AUASB Technical Work Program – February 2019 Update for AUASB

This table summarises the AUASB's activities in support of its strategic objectives and key performance indicators drawn from the 2018-19 AUASB Corporate Plan, with a status and update of activities in each high level priority area provided.

High level priorities to achieve AUASB Strategy & Outcomes	Current Priorities & KPIs	Status	Comments (Changes since last report to the AUASB in December 2018 are highlighted in **Bold**)
Issue Australian Auditing and Assurance Standards (ASAs, ASREs, ASAEs & ASRSs) based on IAASB equivalent standards in accordance with AUASB legislative drafting and registration requirements.	→ Issue all IAASB related Australian equivalent Exposure Drafts on a timely basis (within three months of PIOB clearance or within 1 month of AUASB approval, as appropriate). → Develop and issue Australian Auditing and Assurance Standards following the release of their equivalent ISA, ensuring all Australian legislative and regulatory requirements are considered, including changes required via application of the 'compelling reason' test. → Coordinate and develop the AUASB's response to existing and planned IAASB exposure drafts. → Develop high quality responses to other IAASB pronouncements or invitations to comment by the due date as they are released. → Conduct post-implementation reviews of IAASB equivalent issued AUASB Standards, as required. → Implement revised AUASB Process for exposing and issuing International Exposure Drafts concurrently with the IAASB	G	• Exposure Drafts for ISA 315 and ASA 540 both released and subject to extensive consultation. • Submission on ISA 315 deliberated at October 2018 AUASB meeting and sent to the IAASB on 2 November 2018. • Revised ED exposure process implemented for ISA 315. Similar number of submissions received and positive feedback received from AUASB stakeholders. • Global post implementation review of Auditor Reporting standards still to commence internationally. • **Nine compilation standards finalised, incorporating conforming amendments arising from the update to ASA 540 *Auditing Accounting Estimates and Related Disclosures*.** • **New Consultation Paper on revised International Standard on Agreed-Upon Procedures Engagements released with comments requested from stakeholders by February 2019.**
Develop, update and maintain Australian specific Standards and/or Guidance Statements for topics not specifically addressed by IAASB Standards as required.	→ Develop and issue Australian specific Standards within one month of AUASB approval, in accordance with AUASB legislative drafting and registration requirements. → Review full suite of AUASB pronouncements, including revising out of date Guidance Statements to determine necessity and timing of updates required. → Conduct post-implementation reviews of Australian specific AUASB Standards, as required. → Review and update of AUASB Framework Pronouncements, including the AUASB Glossary	G A	• Project plan to update GS 012 Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions approved at December 2018 AUASB Meeting. • Updated AUASB Glossary approved in September 2018. • Post implementation reviews of ASAE 3100 and ASAE 3500 to occur in 2019. • **Project Advisory Group (PAG) on the revision of GS 005 *Using the Work of a Management's Expert* now in place. Focus to be on responding to issues raised regarding the use of experts arising from ASIC's inspection report.** • **Initial discussions held with ATO and professional bodies on the need to update GS 009 *Auditing Self-Managed Superannuation Funds*.** • **A number of outdated AUASB Guidance Statements require review and update. This task is dependent on the AUASB recruiting additional staff.**

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Monitor the Assurance Environment, considering the implications for Australian auditing and assurance standards and guidance and responding as appropriate.	→ Conduct regular AUASB Agenda Consultation Forums in various locations, either face to face or electronically, and update AUASB Workplan as required based on relevant feedback. → Hold quarterly meetings with the professional accounting bodies to discuss trends in assurance environment and identify impact for AUASB Agenda and Workplan. → Ensure AUASB attendance and presentations at a number of research events (e.g. AFAANZ Conference and AFAANZ Auditing and Assurance Special Interest Group, the UNSW Audit Research Roundtable, and the ANU ANZCAR Conference). → Develop and implement an AUASB Research Strategy. → Work with the FRC to implement the elements of the FRC Audit Quality Plan that are the responsibility of the AUASB → Monitor key international regulator developments (including IOSCO, PCAOB and IFIAR Monitoring Group) and consider impact for the local auditing and assurance environment. → Develop updated guidance to encourage the increased application and understanding of review engagements → Consider audit quality and implementation issues associated with the audit and assurance issues specific to the financial services sector, including any matters arising from the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry	G	• AUASB Work Program update provided to stakeholders at ISA 315 and ASA 540 Roundtable events held in September and October 2018. • Regular engagement held with CA ANZ and CPA Australia in respect of the current AUASB exposure drafts and quarterly meeting held with CPA Australia. • AUASB Chair keynote speaker at ANU ANCAAR Conference and presenter at World Congress of Accountants. • Ongoing collaboration with the FRC on Audit Quality matters, including the ACC and Investor Surveys on perceptions of Audit Quality. • Draft of AUASB Bulletin addressing the different types of assurance engagements that may be performed under the AUASB assurance framework in development. • **White paper from Monitoring Group addressing next steps in global standard setting arrangements due shortly.** • **New AUASB Evidence Informed Standards (EIS) Strategy presented at December 2018 AUASB meeting.** • **No explicit audit or assurance implications arising from the Royal Commission into Misconduct in the Financial Services Industry noted.** • **Planning for joint UNSW/AUASB Academic Roundtable in October 2019 under way.** • **Appointment of two 'AUASB Scholars' for 2019 in progress.**
Build, maintain and enhance key international relationships around key focus areas with both global (e.g. IAASB, IFAC, IIRC) and national standard setters and professional bodies (e.g. FRC, PCAOB, CPAC, IRBA).	→ AUASB to be represented at all IAASB meetings. → Arrange for AUASB review of relevant IAASB board papers on a timely basis and share feedback on key matters with regional IAASB members before each IAASB meeting. → Attend and present relevant topics at regional and global IAASB NSS meetings. → With the IAASB and NZAuASB, identify and implement initiatives to drive increased sharing and collaboration across the National Standards Setting network → Attend and contribute to other IAASB or International Standard Setting forums as appropriate → Review and contribute as appropriate to other global initiatives, such as IIRC, GRI and WBCSD, on assurance issues. → Engage with the Global EER Project Advisory Panel and support associated regional activities and local panel members.	G	• EER specialist Board member and staff attending regular IAASB EER Roundtables. • AUASB Chair attended by teleconference latest meetings of IIRC working group, and WBCSD assurance task force • **NSS Meeting jointly hosted with the NZAuASB held in Sydney at the same time as the World Congress of Accountants on 5 November all in place. Great feedback from IAASB and other participants** • **AUASB Technical Director attended December IAASB Meeting in New York.** • **AUASB deliberated on all major IAASB projects at its December 2018 Board Meeting** • **AUASB Chair appointed Chair of IAASB Less Complex Entities Working group and leading development of an IAASB discussion paper to chart the way forward.**

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Maintain harmonisation of auditing and assurance standards in Australia and New Zealand in accordance with relevant agreements and protocols.	→ AUASB Chair and/or Technical Director to attend all NZAuASB meetings. → Ensure standards and guidance are issued in accordance with AU/NZ harmonisation requirements. → Contribute to and work in parallel on a number of NZAuASB projects, such as Auditor Reporting FAQs, and the Audit of Service Performance Information standard. → Work collaboratively with NZAuASB Technical Staff to ensure co-operation and co-ordination between the AUASB and NZAuASB's activities (e.g. joint research programs and joint contributions on key focus areas, such as Assurance requirements for NFP's and Charities).	G	• AUASB responses on ISA 315 and ISA.ASA 540 developed with regard to NZ AU/NZ harmonisation requirements. • AUASB staff working with NZAuASB staff on assurance of charities initiative. • AUASB and NZAuASB Chairs and Technical Directors collaborated on the planning and conduct of the NSS Meeting held in Sydney at the same time as the World Congress of Accountants on 5 November. • **AUASB and NZAuASB staff reviewed corresponding work programs to look for greater opportunities for collaboration and joint resourcing of projects at Joint AUASB and NZAuASB Technical team meeting in February 2019.** • **AUASB staff jointly working with NZAuASB staff on the update of Review Standard ASRE 2410.** • **AUASB Chair attended December and February NZAuASB Meeting in Wellington.**
Complete a number of strategic projects addressing current areas of auditing and assurance thought leadership and emerging issues, in particular the areas of external reporting beyond financial reporting (e.g. EER) and the impact of changing technologies (e.g. Data Analytics).	→ Scope and implement strategic thought leadership projects in the following areas: - Auditor Reporting Implementation - Audit Quality / Coordination and cooperation with Regulators - Assurance over Emerging Forms of External Reporting (EER) - Financial Reporting and Assurance Frameworks - Public Sector Auditing and Assurance Issues - Consideration of matters related to small and medium practices (SMPs) and audits of small- and medium-sized entities (SMEs) - Use of Technology in the Audit including Data Analytics → Develop and maintain contact with other key national standard setters and identify opportunities to collaborate on key international auditing and assurance focus areas. → Work with relevant local and international stakeholders to influence and support emerging forms of assurance (e.g. IIRC).	G	• Meetings held with ASIC and large audit firms to review common issues associated with inspections findings, resulting in updated AUASB guidance on the use of experts currently in development. • AASB and AUASB Joint publication developed on insights and research findings on climate-related disclosures for Australian listed entities and the application of APS 2 to financial reporting and assurance on climate-related risks. • Consultations held with ACNC & input into AASB paper on Audit requirements under revised NFP reporting framework. • Meetings held with representatives from large firm and ACAG to discuss Phase 2 of Use of Technology in the Audit including Data Analytics project. • Ongoing support to Australian IAASB EER Advisory Group members and attendance at IAASB EER Roundtable in Sydney in November 2018. • Project Advisory Group with representatives from ACAG and other public sector auditors in place to assist AUASB with public sector project. • **AUASB published media release in response to the latest ASIC Inspection Findings and have set up a Project Advisory Group (PAG) on the revision of GS 005 *Using the Work of a Management's Expert* to response to matters on this topic raised in ASIC's findings.**

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Achieve a high level of stakeholder satisfaction through increased engagement (i.e. events and publications) that demonstrate the AUASB has a thorough awareness of ideas and concerns of Australian stakeholders.	→ Hold quarterly meetings with key stakeholders (CPA, CA ANZ, APESB, ASIC) and ensure regular contact with other stakeholders (ACAG, ACNC, CER, APRA, AICD & IPA) as required to: - gather timely and relevant feedback on AUASB activities; and - ensure the AUASB Workplan is responsive to user needs. → Attend and present at regular professional and regulatory forums (e.g. ASIC Standing Committee, Emerging Accounting and Auditing, Issues Discussion Group, BLRF etc). → AUASB Board members or staff to present at a number of auditing or assurance related events/conferences. → Author or contribute to multiple articles on major auditing and assurance developments for CPA Australia and CA ANZ professional bulletins and other publication outlets. → Complete quarterly reports for the FRC and obtain positive feedback from FRC members on AUASB activities. → Develop and distribute a quarterly AUASB update. → In conjunction with the AASB, conduct regular AUASB Stakeholder satisfaction surveys. → Create and maintain details of AUASB stakeholders in the new AASB/AUASB Stakeholder Database. → Contribute to the planning of the new AASB/AUASB website. → In conjunction with the AASB/AUASB Communications Manager, implement initiatives to monitor and grow stakeholder engagement, measured via increased media mentions, social media activity and level of participation at AUASB events. → Ensure all AUASB meeting board papers are available on the AUASB website a week in advance → Ensure all AUASB meeting highlights/podcast available within two working days after each meeting.	**G** **A**	• AUASB Meeting Register discussed and reviewed at December 2018 meeting. • AUASB Chair attended and presented on Audit Committee Chairs report at September ASIC Standing Committee; AUASB Technical Director presented at a number of industry forums. • Planning for AUASB involvement in 2019 CA ANZ Audit Conference currently underway. • Communications from December 2018 AUASB meeting all issued as required and on time. • **Quarterly AUASB Update Newsletter released in November 2018.** • **Regular meetings held with CPA Australia, APESB and ASIC, including new auditing appointments at CA ANZ and CPA Australia.** • *No major articles or publications produced in last two months.* • *No progress on the Stakeholder Database and other communications tools. Recruitment for replacement Communications Manager to being shortly.*

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Conduct awareness initiatives, such as webinars and presentations for new major Standards issued, and promote the development of education initiatives by others (for example professional bodies, regulators, accounting firms and tertiary institutions) by providing, technical input to their initiatives and co-presenting at their education sessions.	→ Record and release AUASB podcasts and/or webcasts for all AUASB meetings on all major audit and assurance pronouncements. → Engage with the CA ANZ and CPA Australia to support the currency and appropriateness of auditing and assurance professional program course materials. → AUASB Board members or staff to present at a number of auditing or assurance related events/conferences (eg CA ANZ Audit Conference; CPA Congress). → Author or contribute to multiple articles on major auditing and assurance developments for CPA Australia and CA ANZ professional bulletins. → Identify opportunities to present guest lectures or be represented on advisory panels for auditing and assurance topics at major tertiary institutions. → Partner with respected auditing and assurance academics on AUASB strategic projects and research activities, for example on Auditor Reporting implementation.	G A	• Podcast for December 2018 AUASB meeting recorded and released • Planning for AUASB involvement in 2019 CA ANZ Audit Conference currently underway. • AUASB Chair keynote speaker at ANU ANCAAR Conference and presenter at World Congress of Accountants. • Assisting academic projects in relation to Assurance Frameworks and Auditor Reporting • *No actions undertaken in relation to auditing and assurance professional program course materials or contributions to external articles or bulletins.*
Analyse regulator inspection findings to identify AUASB actions that help improve audit quality and the consistency of audit execution, predominately through the development of new publications (such as AUASB Bulletins and frequently asked questions ('FAQs')) that facilitate the consistent application of auditing and assurance standards.	→ Increased and timelier engagement with ASIC and other regulators responsible for audit and assurance inspections. → Assess and respond to implementation issues and identify opportunities to create additional AUASB guidance to address inspection findings. → Hold quarterly meetings with ASIC and meet at least annually with other regulators (APRA, CER) to discuss audit inspection developments and identify opportunities for AUASB staff involvement. → In conjunction with the NZAuASB, issue new and revised Auditor Reporting FAQs based on stakeholder feedback and issues noted by AUASB staff. → Develop and issue AUASB Bulletins to provide guidance to Stakeholders as required on AUASB Pronouncements and topical/emerging auditing and assurance issues and in conjunction with the release of all major AUASB standards and guidance statements. → Monitor global audit inspection developments and trends and consider impact for Australian auditing and assurance environment.	G	• Meetings held with ASIC and large audit firms to review common issues associated with inspections findings, resulting in updated AUASB guidance on the use of experts currently in development. • Draft of AUASB Bulletin addressing the different types of assurance engagements that may be performed under the AUASB assurance framework in development. • No additional Auditor Reporting FAQs issued over the last 2 months. Post Implementation review of Auditor Reporting Standards to commence with the IAASB later in 2019. • **Ongoing discussions with ASIC on issues arising from January 2019 Report on audit inspection findings.** • **AUASB published media release in response to the latest ASIC Inspection Findings** • **AUASB staff jointly working with NZAuASB staff on the update of Review Standard ASRE 2410.**

C	*Completed*	A	*Tracking slowly but no major issues*
G	*Tracking Well*	R	*Delayed and/or there are major issues*