



Subject: 138th Meeting of the Auditing and Assurance Standards Board - Highlights

Venue: Dexus Place, Level 14, 385 Bourke Street, Melbourne

Meeting Date: Tuesday 12 September 2023, 9:00am – 5:00pm

1. Sustainability Assurance

The AUASB received updates from Treasury and the AASB on sustainability reporting and assurance. The AUASB then discussed its future work on sustainability assurance.

2. Parliamentary Joint Committee on Corporations and Financial Services (PJC) Inquiries

Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry – The AUASB was informed of the key matters on audit and assurance services raised in the 42 public submissions to the PJC Inquiry so far available.

Regulation of Auditing in Australia – The AUASB were of the view that any disclosures on auditor tenure (Inquiry Recommendation 6) concerned governance matters and would be best located in the directors' report rather than the auditors' report.

3. Sustainability Assurance – AUASB Outreach Plan

The AUASB discussed the outreach plan on its Consultation Paper on the IAASB's Proposed ISSA 5000 *General Requirements for Sustainability Assurance Engagements*.

4. International Auditing and Assurance Standards Board (IAASB) Updates

- a. The AUASB was updated on possible changes to the criteria for applying the IAASB's *Proposed Standard for Auditing Less Complex Entities*, as well as a proposal not to update the standard in the near term to reflect changes in the full standards.
- b. The AUASB discussed proposed changes to auditor reporting in connection with fraud in the IAASB's Proposed ISA 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*.
- c. The AUASB received an update on the main themes arising from submissions on the IAASB's proposed revised ISA 500 *Audit Evidence*.
- d. The AUASB discussed options for the IAASB's work plan on updating IAASB standards or providing guidance on the use of audit technology and tools.

5. AUASB Work Plan

The AUASB reviewed its work plan, which will be updated for future sustainability assurance work.

6. ASAE 3500 Project Advisory Group Update

The AUASB received an update on the progress of its project to make narrow scope amendments to ASAE 3500 *Performance Engagements*.

7. ISA 570 Going Concern – Australian Specific Matters

The AUASB considered the Australian specific feedback received in response to its Consultation Paper on the IAASB's Exposure Draft of ISA 570 (Revised) *Going Concern*. The AUASB will revisit this feedback once the final standard is issued by the IAASB, which is expected to be in Q1 2025.

***The AUASB will hold its next meeting virtually in late November 2023.
The next in person meeting will be held in Melbourne on 5th and 6th December 2023.***

AUASB Meetings are open to the public. Please register via the AUASB website (www.ausb.gov.au) or send an email to enquiries@ausb.gov.au if you wish to attend.