



**Subject:** Minutes of the 155<sup>th</sup> Meeting of the Auditing and Assurance Standards Board (AUASB)  
**Venue:** Virtual via Zoom Teleconference  
**Date:** Monday, 16 December 2024, 11:45 am – 4:55 pm

## Attendance

AUASB Members:

Mr Doug Niven (Chair)	Ms Joanne Lonergan
Ms Julie Crisp	Mr Andrew Porter
Ms Marje Russ (NZAuASB Chair)	Mr Terence Jeyaretnam
Ms Tracey Barker	Ms Michelle Shafizadeh
Mr Klynton Hankin	Mr Jason Thorne
Professor Noel Harding	Mr Chi Mun Woo

Office of the AUASB Staff:

Ms Anne Waters	Mr Rajen Pillay
Ms Rene Herman	Ms See Wen Ewe
Ms Marina Michaelides	Dr Rebecca Mattocks
Ms Johanna Foyster	

Guest(s): Mr Channa Wijesinghe (APESB Chief Executive Officer) [Agenda Items 4.1 and 4.2]

## Minutes

### (Agenda Item 1 – Minute 1745) Private Session

### (Agenda Item 2 – Minute 1746) Private Session

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

### (Agenda Item 3 – Minute 1747) Welcome and Chair Update

The AUASB Chair welcomed members of the public to the 155<sup>th</sup> meeting.

### (Agenda Item 4 – Minute 1748) Australian equivalent of ISSA 5000 *General Requirements for Sustainability Assurance Engagements*

#### *Quality management and ethics*

Mr Channa Wijesinghe, APESB Chief Executive Officer, joined the meeting for the discussions on relevant ethical requirements and direct assistance from internal audit. He noted that *Part 5 International Ethics Standards for Sustainability Assurance (including International Independence Standards)* of the IESBA Code deals specifically with sustainability engagements and is designed to operate with *ISSA 5000 General Requirements for Sustainability Assurance Engagements*. Part 5 was approved by IESBA in December 2024 and will be released by the APESB in mid-2025 following its exposure in Australia.

The AUASB agreed to refer to the current APES 110 and Part 5 of the IESBA Code as the 'relevant ethical requirements' for the purposes of the auditing and assurance standards. This will be updated following the expected adoption of Part 5 in APES 110.

After approving ASSA 5000, the AUASB will decide on whether to make the AUASB the only authority in Australia to determine which standards are 'at least as demanding as' ASQM 1 and the 'relevant ethical requirements'. The AUASB will first develop guidance on its approach applying the 'at least as demanding' test.



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*Direct assistance from internal audit*

The AUASB will further consider a proposed prohibition on direct assistance by internal auditors in sustainability assurance engagements at its next meeting in late January 2025.

*Re-exposure*

The AUASB is not anticipating re-exposure of ISSA 5000 in Australia. The AUASB will consider approving an Australian equivalent of ISSA 5000. It will review:

- The final ASSA 5000, including necessary amendments to the definition of 'relevant ethical requirements in Australia' (see above); and
- A Basis for Conclusions covering the significant changes to the exposure draft of ISSA 5000, and whether matters raised in the AUASB submission on the exposure draft have been adequately addressed. AUASB members discussed the changes progressively during 2024, including how matters raised by the AUASB have been addressed.

**(Agenda Item 5 – Minute 1749) Proposed Sustainability Assurance Phasing – Consideration of Options**

The AUASB considered its approach to the phasing in of limited and reasonable assurance over information in sustainability reports required by the *Corporations Act 2001*. This followed feedback received on the AUASB's Exposure Draft on Proposed Australian Sustainability Assurance Standard ASSA 5010 *Timeline for Audits or Reviews of Information in Sustainability Reports Under the Corporations Act 2001* (ED 02/24).

The AUASB decided to adopt the following phasing model for each of the reporting Groups 1, 2 and 3:

- (a) For the First Year of Reporting, the auditor shall conduct a review of the disclosures in the sustainability report (including related general disclosures in Appendix D to AASB S2 *Climate-related Disclosures*) relating to:
  - Governance in accordance with paragraph 6 of AASB S2;
  - Strategy (risks and opportunities) in accordance with subparagraphs 9(a), 10(a) and 10(b) of AASB S2;
  - Scope 1 and Scope 2 greenhouse gas emissions in accordance with subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v) of AASB S2; and
  - Any statement that there are no material risks or opportunities relating to climate and how that applies to the entity under s296B(1)(c) and (d) of the Act or any similar statement otherwise made in the sustainability report;
- (b) For the Second and Third Years of Reporting, the auditor shall conduct a review of all disclosures in the sustainability report; and
- (c) From the Fourth Year of Reporting onwards, the auditor shall conduct an audit over all disclosures in the sustainability report.

AUASB members discussed that Group 1 entities with years commencing 1 January to 30 June will have two first years of reporting and the assurance for both of these years will be as outlined in (a) above.

Mr Andrew Porter expressed a dissenting view on the decision to require limited assurance on Scope 3 emission disclosures in the Second Year of Reporting. This is the first year for which those disclosures are required to be reported. An assurance requirement is premature and may be unnecessarily burdensome given anticipated challenges in obtaining information and assurance through value chains.

The AUASB will consider a final version of ASSA 5010 at its meeting in late January 2025 and a Basis for Conclusions.

The AUASB will monitor implementation experience on an ongoing basis to determine whether any amendments to the assurance requirements set out in ASSA 5010 are necessary.

Subject to approval of ASSA 5000, AUASB members agreed that ASSA 5000 should apply from reporting periods commencing 1 January 2025 rather initially applying ASAE 3000.



**(Agenda Item 6 – Minute 1750) Revised ASAE 3500 *Performance Engagements***

The AUASB approved a revised ASAE 3500 *Performance Engagements*. The revised standard addresses key findings from the AUASB's 2023 Post Implementation Review.

The revised standard will apply to engagements that commence on or after 1 April 2025.

**(Agenda Item 7 – Minute 1751) Revised ASA 102 *Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements* – update for June 2024 Code of Ethics**

The AUASB approved:

- a revised ASA 102 to give legal backing to the latest version of the APESB Code of Ethics.
- ASA 2024-1 *Amendments to Australian Auditing Standards*, which will make minor editorial corrections to ASA 600 *Special Considerations – Audits of a Group Financial Report*.

Both standards will be operative for reporting periods commencing on or after 1 January 2025.

**Close of the Meeting**

Retiring AUASB members Michelle Shafizadeh and Tracey Barker were thanked for their contributions and farewelled.

The Chair closed the meeting at 4:57 pm.

**Next Meeting**

The AUASB will hold its next meeting virtually on 18 January 2025.

**Approval**

Signed as a true and correct record.

Douglas Niven  
Chair

Date: 28 January 2025