



Subject: Highlights of the 60th meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: Ken Spencer Room, AUASB offices
Level 7, 600 Bourke St, Melbourne
Date: 26 November 2012

1. Fundraisings

The Board approved the issue of ASAE 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Historical Financial Information included in a Prospectus or other Document*, and ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*. The Board also approved the relevant Basis for Conclusions documents.

Both Standards will be operative for engagements commencing on or after 1 July 2013.

2. GS 004 Audit Implications of Prudential Reporting Requirements for General Insurers

The Board received an update on the project to revise GS 004 and noted that further meetings with the Project Advisory Group (PAG) and APRA on auditor report issues will be held in the coming months.

3. Review Engagements

The Board approved the issue of exposure drafts of the revised review engagement standards ASRE 2400 *Review of a Financial Report Performed by an assurance Practitioner Who is Not the Auditor of the Entity* and ASRE 2415 *Review of a Financial Report- Company Limited by Guarantee*. The EDs will be issued in early December with responses requested by 1 February 2013.

The Board also confirmed that ASRE 2405 *Review of Historical Financial Information Other Than a Financial Report* will be revised at a later date.

4. Managed Investment Schemes

The Board received an update on the projects to revise GS 013 *Special Considerations in the Audit of Compliance Plans of Managed Investment Schemes*, and GS 014 *Auditing Mortgage Schemes* action currently being undertaken by ASIC on managed investment schemes, and noted correspondence received from ASIC in relation to its proposed revision of the applicable Regulatory Guides that apply to managed investment schemes.

5. ASIC Presentation

Mr John Price (ASIC Commissioner) and Mr Doug Niven (ASIC Senior Executive Leader) presented to the Board on the ASIC Audit Update including discussion of ASIC's strategic priorities, audit regulatory activities and inspection programs.

6. Assurance on NGER and Clean Energy Schemes Reports

The AUASB approved a new Guidance Statement, titled GS 021 *Engagements under the National Greenhouse and Energy Reporting Scheme, Carbon Pricing Mechanism and Related Schemes*. The Guidance Statement will be issued in early December.



7. International Matters

- (a) The Board received reports on IAASB Task Forces – Auditor Reporting, Audit Quality and ISA Implementation Monitoring.
- (b) The AUASB discussed key agenda items for the IAASB meeting to be held on 10-13 December in New York, USA.
- (c) The AUASB noted the latest International Update being a report on recent activities of the IAASB and other national standard setters.

8. Assurance on Water Accounting Reports

The AUASB approved the proposed exposure draft of a standard for assurance engagements on general purpose water accounting reports, which has been jointly developed with the Water Accounting Standards Board (WASB). The AUASB requested that staff further liaise with the Project Steering Committee and WASB with a view to finalising certain editorials to the exposure draft prior to its release in December.

9. Other Matters

- (a) Integrated Reporting

The Board received an update on the international and local initiatives on integrated reporting.

- (b) ACNC Not-for-Profits

The Board received an update on recent developments and noted that the ACNC Bill 2012 was recently passed by the Australian Parliament.

- (c) SBR/XBRL

The Board received an update on recent developments in this area.

***The next meeting of the AUASB will be held on 25 February 2013
at Level 7, 600 Bourke Street, Melbourne***

The meeting will be open to the public