



# Project Plan

---

<b>Project Title:</b>	Revision of ASAE 3100 <i>Compliance Engagements</i>
<b>Project ID:</b>	ASAE 3100 (2015)
<b>Project Objective(s):</b>	To revise existing standard to conform to revised ASAE 3000 and update for stakeholder feedback on existing standard.
<b>Priority:</b>	Medium
<b>Issue/Reason:</b>	Current ASAE 3100 was issued in 2008 since which time ASAE 3000 has been reissued in June 2014 with significant changes in terminology and far greater detail in the approach to assurance engagements. These changes need to be reflected in revisions to ASAE 3100. Stakeholders having used the existing standard can provide feedback on the areas which need to be addressed more fully or a different approach taken.
<b>Date Prepared:</b>	29 January 2015
<b>Date To Be Approved:</b>	24 February 2015
<b>Date Updated: (if applicable)</b>	28 April 2015

---

## Project Objectives

To revise ASAE 3100 *Compliance Engagements* in the following respects:

1. To anchor to revised ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (June 2014);
2. To reflect current terminology, approach, style and format of examples and reports in the AUASB Standards;
3. To address any feedback from stakeholders on existing ASAE 3100 and reflect best practice.

## Stakeholders

Key stakeholders include:

1. Assurance Practitioners from industry and public sector who perform compliance engagements; and
2. Regulators that require compliance engagements to be undertaken as part of their regulatory activities and reporting requirements e.g. APRA and ASIC

## Background

ASAE 3100 was issued in July 2008, and revised for editorial amendments only in September 2008, and is operative for reporting periods or compliance engagements commencing on or after 1 October 2008.

ASAE 3100 is an standard developed in Australia by the AUASB for compliance engagements undertaken in the Australian assurance and regulatory market.

In 2012, the AUASB conducted a post implementation survey and invited a mixture of medium and large accounting firms and each of the offices of the 6 State, 2 Territory and Commonwealth Auditors General to complete the survey. The on-line survey presented 10 questions regarding ASAE 3100, seeking any problems with the standard, omissions or improvements which stakeholders could identify from applying ASAE 3100 in the 3 ½ years since it was issued. 7 responses were received to the survey, which were overall supportive of the standard, but identified some areas for improvement in any revisions to ASAE 3100.

Since ASAE 3100 was issued, ASAE 3000 *Assurance Engagements Other than Audits and Reviews of Historical Financial Information* was revised and reissued in June 2014, in conformity with revised and reissued ISAE 3000. The revised ASAE 3000 contains new terminology, a revised approach and greater detail in the requirements and application material, with respect to which ASAE 3100 is now inconsistent. In addition, existing ASAE 3100 is not written in clarity format, the style used for all current AUASB Standards, in which the application and other explanatory material is contained in a separate section of the standard to the requirements.

### **Scope**

The scope of revised ASAE 3100 will include compliance engagements addressing:

1. different regulatory requirements and compliance frameworks;
2. limited or reasonable assurance; and
3. attestation in which the responsible party evaluates the compliance and provides a Statement on the outcome of that evaluation, or direct engagements.

ASAE 3100 will be anchored to ASAE 3000 (June 2014), with minimum repetition of the content of ASAE 3000, and will be required to be applied in conjunction with ASAE 3000.

### **Risks/Issues**

1. Current best practice in compliance engagements to be reflected in the standard.
2. As the standard is to reflect only requirements and application material additional to that provided by ASAE 3000, it will be a challenge to ensure that the standard is clear to the user and the flow of the document is maintained.
3. Consistency in approach with the revision of ASAE 3500 *Performance Engagements* will be important and the two projects will be conducted in parallel to ensure a consistent outcome.
4. The way in which the objectives of an assurance engagement are expressed in ASAE 3000 may not be applicable to all compliance engagements especially those undertaken by the public sector. Consequently interpretation and adaption of those objectives for compliance engagements and appropriate adaption, will be important in applying ASAE 3000 as the overarching standard for compliance engagements.
5. Consistency with the approach to taken in the Australian Auditing Standards (ASAs) and Standards on Assurance Engagements (SAEs) to aspects of those engagements which may be relevant to compliance engagements will be important in ensuring the most up-to-date approach, as those the ASAs have been revised and a number of new SAEs have been issued since ASAE 3100 was issued.

## Action Plan

Key steps in the project will be:

1. Planning the project and agreeing a project plan with the AUASB;
2. Analysing the 2012 post-implementation survey results to identify and revisit areas to be addressed in revisions to the standard and to be discussed with stakeholders.
3. Researching the nature of current compliance engagements and any existing issues for assurance practitioners and identifying the key stakeholders;
4. Forming a Project Advisory Group of stakeholders (PAG) to advise the AUASB on the development of the standard;
5. Drafting based on existing ASAE 3100 and ASAE 3000 and drawing on the material in other ASAEs and the Auditing Standards;
6. Obtaining and addressing feedback on drafts from the PAG and the AUASB;
7. Obtaining approval of an exposure draft and issuing for public comment for at least 60 days;
8. Analysing ED comments and finalising standard; and
9. Obtaining AUASB approval and issuing final standard with Basis for Conclusions.

## Resources

- 1 Senior Project Manager 3 days/week.
- Project Advisory Group of stakeholders to meet every 4-6 weeks.

## Timetable (revised 28 April 2015)

Date	Revised Date	Description
24 Feb 2015	24 Feb 2015	Present Project Plan for approval at Board meeting by AUASB.
Late Feb- mid Mar 2015	Late Feb- mid-Mar 2015	Analyse post-implementation survey results, obtain further stakeholder feedback on existing standard and determine nature of current compliance engagements.
Late Mar 2015	Mid-May 2015	Project Advisory Group Meeting – discuss suitable scope of standard.
Late Mar- Mid Apr 2015	Mid-May	Initial drafting.
20 Apr 2015	9 Jun 2015	Present project update, including issues paper, proposed scope to Board.
Late Apr - mid May 2015	Jun 2015	Further drafting.

<b>Date</b>	<b>Revised Date</b>	<b>Description</b>
Mid May 2015	Mid-July 2015	Project Advisory Group Meeting.
9 Jun 2015	28 Jul 2015	Draft revised ASAE 3100 presented at the Board meeting.
Late June 2015	Mid-August	Project Advisory Group Meeting.
	August	Regulatory Impact Assessment submitted to OBPR to obtain initial OBPR clearance.
28 July 2015	15 Sept 2015	Exposure draft presented at Board meeting for AUASB approval.
Early Aug – Early Oct 2015	Late Sept – Late Nov 2015	60 day exposure period.
Oct 2015	Dec 2015	Analysis of ED comments and redrafting to address comments.
Oct 2015	Dec 2015	Updated Regulatory Impact Assessment (and RIS if required) submitted to OBPR if necessary to confirm OBPR clearance.
Late Oct 2015	Mid-Dec	Project Advisory Group Meeting.
Early Nov 2015	Dec 2015 – Jan2016	Drafting final standard.
1 Dec 2015	1 December 2015	Disposition of ED comments presented to AUASB meeting. Present final standard to AUASB for approval.
Mid Dec 2015	Feb 2016	Final quality assurance and issue revised and redrafted ASAE 3100.