



Subject: 135th Meeting of the Auditing and Assurance Standards Board - Highlights

Venue: Dexus Place, Level 14, 385 Bourke Street, Melbourne

Meeting Date: Wednesday 14 June 2023, 9:00am – 5:00pm

1. Sustainability Assurance – IAASB Draft

AUASB members discussed and provided input into the Proposed ISSA 5000 *General Requirements for Sustainability Assurance Engagements*. The AUASB was largely supportive of the Proposed Standard and did not highlight any fatal flaw issues with the proposed standard that would hold up public consultation by the IAASB. The AUASB agreed to consider the Australian Consultation paper to expose the IAASB Proposed ISSA 5000 in early-mid August 2023, with a release date of mid-August.

2. IAASB Updates

Proposed LCE Standard

The AUASB discussed and provided commentary on the latest draft of the IAASB's Proposed Standard for Auditing Less Complex Entities, with a particular focus on the proposed Authority of the standard. The AUASB was supportive of the Proposed Authority, with some hesitancy that additional restrictions may negatively impact the potential adoption of the standard. The AUASB also held preliminary discussions on how the Proposed LCE Standard may be applied for Australian entities after it is finalised by the IAASB.

Fraud

AUASB members discussed and provided input into the latest version of Proposed ISA 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*, with discussion focusing mainly on the proposed amendments to auditor reporting. The AUASB expressed support for the initial IAASB proposals, but raised some concerns about how fraud related Key Audit Matters are addressed in the proposed standard.

3. Guest Presentation – PIOB Update

The AUASB welcomed Public Interest Oversight Board (PIOB) member, Mr Robert Buchanan, to discuss current PIOB priorities, including an overview of the PIOB's current oversight activities and nomination processes for the global standard setting boards and the PIOB's current list of 'Public Interest Issues' for the IAASB.

4. ASAE 3500 Post Implementation Review (PIR) Feedback Statement

The AUASB reviewed and endorsed a Feedback Statement that summarised the outcomes from the PIR of ASAE 3500 *Performance Engagements*. The Board approved that a new project be added to the AUASB work plan to make narrow scope amendments to ASAE 3500 that address the key findings from the PIR, with work on the project to commence in the second half of 2023.

5. Going Concern Consultation Paper

The AUASB provided feedback on the IAASB's Exposure Draft ISA 570 *Going Concern* for inclusion in the AUASB's upcoming Going Concern Roundtables being held in July/August 2023 and the draft submission to the IAASB which is due by 24 August 2023.

The next AUASB regular meeting will be held on 23rd August 2023.

AUASB Meetings are open to the public. Please register via the AUASB website (www.auasb.gov.au) or send an email to enquiries@auasb.gov.au if you wish to attend.