



AUSTRALASIAN
COUNCIL OF
AUDITORS-GENERAL

20 July 2009

The Chairman
Auditing and Assurance Standards Board
PO Box 204
Collins Street West
Melbourne, Victoria 8007

Dear Ms Kelsall,

ED 19/09 Proposed Auditing Standard - ASA 520
Analytical Procedures (Revised and Redrafted) (Re-issuance of ASA 520)

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', is written over a light blue horizontal line.

Simon O'Neill
Chairman
ACAG Financial Reporting and Auditing Committee

Exposure Draft 19/09 - ASA 520 Analytical Procedures (Revised and Redrafted) (Re-issuance of ASA 520)

ACAG has reviewed the proposed standard and provide comments below.

Comment on the Main Changes from extant ASA 520

General Comment

We support the main changes to the proposed standard.

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

We believe applicable laws and regulations have been adequately addressed in the proposed standard.

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

We believe the proposed standard will adequately capture any other legislative instruments impacting the conduct of an audit.

3. 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?

We do not believe current laws or regulations will 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 this proposed Auditing Standard? If there are significant costs, do these outweigh the benefits to the users of audit services?

We do not believe there are any additional significant costs to the auditors and the business community arising from compliance with the main changes to the requirements of the proposed auditing standard.

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

We do not have any other significant public interest matters to comment on.

Other Comments

- (a) The word “Reponses” in footnote 2 should be spelt “Responses”.
- (b) We note that within ED 19/09, there is inconsistent naming of the auditing standards which are “Revised and Redrafted” e.g. ASA 101 (Authority Statement), ASA 500 (footnote 4) are not referred to as Revised and Redrafted.
- (c) The footnote references (e.g. 2, 7 and 10) do not appear to clearly relate to the references in those pending auditing standards.