



Subject: 143rd Meeting of the Auditing and Assurance Standards Board - Highlights
Venue: APESB Office, Level 11, 99 William Street, Melbourne VIC 3000
Meeting Date: Thursday, 23 May 2024, 9:00 am – 5:00 pm

1. Assurance over Sustainability Information

AUASB Members received a summary of the feedback provided in response to the AUASB Consultation Paper on *Assurance over Climate and Other Sustainability Information* and discussed a response in relation to:

- a) the demand for assurance, the ability of auditors and their experts to meet that demand, and the preparedness of companies to assist in developing a proposed assurance phasing model for inclusion in an Exposure Draft;
- b) a proposal to adopt the standard on assurance over sustainability information being developed by the IAASB (ISSA 5000 *General Requirements for Sustainability Assurance Engagements*); and
- c) the possible development of an Australian assurance pronouncement to supplement ISSA 5000 on matters specific to the Australian reporting framework.

Assurance Phasing Model

The Board tentatively agreed on a proposed assurance phasing model for inclusion in an Exposure Draft for further consideration at a future meeting. The Exposure Draft would also highlight particular aspects for consultation feedback.

Proposal to Adopt ISSA 5000 General Requirements for Sustainability Assurance Engagements

AUASB Members supported the adoption of ISSA 5000, subject to seeing the final standard. The Board will review the changes being made to the draft ISSA 5000 by the IAASB at future meetings. The IAASB is expected to issue ISSA 5000 in September 2024, and the AUASB will issue an Australian equivalent by the end of 2024, subject to seeing the final ISSA 5000.

Development of a Local Pronouncement

AUASB members agreed with strong feedback that local material should be developed to cover matters highlighted in Attachment 2 to the Consultation Paper and other matters identified in submissions received. The matters to be addressed may need to be prioritised to ensure that important and useful material is available by the end of 2024. The form of any material drafted on individual matters will be considered against criteria.

A Project Advisory Panel will be formed. Panel members will have audit, sustainability and preparer backgrounds. Panel members would be consulted on relevant draft material before it is considered by the Board and issued for public consultation.

2. ASAE 3500 – Approval of Exposure Draft

The AUASB unanimously approved the release of an Exposure Draft of the proposed revised Standard on Assurance Engagements ASAE 3500 *Performance Engagements* (ED 01/24), for a 60-day public consultation period. The exposure draft will reflect narrow scope changes to the existing standard.

3. Draft submission to IAASB on Revised ISA 240 (Fraud)

AUASB Members provided initial comments on an early draft of the AUASB's submission on the IAASB's proposed revised ISA 240, *The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report*. The draft AUASB submission was informed by feedback on an AUASB Consultation Paper received at roundtables and other outreach. The draft will be revised with regard to written submissions on the AUASB consultation paper.

The revised draft AUASB submission will be discussed at a public virtual meeting of the AUASB from 9:00 am to 10:00 am on Friday, 31 May 2024.

The AUASB will hold its next meeting virtual meetings on 31 May 2024 and 13 June 2024.

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