



**Subject:** Minutes of the 152<sup>nd</sup> Meeting of the Auditing and Assurance Standards Board (AUASB)  
**Venue:** Dexus Place, Level 6, 80 Collins Street, Melbourne  
**Date:** Tuesday, 10 September 2024, 9:00 am – 3:30 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 Ms Joanne Lonergan Mr Andrew Porter 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	Mr Rajen Pillay Ms See Wen Ewe Dr Rebecca Mattocks Mr Rajen Pillay
Guest:	Mr Bill Edge [Agenda Item 5]	

## Minutes

### (Agenda Item 1 – Minute 1720) Private Session

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

### (Agenda Item 2 – Minute 1721) Welcome and Action Items

The AUASB Chair welcomed AUASB members to the 152<sup>nd</sup> meeting.

The AUASB Chair noted that the AUASB was working with Treasury on the enforceability of firm quality management standards and relevant ethical requirements.

### (Agenda Item 3 – Minute 1722) NZAuASB Update

The NZAuASB Chair, Ms Marje Russ, provided an update on the NZAuASB's recent and planned activities.

### (Agenda Item 4 – Minute 1723) Environmental Scan

AUASB members provided input into the environmental scan prepared by the Office of the AUASB, which covered recent domestic and international audit and assurance, regulatory and sustainability-related developments. It was suggested that relevant developments from the Australian Institute of Company Directors, the Accounting Professional & Ethical Standards Board, Treasury and Parliamentary Inquiries be included in future scans. The Office of the AUASB will prepare environmental scans for future full-day board meetings.

### (Agenda Item 5.1 – Minute 1724) Assurance over Sustainability Information (ISSA 5000)

AUASB members identified no significant issues to raise with the IAASB on the draft ISSA 5000 *General Requirements for Sustainability Assurance Engagements* for the September 2024 IAASB Meeting.



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**(Agenda Item 5.2 – Minute 1725) Going Concern (ISA 570) and Fraud (ISA 240) (Including auditor’s report)**

*ISA 570 Going Concern*

AUASB members had no additional matters to raise with the IAASB on proposed amendments to the IAASB’s Exposure Draft of the Revised ISA 570, *Going Concern* (ED-570) at this time. Clarification that the auditor’s procedures on the method, assumptions and data is to be responsive to the assessed risks was considered to address concerns raised in the AUASB submission to the IAASB. AUASB members also felt that key matters raised on reporting in the AUASB submission.

*ISA 240 Fraud*

AUASB members raised the following matters that could be raised on amendments to the IAASB’s Draft Revised ISA 240, *The Auditor’s responsibilities relating to fraud in an audit of financial statement* (ED-240) that are being considered at the September 2024 IAASB meeting:

- The list of matters required to be discussed by the Engagement Team is expanding and removing the focus on need for auditors to exercise judgement on matters to be discussed;
- The proposed conditional requirement to obtain an understanding of the control environment for any whistle-blower program goes beyond ISA 315 and may exacerbate the expectation gap.
- Paragraph 55 remains too onerous for all instances of identified or suspected fraud and the requirement on remediation actions should be relocated from this paragraph. A stand-back provision could address the possibility of an accumulation of matters that may individually be ‘clearly inconsequential’.
- AUASB members did not support the sub-headings within KAMs referring to ‘fraud’ but did support including associated fraud risk within the description of the KAM where appropriate.

**(Agenda Item 5.3 – Minute 1726) Listed Entity & PIE (Track 2)**

AUASB members considered that adopting the definition of “publicly traded entity” solely to replace “listed entity” should be preferred for global consistency and comparability.

**(Agenda Item 6.1 – Minute 1727) Sustainability Assurance - Draft Assurance Phasing ED**

The AUASB unanimously approved, subject to minor amendments, the release of an Exposure Draft of a proposed Australian Standard on Sustainability Assurance (ASSA 5010) *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001*, for a 60-day public consultation period.

**ACTION** – *The Office of the AUASB to incorporate suggested changes into the Exposure Draft and issue for a 60-day public consultation period, subject to final approval by the Chair.*

**(Agenda Item 6.2 – Minute 1728) Sustainability Assurance - Consultation Paper: Direct Assistance by Internal Audit**

AUASB members discussed the Consultation Paper on prohibiting sustainability assurance practitioners from using direct assistance by internal audit. AUASB members discussed matters such as the merits of common independence requirements across financial statement and sustainability assurance engagements, whether outsourced internal audit could be considered independent, and whether outsourced internal audit would assist in the supply of sustainability assurance skills. The AUASB unanimously approved, subject to minor amendments, issuing a Consultation Paper seeking feedback on a potential amendment to ISSA 5000 *General Requirements for Sustainability Assurance Engagements* prohibiting sustainability assurance practitioners from using direct assistance by internal auditors for a 75-day public consultation period.

**ACTION** – *The Office of the AUASB to incorporate suggested changes into the Consultation Paper and issue for a 75-day public consultation period, subject to final approval by the Chair.*

**(Agenda Item 6.3 – Minute 1729) Sustainability Assurance - ‘Other Matters’ Update**

AUASB members discussed the approach to addressing current local matters to assist and support practitioners with assurance engagements on climate-related financial disclosures under the local reporting



framework. The AUASB agreed with the importance of informal consultation with appropriate stakeholders on draft Frequently Asked Questions.

**(Agenda Item 7 – Minute 1730) Guidance Statements Review**

The AUASB agreed that a discussion paper should be developed for review of the suite of AUASB Guidance Statements to ensure that they remain current, relevant and fit for purpose.

**(Agenda Item 8.1 – Minute 1731) Overall Work Plan**

The AUASB discussed its the work plan for 2024/25, which will be made available on the AUASB website.

**(Agenda Item 8.2 – Minute 1732) Sustainability Work Plan**

The AUASB reviewed a work plan for its project on assurance over sustainability information. AUASB members acknowledged the importance of communication and engagement with external stakeholders—such as other national standard setters, regulators, and user groups—to identify the necessary guidance and educative activities. Members also recognised the need to work closely with the AASB, ASIC and the professional accounting bodies to ensure there is a co-ordinated approach to guidance and education.

**(Agenda Item 9 – Minute 1733) Other Business**

The AUASB congratulated Ms Julie Crisp on her 10-year term as Auditor-General for the Northern Territory, which concludes on 12 September 2024.

**Next Meeting**

The AUASB will hold its next meeting in person in Melbourne on 19 and 20 November 2024.

**Approval**

Signed as a true and correct record.

Douglas Niven  
Chair

Date: 4 December 2024