



16 August 2016

Merran Kelsall  
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Auditing and Assurance Standards Board  
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Dear Merran

### **Exposure Draft 03/16 Proposed Auditing Standard ASA 810**

CPA Australia welcomes the opportunity to respond to the above Exposure Draft. CPA Australia represents the diverse interests of more than 155,000 members in 118 countries. Our vision is to make CPA Australia the global accountancy designation for strategic business leaders. We make this submission on behalf of our members and in the broader public interest.

CPA Australia supports the adopted approach of convergence with the International Standards on Auditing (ISAs) unless there is a compelling reason to modify them for application in Australia. Consequently, we support the proposed revisions to ASA 810 *Engagements to Report on Summary Financial Statements* to reflect revised ISA 810, issued in January 2016, as a result of enhancements to auditor reporting and changes to the auditor's responsibilities regarding other information.

We also support retention of further requirements, application material and illustrative auditor reports, which reflect relevant legislation in Australia, and the proposed effective date.

Our responses to the specific questions raised in the ED are:

1. *Have applicable laws and regulations been appropriately addressed in the proposed standard?*

Yes.

2. *Are there any laws or regulations that may, or do, prevent or impede the application of the proposed standard, or may conflict with the proposed standard?*

No.

3. *What, if any, are the additional significant costs to/benefits for auditors and the business community arising from compliance with the main changes to the requirements of this proposed standard? If there are significant costs, do these outweigh the benefits to the users of audit services?*

No significant costs identified.

4. *Are there any other significant public interest matters that constituents wish to raise?*

No.

5. *Are Concise Reports prepared under Section 314 of the Corporations Act 2001, in accordance with Australian Accounting Standard AASB 1039 Concise Financial Reports, widely used in practice; or is another form of summary financial reports more widely used?*

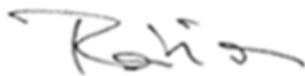
Although concise financial reports are not widely prepared in practice, they are still prepared by some companies. We understand that concise financial reports have declined in use with the advent of on-line annual reports and diminishing numbers of shareholders opting for a hard copy of the financial report. We are not aware of another form of summary financial report which is subject to audit or review. However, some entities publish figures extracted from the financial report, but not in the form of a summary financial report, which may not be presented in accordance with accounting standards or subject to audit or review.

6. *Is it more useful to include example Concise Auditor's Reports as illustrative examples within ASA 810; or would respondents prefer to retain the Guidance Statement GS 001 Concise Financial Reports under the Corporations Act 2001?*

We consider that it is more useful to include the example concise financial reports in ASA 810, rather than revise and retain the separate guidance: GS 001 *Concise Financial Reports Under the Corporations Act 2001*. As concise financial reports are not prepared frequently, updating the guidance is not necessary in our view.

If you require further information on any of our views expressed in this submission, please contact Claire Grayston, Policy Adviser – Audit & Assurance, CPA Australia by email at [claire.grayston@cpaaustralia.com.au](mailto:claire.grayston@cpaaustralia.com.au) or phone on 03 9606 5183.

Yours sincerely



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