

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

15 January 2009

Dear Ms Kelsall,

**Proposed Auditing Standard ASA 610 Using the Work of Internal Auditors (Revised and Redrafted) (Re-issuance of ASA 610)**

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

ACAG supports ASA 610 as articulated in ED24/08.

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



Frank McGuinness  
Chairman  
ACAG Financial Reporting and Auditing Committee

**Proposed Auditing Standard ASA 610 Using the Work of Internal Auditors (Revised and Redrafted) (Re-issuance of ASA 610)**

ACAG has reviewed the Proposed Redrafted Auditing Standard and provides the following responses to the questions asked:

**Question 1**

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

*We believe that the impact of laws and regulations have been appropriately addressed.*

**Question 2**

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

*We believe no references to relevant laws and regulations have been omitted.*

**Question 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 believe there are no laws or regulations that may, or do, prevent or impede the application of the proposed standard, or may conflict with the proposed standard.*

**Question 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 believe there will be no additional significant costs.*

**Question 5**

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

*No.*

**Other suggestions**

Paragraph 13 requires documentation of conclusions reached when using the specific work of internal audit (paragraphs 11-12). It is not clear why there is no specific documentation requirement for conclusions drawn in applying the other mandatory paragraphs 8 to 10.

Footnote 1 refers to paragraph 22a of ASA 315 and footnote 2 refers to paragraph A96a of ASA 315.

We note that in respect to both footnotes the references are taken from conforming amendments to ISA 315 made by the IAASB in considering ISA 610 but have not yet been incorporated into the new ASA 315.

**Illustrative Example Questionnaire – Obtaining an understanding of, and making a preliminary assessment of the internal audit function**

Question 4 (*suggested insert*)

- (e) Does the entity have an anonymous and independent employee whistleblower hotline and email service, which Internal Audit can access?