



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **4**
Meeting Date: 9 June 2015
Subject: GS 022 *Grant Acquittals and Multi-Scope Engagements*
Date Prepared: 2 June 2015

Action Required

For Information Purposes Only

Agenda Item Objectives

Consider the final draft GS 022 and approve for issue.

Background

Part One of the Project – GS 022

1. The project was originally proposed as a guidance statement (GS) relating only to the development of single-form auditor/assurance practitioner reports when multiple reporting frameworks existed.
2. The AUASB requested the scope of the GS to be expanded to cover performance of such engagements as well as reporting them.
3. The AUASB adjusted the scope further to focus on practical implementation issues in a Q&A type format as opposed to a summarised audit approach manual.
4. The AUASB has also considered the use to which this GS may be put in lobbying for consistency in the industry.
5. A PAG was formed which comprised mainly auditors/assurance practitioners but also includes two large Federal Government agencies that provide significant grants to a wide range of applicants.
6. The drafting team met on 6 November 2014 and agreed that the practical application issues listed in the draft GS could apply equally to a single-subject grant acquittal as well as a multi-scope engagement, which in turn could be a grant acquittal. Accordingly, the name of the proposed GS has been changed as well as relevant content within the document.
7. The PAG has met three times – all input from PAG members has been included in the final draft.
8. Two partners from a practitioner firm, each from a different State, volunteered to provide a confidential review of the draft GS. Their input has also been included in the final draft.

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9. At the 20 April 2015 meeting, the AUASB discussed the draft GS 022 and several members provided input to clarify and improve the document. AUASB comments have also been included in the final draft of GS 022. [Agenda Item 4.1]. The marked up is provided for information only.
10. An initial Quality Assurance Review has been conducted and changes made to GS 022. After the 9 June 2015 meeting, any changes requested by the AUASB will be processed and a final QA process will be conducted prior to submission of the document for approval to issue.

Part Two of the Project – Strategy for Influencing Consistency

11. The AUASB has agreed in principle to a subsequent project to develop a fit-for-purpose strategy to influence consistency in grant acquittals and multi-scope engagements with respect to:
 - (a) Setting requirements within engagement mandates; and
 - (b) Auditor practice.

Matters to Consider

Part A – General

1. The AUASB is asked to:
 - (a) Consider the proposed GS 022; and provide final changes necessary for completion; and
 - (b) Approve Guidance Statement GS 022 for issuance, subject to AUASB requested changes and final QA procedures.

Part B – NZAuASB

1. Once approved, GS 022 would be available to the NZAuASB and staff for their adoption and/or amendment to enable appropriate use in NZ.

Part C – “Compelling Reasons” Assessment

1. N/A

The proposed changes conform to IAASB modification guidelines for NSS? N/A Y N

AUASB Technical Group Recommendations

The AUASB is requested to approve GS 022.

Material Presented

Agenda Item 4	AUASB Board Meeting Summary Paper
Agenda Item 4.1	GS 022 Proposed Guidance Statement (clean version)
Agenda Item 4.2	GS 022 Proposed Guidance Statement (marked up version) [electronic only]

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Approve GS 022	AUASB approval	AUASB	9 June 2015	o/s

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