



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **8**

Meeting Date: 25 November 2014

Subject: GS 005 *Using the Work of a Management's Expert*

Date Prepared: 3 November 2014

Action Required

For Information Purposes Only

Agenda Item Objectives

To provide the AUASB with a preliminary draft of revised GS 005 *Using the Work of a Management's Expert* for review and comment.

Background

1. At the 9 September 2014 AUASB meeting, the AUASB approved the project plan for an update to GS 005. It was agreed that the updated guidance statement would be broadened to take into account the use of all types of management experts and fill the 'void' between ASA 620 *Using the Work of an Auditor's Expert* and ASA 500 *Audit Evidence*.
2. Following the September AUASB meeting a preliminary working draft of GS 005 was circulated to the Representative Liaison Group (which consists of the a representative from each practitioner on the AUASB) for comment. Subsequent to receiving comments back from all representatives, a revised draft was recirculated to the representatives and a conference call held on 24 October 2014 to discuss the draft. The representative's comments have been incorporated into the preliminary draft provided to the AUASB for comment.
3. Feedback from the representatives on the draft that is provided to the AUASB is supportive. Representatives commented that the draft is logical, comprehensive and covers practical issues.

Matters to Consider/Draw to the AUASB's attention

Part A – General

1. Title
 2. Duplication with ASA 500: Technical group have sought to minimise any duplication of content contained in ASA 500 and have only done so where the duplication contextualises further content. Examples of such duplication are in paragraphs 13 and 21.
-

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.

3. Application paragraph: scope of guidance is to fill void between ASA 620 and ASA 500, however may be adapted for non-historical financial information engagements.
4. Definitions – from ASA 620 – modified slightly to include examples.
5. Paragraph 10 – representatives consider these experts to be the most used. We have included guidance on legal as representatives considered this to be an area that practitioners practice is not consistent.
6. Paragraphs 14 and 15: No reference to particular bodies except footnote to actuaries.

Outstanding Matters

1. AUASB – review and comment
2. OBPR – RIA and clearance

AUASB Technical Group Recommendations

The AUASB Technical Group recommends that the AUASB consider the preliminary draft as presented, and provide further comment/input.

Material Presented

Agenda Item 8	AUASB Board Meeting Summary Paper
Agenda Item 8.1	GS 005 <i>Using the Work of a Management's Expert</i> – Preliminary Draft
Agenda Item 8.2	GS 005 <i>Using the Work of an Actuary (2007)</i> (electronic only)

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	AUASB to provide comments on GS 005 preliminary draft.	Comments at AUASB meeting.	AUASB	25 November 2014	