



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **4**

Meeting Date: 10 September 2013

Subject: IAASB Auditor Reporting Exposure Draft

Date Prepared: 27 August 2013

Action Required

For Information Purposes Only

Agenda Item Objectives

To conduct a joint discussion with the NZAuASB regarding the IAASB's exposure draft on auditor reporting.

The purposes of the discussions are to:

- (a) Communicate the consultation approach that each Board intends to undertake in obtaining constituents' views for each Board's submission to the IAASB; and
- (b) Consider the IAASB's exposure draft in order to:
 - Identify significant issues that affect the respective jurisdictions;
 - Communicate how the identified issues are likely to be dealt with by each Board; and
 - Identify areas where no significant issues are apparent and where each Board agrees, in principle, with the IAASB's proposals.

Background

The exposure draft is the IAASB's response to calls for the auditor's report to be more informative, in particular, for auditors to provide more relevant information to users based on the audit that was performed.

The exposure draft is the culmination of extensive deliberations, research and consultations which included:

- May 2011 Consultation Paper: *Enhancing the Value of Auditor Reporting: Exploring Options for Change*; and
- June 2012 Invitation to Comment (ITC): *Improving the Auditor's Report*.

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.

The exposure draft proposes:

- (a) A new standard: ISA 701, *Communicating Key Audit Matters in the Independent Auditor's Report*; and
- (b) Conforming amendments to several other relevant standards.

Dates

Submissions to the IAASB exposure draft:	22 November 2013
Final IAASB standards expected to be issued:	Fourth quarter of 2014
Expected effective date (IAASB) will be for audits of financial statements for periods beginning on or after:	15 December 2015

Matters to Consider

The AUASB and the NZAuASB are requested to consider the IAASB's exposure draft. [Agenda Item 4.2]

The attachment to this Board Meeting Summary Paper provides a suggested approach for the discussion. [Agenda Item 4.1]

AUASB Technical Group Recommendations

N/A

Material Presented

Agenda Item 4	AUASB Board Meeting Summary Paper
Agenda Item 4.1	Attachment to Board Meeting Summary Paper
Agenda Item 4.2	IAASB Exposure Draft: <i>Reporting on Audited Financial Statements</i> [Electronic only]
Agenda Item 4.3	Illustrative Auditor's Report [Electronic only]

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Consider the IAASB's ED on Auditor Reporting	Points for submissions to IAASB	AUASB and NZAuASB	10 Sept 2013	o/s

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