IAASB with the comment period closing on 1 August 2017. Further information in relation to this project is available on the [AUASB website](#).

3. Auditor Reporting Implementation

(a) Auditor Reporting Frequently Asked Questions (“FAQs”)

The AUASB discussed updates to the Auditor Reporting FAQs, and:

- Approved an additional question in relation to the reporting of Key Audit Matters (KAMs) for parent and consolidated entities.
- Discussed an additional FAQ in relation to the preparation of condensed interim financial reports and agreed that the issue is more appropriately addressed through a change to the scope paragraph in ASA 701 which will be included in ASA 2017-1 (refer item 3(b) below).
- Approved the production of additional FAQs based on questions received from practitioners and the NZAuASB.

The AUASB also discussed the reporting of KAMs for individual members of a stapled security group and agreed not to update the FAQs in respect to this matter. The AUASB requested that the AUASB Technical Group draft an AUASB Bulletin addressing the matters an Auditor of these entities needs to consider. This will be reviewed by the AUASB out of session and issued in advance of the June 2017 reporting period.

(b) ASA 2017-1 *Amendments to Australian Auditing Standards*

The AUASB discussed the proposed ASA 2017-1 covering amendments to ASA 700, ASA 800 and ASA 805 and requested further amendments in relation to ASA 701 and ASA 210.

The AUASB agreed that due to the nature of the changes not being significant there is no requirement for the proposed standard to be exposed. The AUASB approved the issue of ASA 2017-1 subject to an out of session ‘fatal flaw’ review by the AUASB in May 2017.

(c) Auditor’s Responsibilities Statements

The AUASB discussed updates to the Auditor’s Responsibilities Statements and requested a number of amendments to the statements. The AUASB requested that the updated statements be provided for AUASB approval at the next AUASB meeting on 30 May 2017.



4. ASA 250 Consideration of Laws and Regulations in an Audit of a Financial Report

The AUASB provided comments in relation to ASA 250 and related conforming amendments. Final approval of the proposed standards will be discussed at the AUASB meeting on 30 May 2017, taking into consideration the outcomes of the APESB meeting to be held on 19 May 2017.

5. Strategy Session (in camera session)

The AUASB discussed a number of matters in relation to the AUASB's Vision, Mission and Strategic Objectives, as well as a review the current AUASB Board policies and procedures. These matters will be discussed further at the upcoming joint strategy session to be held with the AASB on 29 May 2017 and at the next AUASB meeting on 30 May 2017.

***The next meeting of the AUASB will be held in the TEQSA Boardroom,
Level 14, 530 Collins Street, Melbourne
on Tuesday, 30 May 2017 commencing at 8.30 a.m.
The meeting will be open to the public.***