



Subject: 126th Meeting of the Auditing and Assurance Standards Board - Highlights
Venue: Via Zoom Teleconference
Meeting Date: Tuesday 7 September 2021, 10:00am – 2:30pm; and
Friday 10 September 2021, 9:00am – 12:30pm

1. LCE Consultation Paper – Review and Approval

The AUASB approved the release of a new Consultation Paper *Exposure of the IAASB’s Auditing of Financial Statements of Less Complex Entities (ISA for LCE); and Consideration of Possible alternative options for Australian LCE audits*. The Consultation Paper will be released shortly with an exposure period of 120-days.

2. FRC and Audit Quality Update

The AUASB received an update on the FRC Audit Quality Action Plan, including details of actions responding to the PJC Inquiry into Regulation of Auditing in Australia and recent discussions with ASIC on Audit Inspection Program findings.

3. ASA 560 – Approval of final Standard

The AUASB approved the issue of the Auditing Standard ASA 2021-2 *Amendments to Australian Auditing Standard ASA 560 Subsequent Events*.

4. AUASB Preamble (ASA 101) – Approval of final Standard

The AUASB approved a revised version of the AUASB Preamble (Auditing Standard ASA 101 *Preamble to AUASB Standards*) and also approved minor conforming and consequential amendments to ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards*, ASA 700 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards* and the *Foreword to AUASB Pronouncements* (issued March 2021), to align with the revised ASA 101.

5. Narrow-Scope Projects – Revised Due Process

The AUASB considered and provided feedback on an updated version of the *Due Process Framework for Developing, Issuing and Maintaining AUASB Pronouncements and Other Publications* which includes a simplified process for making narrow-scope amendments to existing AUASB Standards and other minor conforming and consequential amendments.

6. ASA 800 – Consequential Amendments

The AUASB approved the issue of the Auditing Standard ASA 2021-4 *Amendments to Australian Auditing Standard* which updates ASA 800 *Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks* to align the auditing standard with changes made by the AASB to the Reporting Framework relating to Special Purpose Reporting.

7. GS 010 - Update

The AUASB reviewed and approved an update to GS 010 *Responding to Questions at an Annual General Meeting* which has been made to align the Guidance Statement with changes made to the Auditor Reporting standards and other recent developments.

8. AUASB Technical Work Program

The AUASB were provided with an update of the 2021-22 AUASB Technical Work Program, including details of the six priority areas for the AUASB in the current year – LCE Audits, Technology, EER Assurance, Audit Quality Initiatives, the new Quality Management Standards and the IAASB Agenda.



9. IAASB Matters

The AUASB was taken through presentations on, and provided input into, the following topics that are subject to deliberation at the upcoming September 2021 IAASB meeting:

- ISA 600 *Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)*;
- Finalisation of the IAASB's Auditor Reporting Post Implementation Review;
- IAASB's Workplan 2022-23; and
- Conforming Amendments to the IAASB's Other Standards as a Result of the New and Revised Quality Management Standards.

The next AUASB regular meeting will be held on 30th November and 1st December 2021.

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.