



**The Institute of
Chartered Accountants
in Australia**

31 January 2006

The Chairman
Australian Auditing and Assurance Standards Board
E Mail: edcomments@auasb.gov.au

Dear Merran,

Group 4 & 5 Exposure Drafts

The Institute of Chartered Accountants in Australia welcomes the opportunity to make a submission on the Board's Group 4 & 5 Exposure Drafts. We have worked with the Auditing Standards Response Group (ASRG) on the analysis of the Exposure Drafts and fully support the Submission made by the Group which comprises the Institute, CPA Aust., the NIA, and the 7 Chartered Accounting Firms: BDO, Deloitte, Ernst & Young, Grant Thornton, KPMG, PKF and PWC.

The Institute confirms its overall support for the Group 4 & 5 Exposure Drafts and appreciates the effort that the Board has gone to in its consultative process.

An Issue that the Institute has previously raised is the need to be able to clearly determine the differences between the new Standards and the International Auditing Standards on which the new Standards are based. The Institute believes that this is equally as important as the Table of Explanations of differences between the former Australian Standards and the new amended Standards, given both the volume of amended Standards that are to be issued, and the reality that the larger Audit Firms have overseas affiliations and use overseas Audit Manuals and other Audit Documentation.

The Institute looks forward to continuing to work closely with the Board on the Force of Law Project.

If you require any further information or assistance, please contact me.

Yours sincerely

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