



# AUASB Board Meeting Summary Paper

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**AGENDA ITEM NO.**        **8(a)**  
**Meeting Date:**            13 June 2018  
**Subject:**                    AASB-AUASB Board Charter Update  
**Date Prepared:**            4 June 2018  
**Prepared by**                Damian Paull, AASB-AUASB National Director

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**Action Required**

**For Information Purposes Only**

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## Agenda Item Objectives

1. Update AUASB members of minor changes made to the AASB-AUASB Board Charter.

## Background

2. At the AASB-AUASB joint strategy day in May 2017 the AASB and AUASB resolved to agree on a charter that outlines the main corporate governance principles that apply to both Boards.
3. The current AASB-AUASB Board Charter was last shared with the board members at the September 2017 AUASB meeting.
4. As part of the governance of the Charter, it is reviewed from time to time to ensure it remains consistent with the Boards' objectives, responsibilities and relevant standards of corporate governance.
5. In recent Board meetings for the AASB, two matters have been raised that potentially required a review of the Board charter- please see below.

## Matters to Consider

6. Board Charter Review – Leave of Absence for Members
  - (a) The Board Charter is not clear where, in certain circumstances, the Chairs have capacity to grant leave to Board members in circumstances where the leave is an extended absence.

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- (b) We have received advice from our lawyers (Gadens), who have reviewed the ASIC Act, the role of the FRC and the appointment processes for the AASB/AUASB Members and Chairs.
  - (c) With respect to the granting of a leave of absence – the ASIC Act refers to the granting of leave to a full time member of the AASB/AUASB rather than absence for a member who is covered by the remuneration tribunal....It seems an anomaly however the advice is clear that it is the Minister who must grant a member an extended leave.
  - (d) The draft paragraphs in the Board Charter (highlighted in yellow) are consistent with the legal advice provided.
7. Meeting Procedures – in camera
- (a) The other amendments to the charter relate to the public/”in camera” sessions of the board and what are the expectations where in-camera sessions stray into account/auditing technical discussions that should be in the public domain.
  - (b) A simple process has been included in the Charter that would require the Chair as soon as practicable after opening the meeting again, to summarise the relevant discussion and any decisions made so that the summary may be minuted in the public minutes and so be on record and meet the requirement for technical discussions/decisions to be public.
8. Observers
- (a) The Board Charter (paragraph 6.7) notes that all discussions at Board meetings pertaining to technical accounting or auditing or assurance matters are open to the public.
  - (b) The Board Charter has been updated to reflect that public observers may attend the public meetings using electronic means.

**AUASB Technical Group Recommendations**

N/A

**Material Presented**

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**Action Required**

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Review the Board Charter, in particular the highlighted sections and approve.	BMSP approval	AUASB	13 June 2018	Pending

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