# **AUASB Board Meeting Summary Paper**

AGENDA ITEM NO.	10			
<b>Meeting Date:</b>	25 November 2014			
Subject:	Grant Acquittals and Multi-Scope Engagements			
Date Prepared:	12 November 2014			
X Action Required	For Information Purposes Only			

# **Agenda Item Objectives**

To consider the work-in-progress draft Guidance Statement and provide comment to the drafting team.

### **Background**

- 1. The project was originally proposed as a guidance statement (GS) relating only to the development of single-form auditor/assurance practitioner reports when multiple reporting frameworks existed.
- 2. The AUASB requested the scope of the GS to be expanded to cover performance of such engagements as well as reporting them.
- 3. The AUASB adjusted the scope further to focus on practical implementation issues in a Q&A type format as opposed to a summarised audit approach manual.
- 4. The AUASB has also considered the use to which this GS may be put in lobbying for consistency in the industry.
- 5. A PAG was formed which comprises mainly auditors/assurance practitioners but also includes 2 large Federal Government agencies that provide significant grants to a wide range of applicants.
- 6. The PAG has met twice and the 3<sup>rd</sup> meeting is scheduled for Monday, 17 November at which the draft GS at agenda item 10.1 will be discussed. Input from that meeting will be brought to the 25 November 2014 AUASB meeting.
- 7. The drafting team met on 6 November 2014 and agreed that the practical application issues listed in the draft GS could apply equally to a single subject grant acquittal as well as a multi-scope engagement, which in turn could be a grant acquittal. Accordingly, the name of the proposed GS has been changed as well as relevant content within the document.

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**

#### Part A - General

- 1. The AUASB is asked to consider the draft GS bearing in mind that the document is still a work-in-progress. Specifically, the AUASB is asked to comment on:
  - (a) The shift in scope to include single subject grant acquittals; and
  - (b) The consequential change to the title of the GS.
- 2. The AUASB is also requested to agree, in principle, to:
  - (a) Excluding from the scope of the GS, any additional material designed to provide a basis to lobby for consistency of requirements in the industry; and
  - (b) As an alternative strategy, to develop a fit-for-purpose document, this will include reference to GS 20X; and which will be combined with other strategies to establish a feasible approach.

#### Part B - NZAuASB

- 1. To date, only very brief preliminary discussions have occurred. There is potential for this GS to have application in NZ and accordingly, the intention is for NZ input to be included in due course.
- 2. The intention is to first process the input from the AUASB and PAG meetings in November; and then forward a copy to the NZAuASB staff for their comment.

# Part C - "Compelling Reasons" Assessment

1. N/A

The proposed changes conform with IAASB modification guidelines for NSS?



# **AUASB Technical Group Recommendations**

None at this time.

## **Material Presented**

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Agenda Item 10.1 Work-in-progress draft Guidance Statement

#### **Action Required**

No.	Action Item	Deliverable	Responsibility	<b>Due Date</b>	Status
1.	Consideration of draft GS 02X	Provide comments	AUASB	21 October 2014	$\sqrt{}$
2.	Consider WIP draft GS 02X	Commentary to the GS drafting team	AUASB	25 November 2014	o/s