

3 June 2008

Ms Merran Kelsall
Chairman
Auditing and Assurance Standards Board
PO Box 204
Collins Street West
Melbourne Victoria 8007
AUSTRALIA

By email: edcomments@auasb.gov.au

Dear Merran

**Comments on Proposed Standard on Review Engagements
ASRE 2400 Review of Financial Reports Performed by an Assurance Practitioner Who is not the Auditor of the Entity (Replacement of AUS 902)**

Thank you for the opportunity to comment on Proposed Standard on Review Engagements ASRE 2400 *Review of Financial Reports Performed by an Assurance Practitioner Who is not the Auditor of the Entity*. The Institute of Chartered Accountants, CPA Australia Ltd and the National Institute of Accountants (the joint accounting bodies) have jointly considered the above exposure draft (ED) and our comments follow.

General Comments on Changes

The joint accounting bodies commend the Board for issuing two separate Standards, as outlined in our comment letter dated 7 November 2007, and as suggested by other respondents, on ED 4/07. We believe such a standard to be in the public interest by clearly setting out the matters expected of assurance practitioners undertaking such review engagements.

Matters on Which Specific Comment Requested

1. *What are the additional significant costs, if any, to assurance service providers and the business community for compliance with the main changes proposed, and, if so, do they outweigh the benefits to the users of the assurance service?*

We note that the requirements contained in ASRE 2400 are more comprehensive than those of the standard it is to replace, AUS 902. We are of the view that, while there may well be additional costs associated with complying with these requirements, the benefits to users of a more robust review process outweighs any additional costs.

2. *Are there any significant public interest matters that respondents wish to raise?*

None noted.

Representatives of the Australian Accounting Profession



cpaaustralia.com.au



The Institute of
Chartered Accountants
in Australia

charteredaccountants.com.au



nia.org.au

The joint accounting bodies are committed to assisting where possible in the development and implementation of the highest quality Australian auditing and assurance standards. We hope that the comments provided are of assistance to the AUASB. If you have any questions regarding this submission, please do not hesitate to contact either Andrew Stringer (Institute) at 02 9290 5566, Dr Mark Shying (CPA Australia) at 03 9606 3903, or Tom Ravlic (NIA) at 03 8665 3143.

Yours sincerely



Geoff Rankin
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