



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **9**

Meeting Date: 9 September 2014

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

Date: 22 August 2014

Action Required

For Information Purposes Only

Agenda Item Objectives

Undertake a comprehensive revision of GS 005 (issued October 2007) to reflect the clarity series of Auditing Standards. The GS will assist auditors plan, perform and report when engaged to provide assurance over amounts determined by, or based upon the work of actuary.

Background

GS 005, issued in October 2007, provides guidance to auditors on matters relating to the audit requirements for auditor's using the work of an actuary. GS 005 was written from the perspective of using a management's expert and provides guidance on the superseded ASA 620 (April 2006) that established requirements in relation to using the work of an expert (both auditor's and management's).

The current ASA 620 (October 2009) establishes requirements and provides application in relation to using the work of an auditor's expert. ASA 500 (November 2013) establishes requirements and provides application in relation to using the work of a management's expert.

The ASIC inspection report for the 18 months to 30 June 2012 and again for the 18 months to 31 December 2013 has indicated a need for improvement in audit quality around the extent of reliance that can be placed on the work of experts.

The changes to ASA 620 and ASA 500 need to be reflected in a revised GS 005.

Matters to Consider

Attached for your consideration is the Project Plan for GS 005 and Project Timeline.

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AUASB Technical Group Recommendations

The AUASB Technical Group recommends that the project plan and project timeline to update GS 005 is approved by the AUASB.

Material Presented

- Agenda Item 9 Board Meeting Summary Paper
- Agenda Item 9.1 Project Plan of GS 005 [confidential]
- Agenda Item 9.2 GS 005 Project Timeline [confidential]

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.	Approve Project Plan of GS 005		AUASB	9 Sept 2014	O/S