



Subject: Minutes of the 157th Meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: APESB Office, Level 11, 99 William Street, Melbourne VIC 3000
Date: Wednesday, 19 February 2025, 9:00 am – 2:35 pm

Attendance

AUASB Members:	Mr Doug Niven (Chair) Ms Julie Crisp Ms Marje Russ (NZAuASB Chair) Mr Klynton Hankin Professor Noel Harding Ms Joanne Lonergan	Mr Andrew Porter Mr Terence Jeyaretnam Mr Jason Thorne Ms Jennifer Travers 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
Guests	Mr Mark Babington (Executive Director of Regulatory Standards, UK FRC) Ms Claire LaBouchardiere (Senior Executive Leader, Sustainability, Financial Reporting and Audit Team, ASIC) Ms Luci Tucker (Senior Manager Sustainability, Financial Reporting and Audit Team, ASIC)	

Minutes

(Agenda Item 1 – Minute 1758) UK Financial Reporting Council (FRC) Presentation

The AUASB welcomed Mr Mark Babington, Executive Director of Regulatory Standards at the UK FRC, who provided an update on developments in the UK including the status of sustainability legislation, sustainability reporting and assurance standards, audit reform and the structure of the UK FRC relevant to standard setting. In his capacity as Chair of the International Ethical Standards Board for Accountants task force, Mr Babington also provided an update on International Ethical Standards on Sustainability Assurance and Experts.

(Agenda Item 2 – Minute 1759) Private Session

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

(Agenda Item 3 – Minute 1760) Welcome and Chair Update

The AUASB Chair welcomed members of the public to the 157th meeting.

The AUASB Chair confirmed Mr Klynton Hankin as the project sponsor for the Guidance Statement GS 007 *Audit Implications of the Use of Service Organisations for Investment Management Services* update.

The AUASB Chair informed members that some firms had raised questions on the application of Part 5 of the *International Code of Ethics for Professional Accountants (including Independence Standards)* (IESBA Code) under ASSA 5000 *General Requirements for Sustainability Assurance Engagements*. The Office of the AUASB is working with the Accounting Professional and Ethical Standards Board Limited and others and intends to issue frequently asked questions. The Office of the AUASB will come back to the Board should amendments be required to ASSA 5000 to address any practical implementation issues. An update will be provided at a future AUASB meeting.



(Agenda Item 4 – Minute 1761) NZAuASB Chair Update

The NZAuASB Chair provided a verbal update on matters discussed at their meeting on 12 February 2025 including:

- The future adoption of Part 5 of the IESBA Code;
- Not to provide a response to the IAASB's PIE Track 2 Consultation Paper given that differential requirements already apply beyond listed entities;
- Adoption of the revised ISA 570 *Going Concern*; and
- Working with the Office of the AUASB on the revision of their equivalent of GS 007 *Audit Implications of the Use of Service Organisations for Investment Management Services*.

(Agenda Item 5 – Minute 1762) Australian Securities and Investments Commission (ASIC) Presentation

The AUASB welcomed Ms Claire LaBouchardiere and Ms Luci Tucker who presented on the findings from the most recent ASIC financial reporting and audit surveillances program. They informed the board that ASIC have launched an auditor independence surveillance program. ASIC also provided an update on their plans in relation to capacity building and educative materials, and regulation of sustainability reporting and assurance.

(Agenda Item 6 – Minute 1763) Revised ISA 570 Going Concern

The AUASB discussed revised ISA 570 *Going Concern* which was approved by the IAASB at its December 2024 meeting and is subject to PIOB certification (expected in April 2025).

Although the revised IESBA definition of 'public interest entity' has been adopted by the APESB in APES 110, the majority of AUASB members agreed in-principle not to amend the differential reporting requirements in ISA 570 to apply to 'public interest entities' other than 'listed entities' or 'publicly traded entities' at this time. The AUASB's Technical Adviser to the AUASB understands that this matter will be considered by the IAASB as part of its consideration of the proposed use of 'public interest entity' for differential requirements throughout the ISAs under the PIE Track 2 project. The IAASB proposes to defer the matter pending further consideration on the uptake of the 'public interest definition' in national codes of ethics (see Agenda Item 7 below).

The AUASB agreed in-principle to adopt revised ISA 570 with no substantive changes and without re-exposure in Australia, subject to seeing the Australian version of the ISA 570, the conforming and consequential amendments to other AUASB standards, and a draft explanatory statement. The AUASB agreed to remove the optional subheading "No material uncertainty exists" from the illustrative example reports.

An Australianised standard will be brought to a future AUASB meeting for approval.

(Agenda Item 7 – Minute 1764) IAASB Invitation to Comment on PIE Track 2

The AUASB agreed not to make a submission to the IAASB on Consultation Paper *Invitation to Comment on Public Interest Entity (PIE) Track 2*.

(Agenda Item 8 – Minute 1765) Workplan Update

The AUASB was provided an update on the high level workplan. A review of GS 011 *Third Party Access to Audit Working Papers* will be added to the workplan.

Close of the Meeting

The Chair closed the meeting at 2:35pm.



Next Meeting

The AUASB will hold its next meeting virtually on 11 March 2025.

Approval

Signed as a true and correct record.

Douglas Niven
Chair

Date: 11 March 2025