



AUASB Board Meeting Summary Paper

AGENDA ITEM NO. **5.2.0**

Meeting Date: 11 September 2019

Subject: Assurance Framework Publications Plan

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Date Prepared: 6 August 2019

Action Required

For Information Purposes Only

Agenda Item Objectives

1. The objectives of this agenda item are for the AUASB to:
 - (a) Review and provide feedback on the project plan (Agenda Item 5.2.1); and
 - (b) To approve the project plan, subject to any amendments requested by the AUASB.

Background

1. At the September 2018 AUASB meeting, the AUASB Technical Group (ATG) presented a paper responding to a request from an AUASB member to explore possible assurance implications of the recently effective 'safe harbour' legislation in the *Corporations Act 2001*.
2. The view of the ATG, based on the research undertaken, was that although there may be some potential assurance implications in relation to the new 'safe harbour' provision, the legislation had been drafted with a focus on restructuring and turnaround experts, rather than assurance providers. The ATG proposed, that in response to this issue rather than just focusing on the 'safe harbour' provisions, a principles-based publication based on a range of possible engagements that can be performed under the AUASB Assurance Framework be developed.
3. The AUASB agreed that a principles-based publication, in the form of a bulletin, could assist practitioners with navigating through the appropriate other assurance or related services standard for a range of subject-matter other than historical-financial information. The AUASB requested a draft bulletin to be brought to the AUASB for further consideration.
4. At the December 2018 AUASB Meeting, the ATG brought to the AUASB a paper outlining the scope, structure and timing for the preparation of the Assurance Framework Bulletin. AUASB Members provided feedback on the scope and structure, including the examples to be included in the publication to assist practitioners with navigating to the appropriate other assurance or related service standard for a range of subject matters.

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.

5. As AUASB time was focussed on IAASB priorities for the first part of 2019, the development of the publication was deferred. In July 2019, the ATG re-commenced work on the proposed Bulletin.
6. The ATG considered that as the underlying objective of the assurance framework bulletin is to promote the value of assurance, the bulletin could be expanded to address other areas which arose as part of the AUASB discussion with the FRC Chair at the June 2019 AUASB Meeting. The ATG discussed with the AUASB Chair whether the bulletin should be expanded to address other overlapping areas such as:
 - (a) Financial Reporting Framework Project – Communication of what is available under the AUASB’s Assurance Framework to assist regulators in understanding and aligning reporting with appropriate assurance;
 - (b) Prescribed reports – Legislators prescribing assurance which is unclear or not able to be assured;
 - (c) Communicating the value of audit and addressing some of the simpler issues with the auditor expectation gap (e.g. Auditor’s responsibility for going-concern and fraud).
7. The AUASB Chair agreed with the proposed strategy of addressing the overlapping areas as part of this project. A single publication was initially considered, however would become too big. Separate publications with clear audiences and objectives would be the best way to achieve the goals of the project to promote the value of the assurance.
8. The AUASB chair raised that this series of publications was being considered by the AUASB at the ASIC Accounting and Auditing Standing Committee and received positive feedback and support from that group.

Matters to Consider

9. The ATG has prepared a project plan (Agenda Item 5.2.1) outlining the three proposed publications, the objectives of each publication, the targeted audience and timeline for completion.
10. AUASB Members are asked to provide responses to the Questions below.

Questions

1. Do AUASB Members agree with the overall objective of the project and the objectives of the three proposed publications?
2. Is the scope of each of the proposed publication appropriate? I.e. have the appropriate areas of focus and targeted stakeholders been identified?
3. Do AUASB Members have any other comments on the proposed project plan

AUASB Technical Group Recommendations

11. Approval of revised project plan by the AUASB.

Material Presented

Agenda Item 5.2.0	AUASB BMSP Assurance Framework
Agenda Item 5.2.1	Proposed Project Plan Assurance Framework

Action Required

No.	Action Item	Deliverable	Responsibility	Due Date	Status
1.			AUASB	11 September 2019	
