



# AUASB Board Meeting Summary Paper

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**AGENDA ITEM NO.**            **12**

**Meeting Date:**                26 November 2012

**Subject:**                        ED 02/12 Proposed Standard on Assurance Engagements ASAE 3xxx /  
Australian Water Accounting Standard AWAS 2 *Assurance Engagements on  
General Purpose Water Accounting Reports*

**Date Prepared:**                24 October 2012

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**Action Required**

**For Information Purposes Only**

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## **Agenda Item Objectives**

To obtain the AUASB's approval to release ED 02/12 Proposed Standard on Assurance Engagements ASAE 3xxx / Australian Water Accounting Standard AWAS 2 *Assurance Engagements on General Purpose Water Accounting Reports*, subject to approval of the ED by the Water Accounting Standards Board (WASB) and final QA processes.

## **Background**

In 2010, the AUASB agreed to work with the WASB to develop a standard for assurance engagements on water accounting reports.

To facilitate an effective process and appropriate governance for the development of the standard, the AUASB agreed to the establishment of a 6 person Steering Committee to guide the project and report to the respective Boards on its progress. In addition, the AUASB agreed to the establishment of a Project Advisory Group comprising representatives from both the water and accounting/assurance fields to provide input and advice to the Steering Committee.

The Steering Committee met 12 times over the past two years and the Project Advisory Group met 4 times. Following its most recent meeting on 18 October 2012, the Steering Committee cleared the draft ED 02/12 for presentation to the AUASB and the WASB for approval to release for public comment. A recommendation from the Steering Committee is provided at Agenda Item 12.1.

Concurrently with this project, the WASB has been working on the finalisation of Australian Water Accounting Standard 1 (AWAS 1), which was officially launched by the Bureau of Meteorology on 8 October 2012. Electronic versions of AWAS 1 and the Illustrative Water Accounting Reports for AWAS 1 are provided at Agenda Items 12.4 and 12.5, for information.

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*This document contains preliminary views and/or AUASB Technical Group recommendations to be considered at a meeting of the AUASB, and does not necessarily reflect the final decisions of the AUASB. No responsibility is taken for the results of actions or omissions to act on the basis of reliance on any information contained in this document (including any attachments), or for any errors or omissions in it.*

## **Matters to Consider**

### *Exposure period*

It is proposed to issue the ED in mid December 2012, for public comment by 15 March 2013.

### *Format of ED 02/12*

Agenda Item 12.2 is the final Word version of ED 02/12, which has two parts:

- (a) an Explanatory Memorandum containing background information, a discussion of significant matters and questions; and
- (b) the proposed assurance standard.

The exposure draft is currently being prepared in the following styles for publication:

- (a) Explanatory Memorandum – in the Bureau of Meteorology style (involving a cover picture in colour and a different font for the text)
- (b) Proposed Standard – in the AUASB style (as shown in Agenda Item 12.2)

The ‘publication-ready’ document is expected to be available by 19 November 2012 and will be provided to the AUASB as soon as possible, or tabled at the AUASB meeting on 26 November 2012.

### *WASB approval*

The WASB will meet on 19 November 2012 to consider and approve ED 02/12, subject to the AUASB also approving the ED on 26 November 2012. A verbal update on the outcome of the WASB meeting will be provided to the AUASB on 26 November 2012.

### *Timeline for Finalisation and Release of the ED*

The timeline for the finalisation and release of the ED, and subsequent finalisation of the standard, is provided at Agenda Item 12.3, for information.

### *Roundtable / information session*

It is proposed that a joint AUASB/WASB roundtable / information session to discuss ED 02/12 be held during the exposure period on 21 February 2013 to facilitate stakeholder engagement.

## **AUASB Technical Group Recommendations**

It is recommended that the AUASB:

1. Accept the recommendation from the Steering Committee (Agenda Item 12.1) and approve ED 02/12 (Agenda Item 12.2) for release for public comment, subject to the usual QA and other finalisation processes, and approval by the WASB;
2. Agree that the exposure period should run to 15 March 2013;

## **Material Presented**

Agenda Item 12	AUASB Board Meeting Summary Paper
Agenda Item 12.1	Recommendation from the Steering Committee to the AUASB and the WASB
Agenda Item 12.2	ED 02/12 Proposed Standard on Assurance Engagements ASAE 3xxx / Australian Water Accounting Standard AWAS 2 <i>Assurance Engagements on General Purpose Water Accounting Reports</i> (Clean version)
Agenda Item 12.3	Timeline for the finalisation of the ED and standard – for information
Agenda Item 12.4	Australian Water Accounting Standard 1 (AWAS 1) [electronic version] – for information
Agenda Item 12.5	Illustrative Water Accounting Reports for AWAS 1 [electronic version] – for information

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## **Action Required**

<b>No.</b>	<b>Action Item</b>	<b>Deliverable</b>	<b>Responsibility</b>	<b>Due Date</b>	<b>Status</b>
1.	Approval	Approved ED	AUASB	26 Nov 2012	TBA