



Subject: Minutes of the 136th Meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: Via Zoom Teleconference
Date: Monday 14 August 2023, 8:00am – 9:15am

Attendance

AUASB Members:

- Mr Doug Niven (Acting Chair)
- Ms Julie Crisp (Deputy Chair)
- Ms Marje Russ (NZAuASB Chair)
- Ms Tracey Barker
- Mr Klynton Hankin
- Dr Noel Harding
- Mr Terence Jeyaretnam
- Ms Joanne Lonergan
- Mr Andrew Porter
- Ms Michelle Shafizadeh
- Mr Jason Thorne
- Mr Chi Mun Woo

AUASB Staff:

- Mr Matthew Zappulla (Technical Director)
- Ms Rene Herman
- Ms Anne Waters
- Ms Marina Michaelides
- Ms Johanna Foyster
- Ms See Wen Ewe
- Ms Rebecca Mattocks

Observers:

- Ms Karen Tipper, NZAuASB staff

Minutes

(Agenda Item 1 – Minute 1612) Agenda and Introduction

The Acting Chair welcomed members to the 136th AUASB Meeting.

(Agenda Item 1.2 – Minute 1613) Update from the AUASB Chair

The Acting Chair introduced the agenda items for the current meeting, noting that the meeting is specifically targeted at approving the AUASB Consultation Paper of the IAASB's proposed ISSA 5000 *General Requirements for Sustainability Assurance Engagements*. Additionally, being his first AUASB meeting the Acting Chair provided background on his appointment and his former roles and responsibilities.

(Agenda Item 2 – Minute 1614) Exposure of the IAASB's Proposed ISSA 5000 – Approval of AUASB Consultation Paper

AUASB Technical Group staff presented to AUASB members the proposed AUASB Consultation Paper to expose the IAASB's Proposed ISSA 5000 *General Requirements for Sustainability Assurance Engagements*. Feedback was sought on the Australian specific 'wrap around' to the IAASB Exposure Draft, in particular the Australian specific questions to be included in the invitation to comment.

AUASB members received confirmation from Technical Group staff and the Acting Chair that there were no concerns about the AUASB's mandate to issue this proposed standard for comment. Other areas where



AUASB members requested amendments to the Consultation Paper related to the Australian specific questions, specifically:

- Concerns about how the proposed standard may address the competence of practitioners, both for traditional assurance providers who may lack subject matter expertise and non-accounting practitioners; and
- Seeking more information on different Quality Management and Ethical frameworks which may be used, especially by non-accounting practitioners, and what impediments, if any, may impact the application of the proposed Sustainability Assurance standard.

In addition, several minor changes to the proposed Consultation Paper were requested by AUASB members.

Subject to the changes discussed with the Board being addressed the AUASB unanimously approved the issue of the Consultation Paper. Differences from the version of the Consultation Paper shared with AUASB members will be marked up and provided to AUASB members for 'fatal flaw' review out of session.

ACTION – The AUASB Technical Group to incorporate feedback received into a final draft of the AUASB's Consultation Paper on the IAASB's Proposed ISSA 5000, General Requirements for Sustainability Assurance Engagements, and to circulate it to the AUASB Board for 'fatal flaw' review out of session.

(Agenda Item 3 – Minute 1615) ISA 570 – Update on AUASB Consultation

The AUASB received an update on the AUASB's consultation activities, and a summary of feedback received to date in relation to ISA 570 (Revised), *Going Concern*. Whilst formal submissions from stakeholders are due by 14 August 2023, responses received to date have been mixed, particularly in relation to the proposed changes to enhance transparency in the auditor's report. The AUASB will review in more detail the AUASB's submission to the IAASB on this proposed standard, which is due by 24 August 2023, at its next virtual meeting on 23 August 2023. AUASB members were requested to raise any queries on the ISA 570 response before the next virtual meeting with the AUASB Technical Group.

(Agenda Item 5 – Minute 1616) Consideration of AUASB Submission to PJC Inquiry into Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry

The AUASB deliberated on whether to make a submission to the PJC Inquiry into 'Ethics and Professional Accountability: Structural Challenges in the Audit, Assurance and Consultancy Industry'. The AUASB discussed the significance of the AUASB's Quality Management Standards (QMS) in improving audit quality, and whether this should be highlighted in a submission to the PJC Inquiry. Ultimately, the AUASB decided against a formal submission, instead opting to request the Financial Reporting Council to mention in their submission the significance of the AUASB's QMS.

Next Meeting

The AUASB will hold its next virtual meeting on 23 August 2023 and its next in person meeting in Melbourne on 12 September 2023.

Approval

Signed as a true and correct record.

Doug Niven
Acting Chair

Date: 22 August 2023