



# AUASB Board Meeting Summary Paper

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**AGENDA ITEM NO.**     **11(a)**

**Meeting Date:**             28 October 2013

**Subject:**                    *GS 003 Audit and Review Requirements for Australian Financial Services Licensees under the Corporations Act 2001*

**Date:**                        9 October 2013

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**Action Required**

**For Information Purposes Only**

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## **Agenda Item Objectives**

To approve a Project Plan for the update of *GS 003 Audit and Review Requirements for Australian Financial Services Licensees under the Corporations Act 2001* (October 2007) to accommodate changes to the *Corporations Act 2001* and *Corporations Regulations 2001*.

## **Background**

GS 003, issued in October 2007, provides guidance to auditors on matters relating to the audit requirements for Australian financial services (AFS) licensees in accordance with the requirements of the *Corporations Act 2001*.

This project is to revise and redraft GS 003 and is considered necessary to conform with the AUASB's clarity Auditing Standards and to update references and changes to legislation and ASIC requirements. Legislation in this area has changed significantly since GS 003 was issued in October 2007.

Some legislative changes that will be addressed in the updated GS 003 include:

1. Tailored cash requirements for responsible entities, Investor Directed Portfolio Services (IDPS) operators, custodial or service providers and retail over the counter derivative issuers.
2. Tailored audit requirements for responsible entities, Investor Directed Portfolio Services (IDPS) operators, custodial or service providers and retail over the counter derivative issuers.
3. Additional financial requirements for margin lenders, foreign exchange dealers, those Transacting with Clients, those holding clients property/money.

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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**

Attached for your consideration is the Project Plan for GS 003 and Project Timeline.

## **AUASB Technical Group Recommendations**

The AUASB Technical Group recommends that the project plan and project timeline to update GS 003 is approved by the AUASB.

## **Material Presented**

- Agenda Item 11(a) Board Meeting Summary Paper
- Agenda Item 11(a).1 Project Plan of GS 003
- Agenda Item 11(a).2 GS 003 Project Timeline (confidential)

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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.	Approve Project Plan of GS 003		AUASB	28 October 2013	O/S

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