



**Subject:** Minutes of the 151<sup>st</sup> Meeting of the Auditing and Assurance Standards Board (AUASB)  
**Venue:** Virtual via Zoom Teleconference  
**Date:** Tuesday, 6 August 2024, 8:00 am – 1:00 pm

## Attendance

AUASB Members:	Mr Doug Niven (Chair) Ms Julie Crisp (Deputy Chair) Ms Marje Russ (NZAuASB Chair) Ms Tracey Barker Mr Klynton Hankin Professor Noel Harding	Mr Terence Jeyaretnam Mr Andrew Porter Ms Joanne Lonergan Ms Michelle Shafizadeh Mr Jason Thorne Mr Chi Mun Woo
Office of the AUASB Staff:	Ms Anne Waters Ms Rene Herman Ms Marina Michaelides Ms Johanna Foyster	Ms See Wen Ewe Dr Rebecca Mattocks

## Minutes

### (Agenda Item 1 – Minute 1712) Private Session

The AUASB discussed, in a private session, confidential matters relating to the current agenda.

### (Agenda Item 2 – Minute 1713) Welcome and Action Items

The AUASB Chair welcomed members of the public to the 151<sup>st</sup> meeting. Action items from previous meetings were identified, including finalising outstanding meeting minutes.

### (Agenda Item 3 – Minute 1714) Exposure Draft ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001*

The AUASB provided feedback on draft proposed Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* (draft ASSA 5010). The AUASB members raised:

1. The need for more explanation on the basis for the phasing in the Explanatory Memorandum. More context should be given to the question of whether to require limited assurance on 'Governance' and 'Strategy (risks and opportunities)' in Year 1;
2. That draft ASSA 5010 uses the terminology of audit and review consistent with the proposed legislation because it now only deals with the phasing proposals, rather using that proposed ISSA 5000 *General Requirements for Sustainability Assurance Engagements* uses the terminology of reasonable and limited assurance. While there is a conversion table, the approach to terminology will be considered further by the Office of the AUASB;
3. The drafting of optionality for higher levels of assurance to be reviewed;
4. The consultation question on the proposal that entities entering a Group after the first reporting year for that Group due to an increase in their size, will be subject to the same assurance requirements as other entities in the Group (i.e. they would not be subject to the assurance levels for the first reporting year). Further information should be provided in the Explanatory Memorandum on the basis for this requirement; and
5. The references to the legislation will need to be updated with regard to its status at the time.



The aim is to issue the ED shortly after the AASB determines its reporting standards, including any general disclosures that apply across areas. An amended version of draft ASSA 5010 will be considered for approval by the AUASB at its 10 September 2024 meeting, or earlier if this is feasible.

The timing of final standards will depend upon whether ISSA 5000 is re-exposed in Australia and the PIOB meeting on 9-12 December.

#### **(Agenda Item 4 – Minute 1715) Sustainability Assurance and Direct Assistance by Internal Audit**

The AUASB discussed whether to have a compelling reason amendment to ISSA 5000 *General Requirements for Sustainability Assurance Engagements* to prohibit the use of internal audit for direct assistance, consistent with ASA 610 *Using the Work of Internal Auditors*. The AUASB recognised the need for further discussions with the APESB, but agreed that the possibility of a prohibition be exposed in Australia for feedback by stakeholders. Matters raised by AUASB members were:

1. Bring back research to the Board on whether the prohibition would flow through to voluntary assurance in other countries and consider a consultation question; and
2. The exposure draft should:
  - a. be explicit that the prohibition would apply to internal auditors who are employees and external providers; and
  - b. include a question on whether or not to prohibit direct assistance for both climate assurance and financial reporting audit, including with regard to the nature of work and needs in the area of sustainability.

A draft exposure draft will be brought back to the Board.

#### **(Agenda Item 5 – Minute 1716) Private Session**

The AUASB discussed, in a private session, confidential matters relating to the current agenda.

#### **(Agenda Item 6 – Minute 1717) Private Session**

The AUASB discussed, in a private session, confidential matters relating to the current agenda.

#### **(Agenda Item 7 – Minute 1718) Welcome**

The AUASB Chair welcomed members of the public to the final Agenda Item.

#### **(Agenda Item 8 – Minute 1719) Exposure Draft – Assurance on Australian Sustainability Information**

The AUASB further considered possible other matters for a local pronouncement that would supplement the proposed ISSA 5000 under the local reporting framework. Table 3 of the matters discussed at the 17 July 2024 Board meeting was presented, outlined for each matter:

1. That the latest draft of the proposed ISSA 5000 did not address the matters being considered; and
2. For matters where requirements were proposed, that the criteria in the due process framework for a pronouncement and the compelling reasons test in the convergence framework appear to be met. Consultation would assist in understanding costs vs benefits.

The matters in Table 3 were provided to the sustainability advisory 'group' for initial feedback by Friday, 2 August. At the time of the AUASB meeting, one member had responded.

Feedback was sought from members on each item in the table, including the proposals as to what should be a requirement and what would be in guidance (application material, other guidance or education material). In a straw poll, nine AUASB members supported guidance only, two supported possible standards and guidance, and one member was undecided. Further consideration will be given to feedback from the advisory 'group', whether assurance opinions should be requirements, and the need for exposure. Irrespective of the form of any material, it will be necessary to take into account the finalisation of the AASB reporting standards,



developments in the proposed ISSA 5000 and proposed IAASB implementation guidance. Any material is subject to the passing of the legislation.

### **Next Meeting**

The AUASB will hold its next meeting on Tuesday, 10 September 2024.

### **Approval**

Signed as a true and correct record.

Douglas Niven  
Chair

Date: 4 December 2024