



AUSTRALASIAN
COUNCIL OF
AUDITORS-GENERAL

15 May 2009

The Chairman
Auditing and Assurance Standards Board
PO Box 204
Collins Street West
VIC 8007

Dear Ms Kelsall,

**ED 17/09 Proposed Auditing Standard ASA 710 *Comparative Information –
Corresponding Figures and Comparative Financial Reports*
(Revised and Redrafted) (Re-issuance of ASA 710)**

Attached is the Australasian Council of Auditors-General (ACAG) response to the Exposure Draft referred to above.

The views expressed in this submission represent those of all Australian members of ACAG.

The opportunity to comment is appreciated and I trust you will find the attached comments useful.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Simon O'Neill', with a horizontal line extending to the right.

Simon O'Neill
Chairman
ACAG Financial Reporting and Auditing Committee

Exposure Draft 17/09 Proposed Auditing Standard ASA 710 Comparative Information – Corresponding figures and Comparative Financial Reports (Revised and Redrafted) (Re-issuance of ASA 710)

ACAG has reviewed the Exposure Draft and provides responses to the five questions indicated and additional comments below.

General Comments

The main change to the proposed standard is the inclusion of ‘comparative financial reports’. As this concept is not common in our jurisdiction, we believe more guidance on the distinction between the two classifications is needed. This could include some illustrative examples. Other than that we support the main changes.

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

All applicable laws and regulations have been appropriately addressed in the proposed standard.

2. Are there any references to relevant laws or regulations that have been omitted?

Paragraphs 13, 15-19, A7-A11 and Aus A7.1 have no applications to audits under the *Corporations Act 2001*. Some explanatory guidance should be included in the standard to identify in what circumstances these paragraphs are applicable, as proposed in the AUASB meeting of 7 April.

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

We are not aware of any laws or regulations that may, or do, prevent or impede the application of the proposed standard, or may conflict with the proposed standard.

4. 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 the proposed Auditing Standard? If there are significant costs, do these outweigh the benefits to the users of audit services?

We have not identified any additional significant costs related to compliance with the changes to the standard for either the business community or auditors.

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

There are no other significant public interest matters that we wish to raise.

Additional Comments

We recommend that the following minor changes be made to the proposed ASA 710:

1. Auditors Report Example D – descriptive paragraph (bold type) should read “and the matter giving rise to the previous qualification necessitates a”, instead of “and the matter giving rising to the previous qualification necessitates a”.