



Subject: 141st Meeting of the Auditing and Assurance Standards Board - Highlights
Venue: Dexus Place, Level 6, 80 Collins Street, Melbourne
Meeting Date: Monday 19 February 2024, 9:30am – 5:00pm

1. Assurance over sustainability information

Draft Legislation

The AUASB was updated by The Treasury on the status of the draft Climate-related Financial Disclosures Legislation, which is currently being finalised.

Project Plan

The AUASB discussed a draft high level Project Plan reflecting the AUASB's role and responsibilities as detailed in the Government's Policy Position Statement. The AUASB was supportive of the draft Project Plan. The AUASB discussed stakeholder engagement, including engagement with investors, preparers and regulators. The AUASB agreed that there will need to be flexibility to respond to external factors and issues as they emerge.

Assurance Phasing

The AUASB received an update on the information gathering performed to date to inform the development of the draft possible assurance phasing. The Board paper included a possible assurance phasing within start and end points outlined in the Government's Policy Position Statement (i.e. commencing with limited assurance of Scope 1 and 2 emissions disclosures from years commencing 1 July 2024 and with reasonable assurance of all climate disclosures from years commencing 1 July 2030). The AUASB was supportive of including a possible assurance phasing in a Consultation Paper for the purpose of gathering feedback from stakeholders on demand for assurance and the ability of auditors and experts to meet that demand. The possible phasing will cover Group 3 as well as Groups 1 and 2. The AUASB agreed that the final assurance phasing should be in an auditing standard in order to have force of law under the *Corporations Act 2001*.

Adoption of ISSA 5000

Subject to seeing the final standard, the AUASB agreed to consult on a proposal that, subject to seeing the final standard, the IAASB's ISSA 5000 *General Requirements for Sustainability Assurance Engagements* be adopted in full as a baseline standard for assurance over both mandatory and voluntary sustainability information. ISSA 5000 is both framework and practitioner neutral.

Australian Financial Reporting Framework Considerations

Given that ISSA 5000 will be framework neutral, the AUASB agreed to consult on a possible local pronouncement and the key matters under the Australian reporting framework that might be covered in such a pronouncement.

Consultation Paper

The Consultation Paper will cover the possible assurance phasing, the proposed approach to ISSA 5000 and the matters that might be addressed in a possible local pronouncement. This will inform the development of an exposure draft containing proposals for consultation. AUASB members provided feedback on a draft of the Consultation Paper. An updated version will be provided to the AUASB for approval.



2. Approval of AUASB Consultation Paper on Revised ISA 240 (Fraud)

AUASB members unanimously approved the AUASB Consultation Paper wrap-around on the IAASB's Exposure Draft of the Revised ISA 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements* subject to minor amendments approved by the AUASB Chair.

The AUASB will hold its next meeting virtually on 13 March 2024.

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.