



Subject:	Agenda for the 168th meeting of the AUASB
Venue:	Virtual meeting by Zoom
Time:	Wednesday, 12 November 2025, 9:00 am – 12:30 am

Time	No.	Item	Responsibility
PRIVATE SESSION [Board members and staff only]			
9:00 am	1	Welcome and Chair Update 1.0 Declaration of interests 1.1 Approval of minutes of meeting 167 - 27 October 1.2 Other matters *	Doug Niven
9:10 am	1A	Treasury consultation on merger of FRC/AASB/AUASB (see <u>Positioning Australia's financial reporting system for the future – draft legislation</u>)	TBC
PUBLIC SESSION [Open to members of the public for virtual attendance]			
10:00 am	2	Revised GS 011 Access to documentation	Jeff Muir
10:40 am Morning tea			
10:55 am	3	Carried forward from 14 October meeting: 3.1 AUASB 2025-9: - Narrow scope amendments – ‘publicly traded entity’ - ASA 570 <i>Going Concern</i> amendments 3.2 Amendments to other standards - ‘publicly traded entity’ 3.3 AUASB 2025-8 - Amendments to ASRE 2410 and other standards	See Wen Ewe
11:30 am	4	Amendments for AASB 18 (AUASB 2025-12)	See Wen Ewe
11:45 am	5	Withdrawal of GS 21 <i>Engagements under the National Greenhouse and Energy Reporting Scheme, Carbon Pricing Mechanism and Related Schemes</i>	See Wen Ewe
11:55 am	6	GS 015 <i>Audit Implications for Investment in Associates</i> Project Plan	Jeff Muir
12:15 am	7	Close *	Doug Niven

* These items are verbal updates only and there are no associated board papers.

The timing of Agenda items is subject to change on the day of the meeting.



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AUASB DECLARATION OF INTERESTS

As at 12 November 2025

AUASB Meeting 168
Agenda Paper 1.0

AUASB Member	Professional/Organisational Affiliations	Employment/Other Positions Held	Other Relevant Interests
Mr Doug Niven (Chair)	Fellow, Chartered Accountants Australia and New Zealand	- Chair of the Auditing and Assurance Standards Board, AUASB Statutory Authority and Office of the AUASB - Member, Australia's Financial Reporting Council - Member, New Zealand Auditing and Assurance Standards Board	- Member, IAASB/IESBA Stakeholder Advisory Council - Member, IAASB Jurisdictional Standard Setters Group
Ms Julie Crisp (Deputy Chair)	- Registered Company Auditor - Fellow, Chartered Accountants Australia and New Zealand - Fellow, CPA Australia - Fellow, Governance Institute of Australia - Fellow, Institute of Public Administration Australia - Graduate, Australian Institute of Company Directors - Certified Internal Auditor, Certified Government Audit Professional, Certification in Risk Management Assurance – Professional Member, Institute of Internal Auditors - Member, Association of Certified Fraud Examiners	- Non-Executive Director, CPA Australia - Member – Performance Statements Audit Expert Advisory Panel, Australian National Audit Office - Former Northern Territory Auditor-General (concluded 12 September 2024)	- Director and Shareholder, Family Trust Company - Director and Shareholder, Asterism Assurance and Advisory Pty Ltd - Board Director and Chair of the Auditing & Risk Committee of Aboriginal Investment NT, a Commonwealth statutory entity regulated by the ACNC - Non-Executive Director, Larrakia Development Corporation - Director, Darwin Hotel Pty Limited - Member, Audit & Risk Committee, Charles Darwin University



AUASB Member	Professional/Organisational Affiliations	Employment/Other Positions Held	Other Relevant Interests
Ms Marilyn Gwan	Fellow, Chartered Accountants Australia and New Zealand	Partner, Grant Thornton Australia	- Member of Australian Institute of Company Directors Reporting Committee - Member of the Australian Accounting and Assurance Public Policy Committee – Audit Quality Working Group - Member of the Australian Accounting and Assurance Public Policy Committee – ESG Working Group - Director and Shareholder, Family Trust Company(s) - Trustee – personal family trusts
Mr Klynton Hankin	Member, Chartered Accountants Australia and New Zealand	Partner, PricewaterhouseCoopers	Member, Finance, Risk and Audit Committee - Cancer Council Australia
Dr Noel Harding	Member, CPA Australia	Professor and Head of School of Accounting, Auditing and Taxation, UNSW Sydney	- Editor, International Journal of Auditing - Deputy Editor, Accounting and Finance - Co-chair of AFAANZ Auditing and Assurance Standards Committee
Mr Terence L Jeyaretnam	- Degree in Environmental Engineering (UWA) - Chartered Professional Engineer - Fellow and Engineering Executive of the Institute of Engineers, Australia	- Director, Foresight Consulting Group Pty Ltd - Clean Energy Regulator Accredited Category 2 Auditor - Associate Professor of Practice at Monash University's Department of Accounting, Faculty of Business and Economics - Formerly APAC Leader and Partner, Climate Change and Sustainability Services, Ernst & Young in Melbourne	- Board member, Australian Conservation Foundation - Chair, Amnesty International Australia - Chair, Global Citizen, Australia
Ms Joanne Lonergan	Member, Chartered Accountants Australia and New Zealand	Partner, Ernst & Young	Director & Shareholder, Family Trust Company



AUASB Member	Professional/Organisational Affiliations	Employment/Other Positions Held	Other Relevant Interests
Mr Graeme Pinfold	Fellow, Chartered Accountants Australia and New Zealand	Chair, New Zealand Auditing and Assurance Standards Board	- Board Member and Treasurer, Okawa Rotoiti Timeshare Owners Association - Chair, Sustaining the Audit Profession Working Group - Director, The Auckland Theatre Company
Mr Andrew Porter	- Fellow, Institute of Chartered Accountants in England and Wales - Member, Australian Institute of Company Directors - Fellow, Chartered Accountants Australia and New Zealand	- Chief Financial Officer, Australian Foundation Investment Company Limited - CFO for Djerriwarrh Investments, Mirrabooka Investments and AMCIL Limited	- Director of Australian Investment Company Services Ltd. - Director of a Family Trust Company - Director of the Melbourne Anglican Foundation and trustee of related entities
Ms Jennifer Travers	Member, Chartered Accountants in Australia and New Zealand	Partner, KPMG Australia	- Chair of the Australian Accounting and Assurance Public Policy Committee – Audit Quality Working Group - Member of the Australian Accounting and Assurance Public Policy Committee – ESG Working Group - Chair of the Trans-Tasman Audit and Advisory Committee (CA ANZ) - Director and Shareholder, Family Trust Company(s) - Trustee, personal family trusts
Mr Jason Thorne	- Fellow, Institute of Chartered Accountants in England and Wales - Member, Chartered Accountants in Australia and New Zealand - Registered Company Auditor	Partner, Deloitte Touche Tohmatsu	Director and Shareholder, family trust company
Mr Chi Mun Woo	- Member, Chartered Accountants Australia and New Zealand - Member, Institute of Chartered Accountants in England and Wales	Partner, Climate and Sustainability practice, Deloitte Touche Tohmatsu	-



Minutes

27 October 2025 Meeting

Subject: Minutes of the 167th Meeting of the Auditing and Assurance Standards Board (AUASB)
Venue: Virtual meeting by Zoom
Date: Monday, 27 October 2025, 11:00 am – 12:48 pm

Attendance:

AUASB Members:	Doug Niven (Chair) Julie Crisp (Deputy Chair) Graeme Pinfold (NZAuASB Chair) Meryl Gwan Prof Noel Harding Joanne Lonergan	Terence Jeyaretnam Andrew Porter Jason Thorne Jennifer Travers Chi Mun Woo
Office of the AUASB staff:	Anne Waters Rene Herman Marina Michaelides Jeff Muir	Tim Austin Arti Naidu See Wen Ewe Dr Sheryl Huang
Guests:	Brenton Newlands	
Apologies:	Klynton Hankin	

Minutes

(Agenda Item 1 – Minute 1806) Welcome and Chair Update

The AUASB Chair welcomed members to the 167th meeting of the AUASB.

There were no changes to the declarations of interests.

(Agenda Item 2 – Minute 1807) Exposure Draft - ASSA 5000 Corporations Act specific Illustrative Assurance Reports

The AUASB discussed draft Exposure Draft ED 03/25 proposing amendments to ASSA 5000 *General Requirements for Sustainability Assurance Engagements* to include Corporations Act specific illustrative sustainability auditor's reports. AUASB members agreed to make the following changes to the Explanatory Memorandum to the draft ED 03/25:

- Adding a paragraph that AUASB members have not reached a consensus on the appropriate approach for the wording of the review conclusion / audit opinion with a minority indicating a preference for the wording in the Corporations Act without the addition of words from paragraph 190(c)(vi) of ASSA 5000 on account of a concern that the proposed approach may not be consistent with the Corporations Act;
- Adding a consultation question on whether the separate auditor's reports for the financial report and the sustainability report should be more clearly distinguished; and
- Adding a consultation question on whether the illustrative sustainability auditor's reports should be included as an Appendix to ASSA 5000 or issued as separate guidance.

Members also agreed to make the inherent limitations paragraphs in the illustrative reports examples only.

It was agreed that a revised Exposure Draft will be sent to members for approval out-of-session. The comment period will be 30-days.

Close of the Meeting

The Chair closed the meeting at 12:48 pm.



Next Meeting

The AUASB will hold its next meeting virtually on 12 November 2025.

Approval

Signed as a true and correct record.

Douglas Niven
Chair

Date: 12 November 2025



AUASB Agenda Paper

Title:	Revised GS 011 <i>Providing Access to Audit Working Papers</i>	Date: 12 November 2025
Office of AUASB:	Jeff Muir	Agenda Item: 2.0

Objective of Agenda Item:

1. The objective of this Agenda Item is to seek the Board's approval to issue the revised GS 011 *Providing Access to Audit Working Papers* (GS 011) (extant GS 011 *Third Party Access to Audit Working Papers*).

Questions for AUASB members

No.	Questions for AUASB members
1	Do AUASB members have any comments on the draft revised GS 011 <i>Providing Access to Audit Working Papers</i> (see agenda papers 2.1 (marked-up) and 2.2 (clean))?
2	Do AUASB members approve the revised GS 011 for release (subject to minor editorials)?

Background

2. At the 14 May 2025 AUASB meeting, the AUASB approved the project plan to revise GS 011. Extant [*GS 011 Third Party Access to Audit Working Papers*](#) was issued in April 2009 and provides guidance to auditors when establishing and agreeing the conditions under which third parties are voluntarily granted access to their audit working papers. GS 011 is not about how to conduct an audit as such, and is more of a risk management guidance statement. There is no international (or New Zealand) equivalent to GS 011.
3. The project scope is to update and revise GS 011 to align with ASA 600 and current practice. Further details are available in the [*GS 011 Project Plan*](#).

Gathering input and feedback from audit practitioners

4. In June 2025 a draft revised GS 011 was provided to the largest six firms requesting feedback. In addition, the Office of the AUASB presented at a Large National Networks meeting and received feedback. Based on the feedback received, the Office of the AUASB made further revisions and resent GS 011 to the largest six firms for further comments. Responses from the largest 4 firms were received and all substantive comments were addressed.

Main changes to GS 011

5. In response to feedback from audit practitioners, the draft revised GS 011 now includes:
 - (a) Sustainability assurance engagements under ASSA 5000 *General Requirements for Sustainability Assurance Engagements*;
 - (b) Component auditors providing access to audit working papers to group auditors under ASA 600 *Special Considerations – Audits of a Group Financial Report (Including the Work of Component Auditors)*;
 - (c) An example providing access to audit working papers when the auditor is not a component auditor and not a controlled entity auditor;

AUASB Agenda Paper

-
- (d) Disclaimer of liability for use and reliance on GS 011;
 - (e) Additional definitions specific to ASA 600 for group audits and ASSA 5000 for sustainability assurance engagements; and
 - (f) Updated references for current auditing and assurance standards.
6. The other main changes are:
- (a) The definition of 'Third Party' is updated to exclude a group auditor. Consequently, 'Third Party' has been removed from the title of the revised GS 011 and some other consequential amendments have been made.
 - (b) The section in extant GS 011 covering mandatory requests from a regulator to access audit working papers has been removed because GS 011 relates to voluntarily providing access to audit working papers.

Materials presented

Agenda paper	Description
2.1	Draft revised GS 011 <i>Providing Access to Working Papers</i> (Mark-up version)
2.2	Draft revised GS 011 <i>Providing Access to Working Papers</i> (Clean version)

GS 011

(~~April 2009~~ November 2025)

Guidance Statement GS 011

Third Party Providing Access to ~~Audit~~ ***Working Papers***

Issued by the Auditing and Assurance Standards Board



Australian Government

Auditing and Assurance Standards Board

Obtaining a Copy of this Guidance Statement

This Guidance Statement is available on the Auditing and Assurance Standards Board (AUASB) website: www.auasb.gov.au

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Important Note

Guidance Statements are developed and issued by the AUASB to provide guidance to ~~auditors and assurance~~ practitioners on the application of AUASB Standards and, where relevant, legislation, regulation or other authoritative publication, to assist ~~auditors and~~ assurance providers to comply with Standards. Guidance Statements are intended to assist ~~auditors and~~ assurance practitioners in applying an existing standard or standards of general application to particular circumstances or specialised industries/sectors.

Guidance Statements are designed to provide guidance to ~~auditors and assurance~~ practitioners to achieve the objective(s) of the ~~audit or other~~ assurance engagement. Accordingly, Guidance Statements refer to, and are written in the context of a specific AUASB Standard(s); and where relevant, legislation, regulation or other authoritative publication. Guidance Statements are not aimed at providing guidance covering all aspects of the ~~audit or other~~ assurance engagement.

Guidance Statements, whilst formally approved and issued by the AUASB, do not establish new principles or amend existing standards. Guidance Statements therefore do not include any additional requirements or extend or vary the existing requirements of any AUASB Standards and are not legally enforceable.

Guidance Statement GS 011 Providing Access to Working Papers provides guidance to ~~auditors practitioners~~ on establishing and agreeing the conditions under which third parties and group practitioners are voluntarily granted access to their working papers. It is not, ~~and is not intended to be,~~ a substitute for compliance with relevant AUASB Standard(s) ~~and auditors and assurance practitioners are required to comply with the relevant AUASB Standard(s) when conducting an audit or other assurance engagement.~~

This Guidance Statement is provided for informational purposes only and should not be relied upon as legal or professional advice. Practitioners should conduct their own evaluation and, where necessary, obtain independent legal advice regarding any relevant aspects before making decisions based on this Guidance Statement. The AUASB makes no representations or warranties regarding the suitability of the information contained herein. The AUASB expressly disclaims any liability for any loss or damage arising from reliance on this Guidance Statement.

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Guidance Statement GS 011 ~~Third Party Access to Audit Working Papers~~Providing Access to Audit Working Papers

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AUTHORITY STATEMENT

The Auditing and Assurance Standards Board (AUASB) formulates Guidance Statement GS 011 ~~Third Party Access to Audit Working Papers~~Providing Access to Audit Working Papers pursuant to section 227B of the *Australian Securities and Investments Commission Act 2001*, for the purposes of providing guidance on auditing and assurance matters.

This Guidance Statement provides guidance to assist ~~the~~ auditors and other practitioners to ~~fulfil the~~achieve the objective(s) of ~~an~~the audit or assurance engagement. It includes explanatory ~~materials details and suggested procedures~~ on specific matters for the purposes of understanding and complying with AUASB Standards. The auditor or practitioner exercises professional judgement when using this Guidance Statement.

This Guidance Statement does not prescribe or create new ~~mandatory R~~ requirements.

Dated: ~~127 November~~April 2025~~09~~

D Niven~~M H Kelsall~~
Chairman - AUASB

GUIDANCE STATEMENT GS 011

~~Third Party Access to Audit Working Papers~~ Providing Access to ~~Audit Working Papers~~

Application

1. This Guidance Statement (**GS**) has been formulated by the Auditing and Assurance Standards Board (**AUASB**) to provide guidance to ~~auditors-practitioners~~ regarding ~~third party~~ requests for access to ~~audit or review~~ working papers relating to:
 - (a) ~~an~~ audits or reviews of a financial report in accordance with the *Corporations Act 2001* (“the Act”);
 - (b) ~~an~~ audits or reviews of a financial report, or complete set of financial statements, for any other purpose; ~~and~~
 - (c) ~~an~~ audits or reviews of other historical financial information;
 - (d) ~~other assurance engagements; and~~
 - (e)(c) an audit or review of information in a sustainability report in accordance with the Act, or, for any other purpose.
2. ~~This GS~~Guidance Statement also applies, as appropriate, to ~~requests regarding external auditor’s requests for access to to a practitioner’s internal auditor’s audit~~ working papers under an entity’s internal audit outsourcing arrangement. The AUASB is considering the approach to sharing documents where there are separate auditors (i.e. audit firms, authorised audit companies or individual auditors) for the financial report and sustainability report, and the value chain for sustainability purposes. In the meantime, the guidance in this GS may be relevant by analogy.
- 2.3. For the purpose of this GS, the term ‘assurance engagement(s)’ refers to engagements to which this GS applies. The term ‘practitioner(s)’ refers to those responsible for conducting the assurance engagement.

Issuance Date

- 3.4. ~~This Guidance Statement~~GS is issued in ~~April 2009~~November 2025 by the AUASB and replaces ~~AGS 01 1038~~ Third Party Access to Audit Working Papers issued in ~~February-April 2009~~6.

Introduction

- 4.5. ~~This Guidance Statement~~GS provides guidance to ~~auditor~~practitioners when establishing and agreeing the conditions under which a practitioner voluntarily grants third parties and group practitioners ~~isare voluntarily granted~~ access to their ~~auditor’s-practitioner’s audit~~ working papers ~~and related documentation~~. Working papers ~~Such documentation is are required to be prepared to meet the documentation requirements of in accordance with applicable~~ Australian Auditing Standards, Standards on Assurance Engagements and Standards on

Sustainability Assurance.¹ The protocols outlined in this ~~Guidance Statement~~GS follow have resulted from consultation with practitioners, and are on the basis of a willingness by practitioners to co-operate in providing access to their ~~audit~~ working papers to ~~third another~~ parties in certain circumstances.

~~5.6.~~ The protocols in this ~~Guidance Statement~~GS endeavour to promote cooperation when access to a ~~n auditor's practitioner's~~ ~~audit~~ working papers is requested. ~~Audit w~~Working papers are the ~~auditor's practitioner's~~ property, and they may, at their discretion, grant, decline or restrict access (subject to regulatory, legislative or other legal requirements). Each request to access ~~audit~~ working papers is decided on its merits. A ~~n auditor practitioner~~ might, for example, exercise their discretion to restrict or decline access to their ~~audit~~ working papers when their ~~audit assurance engagement~~ fees are outstanding, or if litigation has commenced or is threatened (unless the ~~auditor practitioner~~ becomes compelled to produce ~~audit~~ working papers in connection with that litigation).

~~6.7.~~ Regulators may also, pursuant to legislative requirements, request access to ~~audit~~ working papers. When access to ~~audit~~ working papers is required by a regulator, the ~~auditor practitioner~~ provides access in accordance with the requirements of the relevant legislation.

Definitions

~~7.8.~~ For the purposes of this ~~Guidance Statement~~GS the following items have the meanings attributed below:

- ~~(a) — “Auditor” means an individual auditor, audit firm or audit company.² Unless specified, auditor refers to an external auditor conducting an audit or review of an entity’s financial report or other financial information, or other non-historical information.~~
- ~~(a) — “Audit (or review) working papers” (herein referred to as audit working papers in this Guidance Statement) contained within an audit file may include:~~
 - ~~(i) — documents or any other records of information, produced or acquired by an auditor (whether from the client or third parties) during an engagement that are used, or developed, to undertake the engagement and fulfil the auditor's responsibilities under that engagement.~~
 - ~~(ii) — copies of documents, records or schedules produced by the client and utilised by the auditor to undertake an engagement;~~
 - ~~(iii) — internal documents and records created or developed by the auditor to perform or support any audit or audit-based procedures undertaken or conclusion derived from these documents, such as memorandums, external correspondence with the client or third parties, and final reports;~~
 - ~~(iv) — audit work programs (other than those considered proprietary by the audit firm); and~~
 - ~~(v) — for an internal audit engagement — the internal audit working papers.~~
- ~~(b)(a) An “a Assurance audit file” is a file that contains the audit working papers as defined in (b) above, and those other documents that are excluded for the purposes of allowing third party access, as enumerated in paragraph 8 below. One or more folders or other~~

¹ See Australian Auditing Standard ASA 230 *Audit Documentation* (paragraph 811) requires an auditor to prepare audit documentation that is sufficient to enable an experienced auditor, having no previous connection with the audit, to understand: (a) The nature, timing and extent of the audit procedures performed to comply with the Australian Auditing Standards and applicable legal and regulatory requirements; (b) The results of the audit procedures, and the audit evidence obtained; and (c) Significant matters arising during the audit, the conclusions reached thereon, and significant professional judgements made in reaching those conclusions or ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information, or Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance Engagements (paragraphs 69-71) as applicable.

² — This is consistent with Section 324AA of the *Corporations Act 2001*.

storage media, in physical or electronic form, containing the records that comprise the documentation for a specific assurance engagement that contains the working papers as defined in 8(1)8(4)(i) below, and those other documents that are excluded for the purposes of allowing access, see paragraph 9.

- (b) Component practitioner – A firm that performs assurance work related to a component for purposes of the sustainability assurance engagement, and the practitioner is able to be sufficiently and appropriately involved in that work.³
- (c) Component auditor – An auditor who performs audit work related to a component for purposes of the group audit. A component auditor is part of the engagement team for a group audit.⁴
- (d) Group financial report – A financial report that includes the financial information of more than one entity or business unit through a consolidation process. For purpose of this GS, a consolidation process includes:
 - (i) Consolidation, proportionate consolidation, or an equity method of accounting;
 - (ii) The presentation in a combined financial report of the financial information of entities or business units that have no parent but are under common control or common management; or
 - (iii) The aggregation of the financial information of entities or business units such as branches or divisions.⁵
- ~~(e)~~ Group sustainability assurance engagement – Includes an engagement for the audit or review of a group financial report and engagement for assurance on group sustainability information.
- ~~(f)~~ Group practitioner – The group auditor of the group financial report or the assurance practitioner over group sustainability information.
- ~~(g)~~ Group sustainability information – Sustainability information that includes the sustainability information of more than one entity or business unit.
- ~~(e)(h)~~ “Internal audit function” – ~~means~~ A function of an entity that performs assurance and consulting activities designed to evaluate and improve the effectiveness of the entity’s governance, risk management and internal control processes.
- ~~(f)(i)~~ “Internal auditors” – ~~means~~ Those individuals who perform the activities of the internal audit function. Internal auditors may belong to an internal audit department or equivalent function, outsourcing entity or co-sourced from both internal and out-sourced resources.
- ~~(g)(j)~~ “Internal audit provider” – ~~means~~ A third party practitioner contracted to provide internal audit services to an entity.
- ~~(k)~~ Regulators – ~~May~~ May include the Australian Securities and Investments Commission (ASIC), the Australian Prudential Regulation Authority (APRA) or the Australian Taxation Office (ATO).
- (l) Working papers – contained within an assurance file may include:

³ See ASSA 5000 *General Requirements for Sustainability Assurance Engagements* paragraph 18.

⁴ See ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)* paragraph 14(c).

⁵ See ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)* paragraph 14(k).

- (i) ~~audit or review working papers;~~
- (ii) ~~documents or any other records of information, produced or acquired by a practitioner (whether from the client or another party) during an assurance engagement that are used, or developed, to undertake the assurance engagement and fulfil the practitioner's responsibilities under that assurance engagement;~~
- (iii) ~~copies of documents, records or schedules produced by the client and utilised by the practitioner to undertake an assurance engagement;~~
- (iv) ~~internal documents and records created or developed by the practitioner to perform or support any audit or audit-based procedures undertaken or conclusion derived from these documents, such as memorandums, external correspondence with the client or another party, and final reports;~~
- (v) ~~work programs (other than those considered proprietary by the firm); and~~
- ~~(i)(vi)~~ (vi) for an internal audit engagement – the internal audit working papers.

~~8.9.~~ For the purposes of this ~~Guidance Statement GS~~, the following documents and information which are ordinarily contained in an ~~assurance~~ audit file, do not form part of the ~~auditor's~~ practitioner's ~~audit~~ working papers defined in paragraph ~~8(1)8(4)8(1)8(4)~~ that are normally provided to ~~third~~ another parties when access is requested:

- (a) ~~The auditor's~~ practitioner's internal budgeting documents concerning costing or billing records for the audit client;
- (b) ~~Internal~~ staffing-related documents for the engagement and any incidental personnel records or information about the engagement team;
- (c) ~~Documents or information that are subject to legal professional privilege;~~
- ~~(e)(d)~~ (d) Information subject to other legislative requirements, for example, those governing privacy; and
- ~~(d)(c)~~ (c) Proprietary work programs (e.g. client acceptance checklists and internal firm independence review checklists).

The information contained in ~~audit~~ working papers can be in any form, including handwritten data, text, image or audio, and may be stored electronically or in hard copy.

~~9. When a regulator seeks access to audit working papers, the relevant legislative provisions may permit the regulator to access documents or information that do not form part of the auditor's audit working papers as outlined in paragraph above.~~

10. For the purposes of this ~~Guidance Statement GS~~, documents or information included in the ~~audit~~ assurance file may be subject to "legal professional privilege" because an ~~audit~~ assurance client, or relevant laws or regulations, at the time it was originally provided, required that such information or ~~audit~~ working paper be legally privileged. An example is legal advice regarding litigation against the ~~audit~~ assurance client, as provided by its legal counsel. Paragraphs ~~1+2827-313130~~ of this ~~Guidance Statement GS~~ contain further discussion related to legal professional privilege.

Guidance

Circumstances When Requests for Access Are Made

11. The table below outlines:

- (a) ~~Common~~ circumstances when requests for access to a ~~n-external auditor's practitioner's audit~~ working papers may arise and when requests for access to an internal audit provider's working papers may arise;
- (b) ~~Specific~~ paragraphs in this ~~Guidance Statement~~ GS that could be considered in deciding whether access ~~will~~ may be granted; and
- (c) ~~The~~ example letter(s) ~~auditor/practitioners~~ may use for each specific circumstance listed.

Circumstances	Relevant Guidance Statement Paragraph	Example Letters in Appendix 1
1. Audit of a Group Financial Report <u>Assurance Engagement</u> When a controlling entity's group auditor/practitioner wishes to review the audit working papers of the auditor of another controlled entity or component auditor/practitioner in connection with a group assurance engagement <u>the audit or review of the consolidated financial reports (including consolidated financial statements) of the controlling entity.</u> ⁶ <u>The practitioner may consider whether it is necessary to establish conditions for access to the working papers.</u>	32-42	Letter A Letter C
2. Prospective Purchaser, Investor or Lender When a third party adviser to a prospective purchaser, investor or lender of the auditor/practitioner's client wishes to review the audit working papers to obtain information to assist them advise their client about a transaction.	44-46	Letter B1 Letter B2 Letter C
3. Predecessor/Successor Auditor/Practitioner When an entity's newly appointed auditor/practitioner (successor auditor/practitioner) wants to consider the predecessor auditor/practitioner's audit working papers in connection with the next audit or review <u>assurance engagement</u> on <u>f</u> the entity.	48-49	Letter E Letter C
4. Internal Audit Where the internal audit function is outsourced to an internal audit provider and the entity's external auditor/practitioner wants to review the entity's internal audit working papers belonging to the internal audit provider, <u>in connection with an assurance engagement to gain an understanding of the entity's internal auditing activities relevant to the audit of the financial report.</u>	47	Letter C Letter D
5. <u>Access to working papers of an entity that is neither a controlled entity nor a component.</u> Joint Venture <u>When a practitioner wishes to review the working papers of another practitioner of an entity that is neither a controlled entity nor a component, in connection with an assurance engagement. When an auditor of a joint venture participant may want to review the audit working papers of the auditor of the joint venture audit.</u>	43	Letter A Letter C

⁶—In these circumstances, Section 323B of the *Corporations Act 2001* requires the controlled entity's auditor to give the controlling entity's auditor any information, explanation or assistance required under Section 323A of the Act.

General Considerations Applicable to all Requests for Access to ~~Audit~~ Working Papers

12. Certain matters need to be considered when a ~~practitioner~~ ~~n-auditor~~ receives a request for access to ~~audit~~ working papers. They include:
- (a) client confidentiality requirements concerning access to ~~audit~~ working papers;
 - (b) risk of legal claims resulting from allowing access and appropriate legal protection to mitigate that risk, such as indemnities that may be required (depending on the circumstances governing the request including the form of the release, waiver or indemnity);
 - (c) the appropriate sequence of indemnities between the ~~auditor~~ ~~practitioner~~, ~~the practitioner's audited~~ ~~or's entity~~ ~~client~~ ~~client~~ and any ~~other~~ ~~third~~ parties;
 - (d) how and when the ~~auditor~~ ~~practitioner~~ grants access to their ~~audit~~ working papers, including having regard to whether the ~~audit engagement~~ is complete; ~~and~~
 - ~~(e)~~ whether the ~~audit~~ working papers contain documents or information that are subject to legal professional privilege, which ~~should may~~ not form part of the ~~audit~~ working papers to be accessed by ~~third~~ ~~other~~ parties; ~~and~~
 - ~~(e)~~ (f) the practitioner's policies and procedures regarding requests for access to working papers.
13. The guidance provided in this ~~Guidance Statement~~ GS is general in nature and needs to be adapted to the specific client or other circumstances faced by the ~~auditor~~ ~~practitioner~~. ~~For example, when an auditor is responding to a request to access their audit working papers by a regulator, some of the above considerations may not be applicable, as access is granted in accordance with the requirements of the relevant legislation.~~

Client Confidentiality

14. Before the ~~auditor~~ ~~practitioner~~ grants ~~third-a~~ party access to ~~audit~~ working papers, the client's consent is necessary to ensure the ~~auditor~~ ~~practitioner~~ complies with their common law duty of confidentiality to the client, as well as applicable professional ethical standards on confidentiality⁷ and any contractual undertakings that the ~~auditor~~ ~~practitioner~~ may have given to the client. Unless consent is given, preferably in writing, the ~~auditor~~ ~~practitioner~~ cannot voluntarily grant access to ~~third~~ ~~another~~ ~~party~~ ~~ies~~ unless required by law to do so.
15. When access to ~~audit~~ working papers is required by a regulator, the ~~auditor~~ ~~practitioner~~ (unless prohibited by the terms of the regulator) needs to consider informing their client that access is being sought and will be granted in accordance with legislative requirements.
16. The letter of consent required from the client needs to be signed by a person(s) appropriately authorised to legally bind the client. If the client wishes to give consent under a power of attorney, the ~~auditor~~ ~~practitioner~~ considers whether it is necessary to sight the power of attorney document.

Client Indemnity

External ~~Auditor~~ ~~Practitioner~~

17. Whenever the ~~auditor's~~ ~~practitioner's~~ client, or any third party, seeks access to ~~audit~~ working papers, the ~~auditor~~ ~~practitioner~~ may consider ~~ought to~~ obtaining from the client and any third party (as the case may be) an indemnity against any liability which arises as a result of that access.

⁷ See Compiled APES 110 Code of Ethics for Professional Accountants (including Independence Standards), issued by the Accounting Professional & Ethical Standards Board Limited.

18. Regard ~~should be given to any to any restrictions on obtaining an indemnity. -For example, among other matters, a~~A company cannot under the Act⁸ indemnify its auditor from a liability to the company or a related body corporate incurred in the capacity of being the company's auditor. ~~Indemnities cannot cover certain pecuniary penalties or acts other than in good faith. However, the company can indemnify its auditor against liabilities to third parties (i.e. parties other than the company and its related bodies corporate), and third parties themselves can indemnify the auditor against liability to those or other parties. Moreover, the company can indemnify its auditor from a liability to the company or a related body corporate incurred in a capacity other than as auditor.~~

Internal Auditor

19. The internal audit function of an ~~external auditor/practitioner~~'s client may be undertaken by employees of the entity, or, might be outsourced to an internal audit provider. Where the internal audit services are outsourced to an internal audit provider, the opportunity for the ~~external auditor/practitioner~~ to access the internal audit working papers of the internal audit provider will depend on who "owns" such working papers. Normally, the letter of engagement between the client and the internal audit provider specifies who "owns" internal audit working papers.
20. When the internal audit working papers are "owned" by the client, a consent letter to access the internal audit working papers is not required. Nonetheless, prior to allowing access, the internal audit provider or the client may request the ~~external auditor/practitioner~~ to acknowledge that their access is subject to their obligations to comply with the requirements of ~~Australian Auditing Standard ASA 610 Using the Work of Internal Auditors (ASA 610)~~Considering the Work of Internal Audit or Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance Engagements (ASSA 5000). When the internal auditor's working papers ~~are~~s owned by the internal audit provider:
- (a) The internal audit provider would ordinarily first require consent from its client before granting access to its working papers to the ~~external auditor/practitioner~~. Refer to Example Letter C in Appendix 1 for an example client consent letter.
 - (b) Once the internal audit provider has obtained the signed client consent letter, it would then request the ~~external auditor/practitioner~~ to provide a signed request letter to access the internal audit work papers. Refer to Example Letter D in Appendix 1 for an example of this letter.

See paragraph ~~47~~47~~46~~47 for additional considerations related to granting access to internal audit working papers.

Indemnities from ~~Third Parties~~Other Parties

21. The ~~audit~~-working papers which form part of an ~~audit~~assurance engagement file are ordinarily prepared for the sole purpose of ~~an internal or external audit or review~~the assurance engagement. Their preparation ~~for an external financial report audit or review~~ is for the sole purpose of documenting and supporting the ~~auditor's/practitioner's~~ conclusions ~~included in the auditor's report on the financial report~~. Consequently, ~~the audit~~-working papers may not be suitable for any intended use by ~~another third party~~, as the scope and nature of the ~~third other~~ party's needs ~~we~~are not known by the ~~auditor/practitioner~~, and thus, did not form part of the scope of the ~~audit~~assurance engagement.
22. Access to the ~~audit~~-working papers by third parties ~~or group practitioners~~, without receipt of appropriate releases, indemnities and/or waivers of reliance, could place the ~~auditor/practitioner~~ at risk of a legal claim by the third party ~~or group practitioner~~ based on the results of their access to the ~~audit~~-working papers. Accordingly, it would not be prudent for the ~~auditor/practitioner~~ to grant such access to their ~~audit~~-working papers, unless the ~~auditor/practitioner~~ has:

⁸ See Section 199A, Corporations Act 2001.

- (a) obtained the client's consent letter; and
 - (b) agreed terms of access with the third party or group practitioner in writing, including appropriate releases and/or indemnities.
23. If access is provided to ~~audit~~-working papers, in most cases the letter of consent includes an express disclaimer of reliance and exclusion of liability.
24. The Example Letters in Appendix 1 incorporate a suggested form of release, indemnity and waiver of reliance that ~~an auditor/practitioner~~ ordinarily seeks when responding to a request to access their ~~audit~~-working papers.
25. The Example Letters in Appendix 1 are designed to facilitate access to the ~~auditor/practitioner's~~ ~~audit~~-working papers when access is sought by a ~~another party~~third party. The Example Letters record the agreed basis on which ~~an auditor/practitioner~~ may be prepared to provide access to their ~~audit~~-working papers to ~~another~~a third party's agent. ~~The auditor/practitioner might consider whether to~~ Access may be denied access to the ~~third other party's~~ agent if a letter is not executed and obtained from the ~~third other~~ party and their agent.

~~Auditor/Practitioner's~~ Control Over Access to ~~Audit~~-Working Papers

26. ~~An auditor/practitioner~~ may decide to allow limited access to some of their ~~audit~~-working papers and inform the third party or group practitioner that certain ~~audit~~-working papers have been omitted.
27. When access to ~~audit~~-working papers is granted, the ~~auditor/practitioner~~ controls how access is to be administered. Ordinarily, the ~~auditor/practitioner~~ will ~~may~~:
- (a) agree on the format (electronic or hard copy) with the ~~other third-party~~ in which access to the ~~audit~~-working papers will be provided. The ~~auditor/practitioner~~ is entitled to determine the format, location and type of access including, for example, monitored remote virtual access, so as not to place at risk the confidentiality of any of their proprietary audit software and methodologies, as well as other clients' confidential information.
 - (b) agree on and control the extent of access to original ~~audit~~-working papers granted to ~~a third~~the other party.
 - (c) oversee the physical inspection of ~~audit~~-working papers;
 - (d) request that any questions arising from the examination of the ~~audit~~-working papers be put in writing. The ~~auditor/practitioner's~~ response may be restricted to matters in the ~~audit~~-working papers, rather than for example, answering questions of a general nature or matters concerning events subsequent to the reporting period covered by the ~~audit assurance~~ engagement; and
 - (e) not permit making copies of ~~audit~~-working papers without specific consent. When permission to make copies of ~~audit~~-working papers is granted, the ~~auditor/practitioner~~ ordinarily:
 - (i) maintains control over which ~~audit~~-working papers can be copied;
 - (ii) reviews all ~~audit~~-working papers that are to be copied, prior to making them available to the third party;
 - (iii) retains a record of which ~~audit~~-working papers have been copied; and
 - (iv) considers what (if any) charge is to be made for the cost of making copies of the requested ~~audit~~-working papers.

Legal Professional Privilege

28. In undertaking an assurance engagement, the ~~auditor~~practitioner might access or incorporate within their ~~audit~~assurance file confidential communications made between, or confidential documents prepared by, the ~~audit~~ client and their legal counsel(s). When the dominant purpose of these communications is for the client's legal counsel to provide legal advice to the client or where the documents have been created in contemplation of existing or anticipated legal proceedings, the communications may be subject to legal professional privilege.

28.

Documents or information included in the ~~audit~~assurance file that are subject to legal professional privilege are owned by the client and not the ~~auditor~~practitioner. When granting access to ~~audit~~ working papers is being contemplated, the ~~auditor~~practitioner needs to consider obtaining legal advice from its own legal counsel as to how to deal with documents or information that may be subject to legal professional privilege. A client also ought to have an opportunity to review all documents and information that are to be produced so that the client can assess whether a claim for legal professional privilege will be made in relation to specified documents.

29.

30. The following are example communications, documents and information that may attract legal professional privilege:

- (a) Correspondence between the client and their legal advisers for the dominant purpose of giving or receiving legal advice, or for use in existing or anticipated litigation, that has been provided to the ~~auditor~~practitioner for the assurance engagement;
- (b) Opinions from the legal counsel, and associated billing costs (including details of legal costs), where such information would disclose the nature of the advice sought or given;
- (c) Correspondence between the ~~auditor~~practitioner and the client's legal counsel; or
- (d) Documents that incorporate the types of documents listed (a) to (c) above.

31. If any of the documents or information listed in paragraph ~~30~~3029 above are contained in the ~~audit~~ working papers, or if the ~~auditor~~practitioner is in any doubt about whether any client communications, documents or information are subject to legal professional privilege, the ~~auditor~~practitioner notifies their client in accordance with paragraph ~~29~~28 above. In these circumstances, the ~~auditor~~practitioner might also need to consult with their own legal counsel in order to correctly identify the status of communications and documents that could potentially be the subject of legal professional privilege.

Granting Access to a Group ~~the Auditor~~Practitioner of a Controlling Entity

Basis for Granting Access – Group Assurance Engagements

32. Under ASA 600 a group engagement partner is required to take overall responsibility for managing and achieving quality on the group audit.⁹ A practitioner who performs audit work related to a component for the purposes of a group audit under ASA 600 is a component auditor and is part of the engagement team. The group engagement partner is required to have sufficient and appropriate involvement in the work of component auditors and takes responsibility for the nature, timing and extent of direction and supervision of component auditors and the review of their work. The group auditor engagement partner of a controlling entity has a duty to form an opinion on various matters as may be required by laws or regulations, such as the Act Corporations Act 2001 (or other relevant statutory requirements) regarding the consolidated audit of a group financial report ~~of the entity~~. There may also be circumstances when the ~~auditor~~practitioner of a controlling entity may be engaged to perform a non-statutory audit of the a consolidated group financial report ~~of the entity~~. The

⁹ See ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)*.

auditor of the controlling entity may wish to access the audit working papers of the auditor of a controlled entity in order to assist them in the audit of the controlling entity. Under Auditing Standard ASA 600 *Using the Work of Another Auditor*, the auditor of the controlling entity is required to perform procedures to obtain sufficient appropriate audit evidence, that the work of the auditor of the controlled entity is adequate for the purposes of the auditor of the controlling entity, in the context of the specific engagement.¹⁰

33. If the group auditor requests access to the component auditors working papers, the component auditor considers whether it is necessary to establish and agree the conditions under which a group auditor is granted access to their working papers.
34. Under ASSA 5000 the engagement leader for assurance over group sustainability information may be responsible for the assurance engagement and its performance, and for the assurance report issued on sustainability information. The engagement leader is required to be sufficiently and appropriately involved throughout the assurance engagement. If the engagement leader requests access to the component practitioner's working papers. The component practitioner considers whether it is necessary to establish and agree the conditions under which the group engagement leader is granted access to their working papers.

32. —

Relevant Factors to Consider – Corporations Act Engagement - Controlled Entities

35. For an audit or review of consolidated financial statements or group sustainability information conducted under the ~~Act Corporations Act 2001~~ of a financial report that includes consolidated financial statements, the auditor-practitioner of a controlled entity must allow the group auditor of the controlling entity access to the controlled entity's books and must give the auditor of the controlling entity any information, explanation or assistance required, for the purposes of the audit or review.¹¹ The meaning attaching to these statutory requirements may not be precise, as there is no judicial or statutory authority about what is meant by the words "information, explanation or assistance". The Act does not specify that the external auditor of the controlling entity has a statutory right to inspect the audit working papers of the external auditor of the controlled entity. Nonetheless, the auditor of a controlled entity ordinarily endeavours to be open and frank with the auditor of the controlling entity and seeks to ensure compliance with any reasonable request by the auditor of the controlling entity to discharge their responsibilities under the ~~Act Corporations Act 2001~~.
33. In determining the extent of obligations when the auditor of the controlled entity gives the group auditor access to their audit working papers, the requirements of Auditing Standard ASA 600 are to be complied with.

The auditor of a controlled entity may grant the auditor of the controlling entity access to its audit working papers. For example, access is normally given for audit or review engagements (under the Act or otherwise), but only if:

the controlled entity agrees to the terms of access as set out in Example Letter C in Appendix 1, including a release and indemnity in favour of the auditor of the controlled entity from liability which might arise through access being given to the auditor of the controlling entity; and

the auditor of the controlling entity agrees to the terms of access as set out in Example Letter

Relevant Factors to Consider – Component Auditor or Component Practitioner (non-Corporations Act and / or not a Controlled Entity)

¹⁰ See Auditing Standard ASA 600 *Using the Work of Another Auditor*.

¹¹ See Sections 323A and 323B of the *Corporations Act 2001*.

36. ASA 600 requires the group auditor to confirm with the component auditor that they will co-operate with the group auditor. Such agreement of co-operation may facilitate any reasonable request by the group auditor for access to component working papers.

37. For non-Corporations Act engagements, the auditor of a controlled entity is ordinarily expected to co-operate with reasonable requests from the group auditor of the for access to its working papers. Practitioners should apply ASA 600 or ASSA 5000, as applicable, and consider appropriate terms of access, including appropriate releases and/or indemnities, where access is voluntary.

~~34. — 33~~ When access to audit working papers is granted, for audit or review engagements under the Act, the controlling entity cannot release or indemnify the auditor of the controlled entity under the Act's relevant provisions.¹² The auditor of the controlling entity will also often not agree to release or indemnify the auditor of the controlled entity by virtue of reliance by the group auditor on the auditor of the controlled entity's performance of its obligations required by the Act.¹³ Where the auditor of the controlled entity gives assistance or information to the auditor of the controlling entity more than is required by the Act⁸, the auditor of the controlled entity could seek a release and an indemnity from the auditor of the controlling entity (and arguably from the controlling entity itself). Any release or indemnity referred to in this paragraph must extend to liability that arises through access to audit working papers, other files maintained by the auditor and their audit staff.

Notwithstanding some uncertainty about the working paper access obligations of an auditor of a controlled entity under the Act¹⁴, Example Letter A in Appendix 1 identifies the basis upon which the component auditor of a controlled entity may make audit working papers available to the group auditor of the controlling entity. Example Letter A is completed and exchanged between both auditors, before access is granted by the auditor of a controlled entity to their audit working papers.

Circumstances in Which a Component Auditor can Provide Providing Access to the their Audit Working Papers of the Component Auditor, Component Practitioner or Controlling Entity

38. The terms of engagement may include a release of client confidentiality in order for the component auditor or component practitioner (herein, the 'component practitioner') to provide working papers to the group practitioner. In the absence of a release of client confidentiality in the terms of engagement, the component practitioner obtains a release of client confidentiality and may issue Example Letter C to the component practitioner's client.

~~35. —~~ Ordinarily, the auditor of the group auditor will issue instructions to the controlled entity will not allow the auditor of the controlling entity access to its audit working papers until the auditor of the controlled entity has completed the relevant engagement document- component practitioner. The instructions issued by the group auditor may set out the nature, timing and extent of working papers requested from the auditor of the controlled entity or component practitioner. It is expected that communications between the group practitioner and component practitioners take place at appropriate times throughout the group assurance engagement.¹⁵

For the purposes of this GS, the audit of a controlled entity is complete when:

the directors' declaration about the financial statements¹⁶ or similar representation by the entity's governing body, attached to the financial report, is signed; and

the auditor's report on the financial report is signed and dated.

¹² Under the relevant provisions of Section 199A, *Corporations Act 2001*.

¹³ Refers to legal obligations of the auditor of the controlled entity required by Section 323B, *Corporations Act 2001*.

¹⁴ See Section 323B, *Corporations Act 2001*.

¹⁵ See Auditing Standard ASA 600 *Special Considerations-Audits of a Group Financial Report (Including the Work of Component Auditors)*

¹⁶ As required by Section 295, *Corporations Act 2001*.

Some practical issues that may be encountered by an auditor of a controlled entity regarding access to their audit working papers by the auditor of the controlling entity include:

Where the controlled entity is a subsidiary of an overseas controlling entity and the management of the controlling entity has forwarded a group consolidation package, access may be granted to the controlling entity's auditor until the controlled entity's audit has been completed in accordance with paragraph 38 (a) and (b) above. Prior to this, the controlled entity's auditor may consider if it is prepared to provide a written response on the stage of completion of the audit, the basis of the review of the consolidation package and the opinion on the appropriateness of the package for group consolidation purposes.

36. If the controlled entity's financial report has been finalised, and submitted for group consolidation purposes, but the requirements in paragraph 38 (a) and (b) above are not yet complete, then access to the auditor's audit working papers is inappropriate, and is unlikely to be granted. Until the directors have provided the auditor the signed directors' declaration, the auditor of the controlled entity will not be able to confirm that the directors have agreed with, and adopted the representations of management. Once this occurs, the auditor of the controlled entity may be requested to advise the auditor of the controlling entity, in writing, of any differences between the previously reported upon group consolidation package and the statutory financial report.

~~37.39.~~

~~38.40.~~ The following guidance is also relevant regarding access to ~~audit~~ working papers by the ~~group auditor~~auditor of the controlling entity:

(a) At the completion of the audit of a controlled entity, the auditor of the controlled entity may grant the auditor of the controlling entity access to their audit working papers, when the auditor of the controlling entity has provided to the auditor of the controlled entity a letter of understanding in the form of Example Letter A in Appendix I.

~~(b)(a)~~ Access to the controlled entity's auditor's audit working papers and audit staff is likely to be denied to all parties and, similarly, access ought not be requested until the completion of the audit of the controlled entity or until adoption of the controlled entity's financial report. Nonetheless, the respective auditors may negotiate access to audit working papers at an earlier time. When access to ~~incomplete audit~~ working papers is permitted during the assurance engagement, it ~~may be is~~ prudent to ~~acknowledge inform the group auditor~~ that the ~~audit assurance~~ work or accompanying audit working papers may not reflect significant events or matters which are material to the ~~audit or review~~assurance engagement at the date when access is agreed. This ~~communication~~acknowledgement ought to also contain the extent to which the ~~controlled component~~ entity's ~~auditor/practitioner~~ has any obligation or responsibility to update the ~~audit~~ working papers or inform the reviewing ~~auditor/practitioner~~ of information obtained subsequent to the date access is provided, ~~to the incomplete audit working papers~~.

~~(b)~~ Until completion of the audit of the controlled entity, or until completion of a group's consolidation reporting package¹⁷, requests by the ~~group auditor~~auditor of the controlling entity to the auditor of the controlled entity for progress reports, advice on or information on the ~~audit assurance engagement~~ of the ~~controlled component~~ entity. ~~These requests~~ are best made in writing, detailing specific matters on which a response is sought, and ~~allowing requesting the component auditor/practitioner of the controlled entity~~ to respond in writing.

Other matters to consider

41. Notwithstanding some uncertainty about the ~~audit~~ working papers access obligations of an auditor of a controlled entity under the Act¹⁷, ~~the practitioner may determine whether it is necessary to establish and agree conditions under which the auditor of the controlling entity is granted access to their working papers. When the auditor of a controlled entity determines~~

¹⁷ See Section 323B, *Corporations Act 2001*.

it is necessary to establish and agree conditions. Example Letter A in Appendix 1 identifies the basis upon which the component auditor may make ~~audit~~-working papers available to the group auditor. Example Letter A in Appendix 1 may be completed and exchanged between both auditors, before access is granted by the auditor of a controlled entity to their ~~audit~~ working papers. The auditor of controlled entity should only provide access to working papers if the controlled entity agrees to the terms of access set out in Example Letter C in Appendix 1.

39.42. When access to working papers is granted, for assurance engagements under ASA 600 or ASSA 5000; and the Act, the controlling entity cannot release or indemnify the auditor of the controlled entity under the Act's relevant provisions.¹⁸ Where the auditor of the controlled entity gives assistance or information to the auditor of the controlling entity more than is required by the Act, the auditor of the controlled entity could seek a release and an indemnity from the auditor of the controlling entity (and arguably from the controlling entity itself). Any release or indemnity referred to in this paragraph must extend to liability that arises through access to working papers, other files maintained by the auditor and their audit staff.

Access to Audit Working Papers of the Associate or Joint Venture Auditor ~~(not under ASA 600)~~

40.43. When an ~~audit~~-assurance client has an investment in an associate or is one of the parties in a joint venture, the ~~audit~~-assurance client's ~~practitioner auditor~~ may seek access to the ~~audit~~ working papers belonging to the ~~auditor-practitioner~~ of the ~~associate or~~ joint venture. In this context, issues similar to those related to access to ~~audit~~-working papers of the auditor of a controlled entity or component by the group auditor (discussed above) will need to be considered. Normally, audit arrangements are outlined in the joint venture agreement, wherein one ~~auditor-practitioner~~ is appointed to audit the joint venture. Audit arrangements for an associate may be outlined in a contract and/or agreement. However, as the investment in the ~~associate or~~ joint venture may be material to one or more of the investors or joint venturers (whose financial report may be audited by another ~~auditor-practitioner~~), it may be necessary for that ~~auditor-practitioner~~ to gain access to the ~~audit~~-working papers of the associate's or joint venture's ~~practitioner~~auditor. Unless specifically provided for in the ~~auditor's-practitioner's~~ contract of appointment with the associate or joint venture, the ~~auditors-practitioners~~ of the associate or joint venture parties may not be legally entitled to such access. However, to assist the ~~auditor-practitioner~~ of an investor or joint venturer ~~party~~, access may be granted at the discretion of all the relevant parties to the associate or joint venture and the associate's or joint venture's ~~auditor-practitioner~~ by completing and exchanging Example Letters A in Appendix 1. The practitioner's client consent prior to granting access is obtained in these circumstances and the Example Letter C in Appendix 1 sets out the matters that are ordinarily addressed.

¹⁸ Under the relevant provisions of Section 199A, Corporations Act 2001.

Granting Access to Prospective Purchasers, Investors or Lenders

Basis for Granting Access

~~41.~~ 44. Owners of an entity seeking to sell their investment, or entities seeking further equity or loan funding from third parties, often believe their objectives might be facilitated by requesting the entity's ~~auditor/practitioner~~ to make available their ~~audit~~ working papers to third parties. ~~As such a request potentially exposes an auditor to significant legal risk, The auditor/practitioner should~~ may consider the following matters before deciding whether to grant access to audit working papers for this purpose necessitates the following matters be considered by the auditor before access is given:

- (a) whether to obtain legal advice; and
- (b) ~~ensuring~~ the auditor/practitioner's client and third parties, to whom access is to be given, confirm and acknowledge, in favour of the ~~auditor/practitioner~~:
 - (i) that no representation is made about the accuracy or completeness of the ~~audit~~ working papers or any additional information provided in connection with that access, or of any individual amounts, accounts, balances, transactions or disclosures, or the accuracy or completeness of other information included in the ~~audit~~ working papers or any additional information;
 - (ii) that the ~~auditor/practitioner~~ is not responsible to the audit client and/or other third parties for any loss suffered in connection with access, to or use of, the audit working papers; and
 - ~~(iii)~~ that the auditor/practitioner will receive an indemnity against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding that the auditor/practitioner may suffer arising out of, or in connection with, granting access to the audit working papers and the additional information given in connection with that access.

Circumstances in Which a Practitioner can Provide Access to their Working Papers to Prospective Purchasers, Investors or Lenders

~~45.~~ Ordinarily, the statutory auditor will not allow prospective purchasers, investors or lenders access to its working papers until the assurance engagement is completed.

~~46.~~ For the purposes of this GS, the assurance engagement of an entity is complete when:

- ~~(a)~~ the directors' declaration about the financial statements¹⁹ or sustainability information; or similar representation by the entity's governing body, attached to the financial report or sustainability information, is signed; and
- ~~(b)~~ the practitioner's report on the financial report or sustainability information is signed.

¹⁹ As required by Section 295, Corporations Act 2001.

Granting Access to Internal Audit Working Papers in an Outsourced Internal Audit Arrangement

~~42.~~ 47. When the internal audit function of an entity is outsourced to an internal audit provider, or where personnel from the internal audit provider are seconded to an internal audit client, and the audit working papers belong to the internal audit provider, the ~~external auditor/practitioner~~ may seek access to the entity's internal audit working papers to gain an understanding of relevant internal auditing activities that are relevant to the ~~audit or review of the financial report~~ assurance engagement. In such circumstances, the following matters may be considered:

- (a) the ~~external auditor/practitioner~~ seeking access to the internal auditor's audit working papers needs to comply with the requirements and guidance in ~~Auditing Standard ASA 610—Considering the Work of Internal Audit~~ or ASSA 5000. This includes acknowledging that an understanding of the audit client's internal control structure and subsequent assessment of audit risk, gained from the review of the internal auditor's ~~audit~~ working papers, are based solely on the ~~external auditor/practitioner~~'s professional judgement; and
- (b) generally, internal audit working papers prepared by an internal audit provider will not be released for review by the ~~external auditor/practitioner~~ until after the related internal audit report is finalised and/or has been tabled with the Audit Committee (or equivalent governing body), subject to the terms of the outsourcing arrangement.

Granting Access to Audit Working Papers by Regulators

~~43.~~ — An auditor is required to produce, or give access to their audit working papers when:

- (a) — legally requested to do so pursuant to the issue of a subpoena, search warrant or court order or pursuant to discovery obligations during court proceedings; or
- (b) — required by a regulator such as ASIC, APRA and the ATO, under relevant legislative provisions.

~~44.~~ — Regulators may seek to access an auditor's audit working papers when, for example, they are undertaking:

- (a) — an investigation of an alleged or suspected contravention of the relevant legislation by the auditor's client; or
- (b) — compliance related surveillance activities concerning legislative obligations or monitoring of industry wide issues that affect the auditor's client.

~~45.~~ — If under the relevant legislation regulatory authorities seek access to audit working papers, the auditor's statutory obligations under normal circumstances will override common law or professional responsibilities to respect the confidentiality of the client. The level of access granted by the auditor will need to be in accordance with the requirements of the relevant legislation.

~~46.~~ — When a regulator requests an auditor to provide access to their audit working papers, the request is normally made on a formal basis, by issuing a written notice under the legislation. The notice typically sets out for example, the nature of the matter to be investigated, to whom and when audit working papers are required to be made available and a description of the specific audit working papers to be provided.

~~47.~~ — When regulators, pursuant to their legal/regulatory powers, require access to audit working papers, auditors would normally, subject to legal advice and internal firm requirements, undertake the following procedures:

- (a) — inform the client, or former client that a request for audit working papers concerning the audit client's engagement has been made and the purpose for which access is required, except where such disclosure is prohibited by law;

- ~~(b) — consult their legal counsel;~~
- ~~(c) — where appropriate, and in consultation with the client, inform the regulator seeking access to their audit working papers that certain audit working papers may not be accessed, because they are the subject of client legal professional privilege (see paragraph); and~~
- ~~(d) — maintain a written record of action taken to comply with the regulator's request, as well as a list of the audit working papers provided pursuant to such request; and~~
- ~~(e) — ensure the regulator provides a written receipt for all audit working papers accessed.~~

Reviewing the ~~Audit~~ Working Papers of a Predecessor ~~Auditor~~Practitioner

48. ~~A-When a practitioner is newly appointed to perform an assurance engagement under the Act (or other applicable legislation), they have a statutory responsibility to report on the financial report or sustainability report of the entity for the year of appointment. The financial report may be affected by account balances carried forward from the prior period, and the sustainability report may include comparative information previously reported on by the predecessor practitioner. Accordingly, the successor practitioner will need to form a view about whether the opening balances are fairly stated in accordance with ASA 510 Initial Audit Engagements – Opening Balances, or whether comparative sustainability information is required and appropriately presented in accordance with ASSA 5000. To support these determinations, the successor practitioner may seek recently appointed auditor (successor auditor) of an entity which requires an audit in accordance with the Act has a statutory responsibility to report on the financial report of the entity in the year of appointment pursuant to the provisions of the Act (or other relevant legislation). The financial report on which the successor auditor reports is affected by the account balances carried forward from the previous reporting period on which the predecessor auditor issued an audit report. Consequently, the successor auditor will need to form a view about whether the opening balances for the year are fairly stated in accordance with Auditing Standard ASA 510 Initial Engagements – Opening Balances. It is for this purpose access to the predecessor auditor’s practitioner’s audit working papers may be obtained. The auditor’s practitioner’s client consent prior to granting access is considered essential in these circumstances and the Example Letter C in Appendix 1 sets out the matters that are ordinarily addressed.~~

Appropriate Procedures

- 48.49. Where the predecessor ~~auditor~~practitioner agrees to provide the successor ~~auditor~~practitioner access to the ~~auditor~~practitioner’s ~~audit~~ working papers, such access ordinarily involves an exchange of letters between the two ~~auditor~~practitioners. Example Letter E in Appendix 1 sets out the matters ordinarily addressed, though amendments may be required to reflect circumstances specific to the engagement.

Appendix 1

EXAMPLE LETTER A: ~~PRACTITIONER'S TERMS AND CONSENT FOR ACCESS OF A CONTROLLED ENTITY'S AUDITOR FOR ACCESS TO THE AUDIT WORKING PAPERS BY ANOTHER PRACTITIONER BY THE CONTROLLING ENTITY'S AUDITOR~~

The following example letter can be tailored to specific circumstances where ~~the a external auditor practitioner is asked by another practitioner to review their working papers of a controlling entity is seeking to review the audit working papers of the external auditor of the controlled entity for an audit or review of a financial report prepared under the Corporations Act 2001.~~ It can also be tailored for entities subject to other statutory requirements. A client consent letter (Example Letter C) ~~is~~ may be required to be obtained before this letter can be provided.

~~Auditor~~ Practitioner's Letterhead

[Date]

(Reviewing ~~Auditor~~ Practitioner)

[Address]

Dear [Reviewing ~~Insert controlling entity's Practitioner's~~ auditor's name]

You have asked for access to our ~~audit~~ working papers of the [type of statutory audit assurance engagement] of [name of ~~controlled entity~~ component or entity] for the year ended [date] (the "Audit Working Papers") ~~under section 323B of the Corporations Act 2001²⁰ or relevant law or regulation~~ in connection with your ~~statutory~~ [type of assurance engagement] audit of [name of ~~entity or controlling entity~~ group] for the year ended [financial date ~~year end for controlling entity~~]. You have also asked us to answer any questions you may have in relation to the ~~Audit~~ Working Papers ("Additional Information"). Your request for Working Papers and Additional Information is set out in your [instructions or request] dated [date] (the "Instructions" or "Request").

This letter sets out the terms on which we are prepared to grant you access to the ~~Audit~~ Working Papers and to provide you with the Additional Information. You acknowledge and agree that:

1. You may only use the ~~Audit~~ Working Papers and Additional Information in connection with your [type of assurance engagement] audit of [name of ~~entity or controlling entity~~ group] for the year ended [date ~~financial year end for controlling entity~~].
2. You will make a request for any Additional Information in writing.
3. Our work was performed and the ~~Audit~~ Working Papers were prepared in connection with our role as the ~~statutory auditor/practitioner~~ of [insert name of ~~controlled entity~~ component or entity] for the year ended [insert date ~~year end~~] and in accordance with your [Instructions or Request]. Our work was not performed for any-for no other purpose.
4. You are responsible for concluding whether oOur ~~Audit~~ Working Papers ~~or-and~~ any Additional Information ~~may not be~~ is sufficient or appropriate for your purpose. In performing our statutory [type of assurance engagement] audit of [insert name of ~~controlled entity~~ component or entity] we may not have addressed matters in which you [or the entity or controlling entity group] may be interested or which may be material to you or [controlling entity ~~the entity or group~~].
5. The ~~Audit~~ Working Papers and ~~any~~ Additional Information relate to the periods specified within the Working Papers and Additional Information, ended [insert date]. Events may have occurred since that date which may impact on the information contained in the ~~Audit~~ Working Papers, Additional Information or your ~~statutory~~ [type of assurance engagement]

²⁰ Applicable for a request made by the controlling entity's auditor to the controlled entity's auditor

- ~~audit of [name of entity or controlling entity group]. To the extent permitted by law, access to our audit working papers will not be made available until the audit of [name of controlled entity] is completed.~~
6. To the maximum extent permitted by law ~~[(including subject to the Corporations Act 2001 and Australian Auditing Standards or Standards on Sustainability Assurance)]~~, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with your access to or use of the ~~Audit~~ Working Papers or any Additional Information.
7. The ~~Audit~~ Working Papers and any Additional Information are confidential information and must be treated as such by you. ~~They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.~~
8. We reserve the right to withhold any information from the ~~Audit~~ Working Papers which is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our ~~Audit~~ Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records and any other information that is confidential to us, or is the subject of legal professional privilege.
- ~~8.9.~~ We reserve the right to withhold any information from the Working Papers which is restricted by legislation in Australia and/or the jurisdiction of which access is provided.
9. In accordance with ~~[(Australian Auditing Standards or Auditing Standard ASA 600 Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors) or Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance Engagements], Using the Work of Another Auditor]~~, you have sole responsibility for the opinion expressed on the ~~[entity or group] [consolidated financial report or sustainability information] of [controlling entity name of entity or group] for the year ended [insert date].~~
- 10.
11. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions

~~10. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.~~

~~11.~~ 12. In accordance with [Australian Auditing Standards or Auditing Standard ASA 600 Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors) or Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance Engagements] ASA 600 Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors), you will, subject to legal and professional considerations, bring to our attention any matters of which you are aware that might have an important bearing on our [type of assurance engagement] audit of [name of controlled entity component or entity].

Please acknowledge that you accept these terms by signing dating and returning this letter to us at [insert address].

Yours faithfully

[Signature of Partner Practitioner]

[Type of Assurance Engagement and Name of Component or Entity] Auditor of Controlled Entity]

We accept the terms ~~on~~under which access to the ~~Audit~~ Working Papers and Additional Information ~~is to~~will be provided.

[Signature of Partner Reviewing Practitioner]

[Role and Name of entity Auditor of Controlling Entity]

[Date]

**EXAMPLE LETTER B1: ~~AUDITOR'S PRACTITIONER'S~~ TERMS AND
CONSENT FOR ACCESS TO ~~THE AUDIT~~ WORKING PAPERS BY AN
ADVISER/FIRM IN CONNECTION WITH A TRANSACTION**

The following example letter may be tailored to the specific client circumstances ~~as well as for access to audit working papers by an adviser/firm in connection with a transaction for a review engagement.~~ A client consent letter (Example Letter C) is required before this letter can be provided.

Practitioner's Letterhead

Auditor's Letterhead

[Date]

[Reviewing firm/adviser]

[~~A~~address]

Dear [Insert addressee(s)]

You, [name of reviewing firm/adviser], have asked for access to our ~~audit~~-working papers of the ~~statutory~~ [type of assurance engagement] ~~audit~~ of [name of entity] for the year ended [date] (the "~~Audit~~ Working Papers") in connection with [describe transaction] (the "Transaction"). You have also asked us to answer any questions you may have in relation to the ~~Audit~~ Working Papers ("Additional Information"). [~~N~~name of entity] has authorised us at our discretion to give you access to the ~~Audit~~ Working Papers and provide you with Additional Information. This letter sets out the terms on which we are prepared to grant you access to the ~~Audit~~ Working Papers and to provide you with any Additional Information. You acknowledge and agree that:

1. You may only use the ~~Audit~~ Working Papers and Additional Information in connection with the Transaction.
2. You will make a request for any Additional Information in writing.
3. Our work was performed and the ~~Audit~~ Working Papers were prepared in connection with our role as the ~~statutory~~ [type of assurance engagement] ~~auditor~~ of [~~insert~~ name of entity] for the year ended [~~insert~~ year end] and for no other purpose.
4. Events may have occurred since we prepared the ~~Audit~~ Working Papers, which may impact on the information contained in the ~~Audit~~ Working Papers and on the Transaction, however, we are not obliged to update our ~~Audit~~ Working Papers after the [financial report or sustainability information] has been issued.
5. In accordance with [Australian Auditing Standards or Standards on Sustainability Assurance], there are inherent limitations in an audit of a [financial report or sustainability information], accordingly our [type of assurance] ~~audit~~-report is not a guarantee that the [financial report or sustainability information] ~~financial report~~ is free of material misstatement. In undertaking the [type of assurance engagement] ~~audit~~, we exercised our professional judgement regarding for example:
 - (a) our assessment of materiality, and
 - (b) our selective testing of the data ~~being audited~~, which involves judgement about both the number of transactions ~~to be audited~~ and the areas to be tested.

This means our ~~Audit~~ Working Papers and any Additional Information may include information and conclusions that may be assessed differently by you in the context of the Transaction.

In addition, the scope of an [type of assurance engagement] audit is normally narrower than an investigation that a [reviewing firm/adviser] might undertake. Therefore, our ~~Audit~~ Working Papers or any Additional Information are subject to these limitations and may not be sufficient or appropriate for the purposes of the Transaction. You should not rely on them or treat them as such. Furthermore, the [name of entity]'s [financial report or sustainability information] financial report, our [type of assurance engagement] audit of the [financial report or sustainability information] financial report and accompanying ~~Audit~~ Working Papers, were not planned, conducted or prepared in either contemplation or for the purposes of the Transaction.

6. We make no representation about the accuracy or completeness of the ~~Audit~~ Working Papers or any Additional Information or of any individual amounts, accounts, balances, transactions or disclosures, or the accuracy or completeness of other information included in our ~~Audit~~ Working Papers or any Additional Information. Accordingly, any notations, comments and individual conclusions appearing on the ~~Audit~~ Working Papers or in any Additional Information do not stand alone, and should not be read or relied upon by you as an opinion or conclusion regarding any individual amounts, accounts, balances, transactions or disclosures. While we will provide the ~~Audit~~ Working Papers and any Additional Information in good faith, you are responsible for verifying the accuracy and completeness of anything we provide to you.
7. We reserve the right to withhold any information from the ~~Audit~~ Working Papers which is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our ~~Audit~~ Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records and any other information that is confidential to us, or is subject to legal professional privilege.
8. The ~~Audit~~ Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.
9. To the maximum extent permitted by law, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with your access to or use of the ~~Audit~~ Working Papers or any Additional Information.
10. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.
11. You, [reviewing firm/advisers], will indemnify [name of audit-assurance firm/entity], its partners, officers and employees against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding we may suffer arising out of, or in connection with a breach of clauses 1, 8 and 10 of this letter.²¹
12. You agree to release and forever discharge [name of audit-assurance firm/entity], its partners, officers and employees from, and not assert against us, any action, liability, claim, suit, demand, claims for costs or expenses or any other proceedings arising out of, or in connection with, your access to the ~~Audit~~ Working Papers and the Additional Information.
13. We reserve the right to withdraw our consent to you having access to the ~~Audit~~ Working Papers or to providing any further Additional Information at any time including if you breach any of the terms of this letter.

Please acknowledge that you accept these terms by signing, dating and returning this letter to us at [insert address].

²¹ When agreeing to provide the indemnity contained in Clause 11 of this letter, you should also consider, unless prohibited by law or regulation, obtaining a similar indemnity from the client.

Yours faithfully

[Signature of partner]

[~~Audit Assurance Firm~~Entity]

We confirm our acceptance of the terms ~~on~~under which access to the ~~Audit~~ Working Papers and Additional Information ~~is to~~will be provided.

[Signature]

[Name of Reviewing ~~Firm~~Entity/Advisers]

[Date]

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Appendix 1

EXAMPLE LETTER B2: ~~AUDITOR'S PRACTITIONER'S~~ TERMS AND CONSENT FOR ACCESS TO ~~THE AUDIT~~ WORKING PAPERS BY A PROSPECTIVE PURCHASER, INVESTOR OR LENDER IN CONNECTION WITH A TRANSACTION

The following example letter can be used to inform the prospective purchase/lender/investor of the terms on which access to ~~audit~~ working papers and ~~a~~Additional ~~i~~nformation are made available to a reviewing ~~firm~~entity/adviser in relation to a transaction. The letter may be tailored to the specific client circumstances. The letter is from the perspective that the usual practice is to allow access to the ~~audit~~ working papers and any additional information only to the reviewing ~~firm~~entity/adviser, rather than the prospective purchaser/lender/investor.²² A client consent letter (Example Letter C) is required before this can be provided.

Practitioner's Letterhead

Auditor's Letterhead

[Date]

[Prospective purchaser/investor/lender]

[Address]

[Adviser]

[Address]

Dear [Insert ~~A~~ddressee(s)]

You, [Prospective Purchaser/Investor/Lender], have asked [name of reviewing ~~firm~~entity/advisers] to seek access to our ~~audit~~ working papers of the [type of assurance engagement] ~~statutory audit~~ of [name of entity] for the year ended [date] (the "~~Audit~~ Working Papers") in connection with [describe transaction] (the "Transaction"). You have also asked us to answer any questions they may have in relation to the ~~Audit~~ Working Papers ("Additional Information").

[Name of entity] has authorised us at our discretion to give [name of reviewing ~~firm~~entity/advisers] access to the ~~Audit~~ Working Papers and provide them with Additional Information. Accordingly, this letter sets out the terms on which we are prepared to grant access to the ~~Audit~~ Working Papers and to provide any Additional Information to [name of reviewing ~~firm~~entity/advisers].

You [Prospective Purchaser/Investor/Lender] acknowledge and agree that

1. [Name of reviewing ~~firm~~entity/advisers] may only use the ~~Audit~~ Working Papers and Additional Information in connection with the Transaction.
2. [Name of reviewing ~~firm~~entity/advisers] will make a request for any Additional Information in writing.
3. Our work was performed and the ~~Audit~~ Working Papers were prepared in connection with our role as the ~~practitioner~~ ~~statutory auditor~~ of [insert name of entity] for the year ended [insert year end] and for no other purpose.

²² When it is contemplated that access to the auditor's ~~Audit~~ Working Papers will be given to an individual, firm or organisation, other than a professional assurance services (audit) firm, there is risk the party seeking access to the ~~Audit~~ Working Papers may not clearly understand the content, purpose and limitations inherent in the ~~Audit~~ Working Papers. In such circumstances, this Letter may need to be adapted to mitigate this risk.

4. Events may have occurred since we prepared the ~~Audit~~ Working Papers, which may impact on the information contained in the ~~Audit~~ Working Papers and on the Transaction, however, we are not obliged to update our ~~Audit~~ Working Papers after the financial report or sustainability information ~~financial report~~ has been issued.
5. In accordance with Australian Auditing Standards or Standards on Sustainability Assurance, there are inherent limitations in an type of assurance engagement ~~audit~~ of a financial report or sustainability information ~~financial report~~, accordingly our ~~audit~~ type of assurance report is not a guarantee that the financial report or sustainability information ~~financial report~~ is free of material misstatement. In undertaking the type of assurance engagement ~~audit~~, we exercised our professional judgement regarding for example:
- (a) our assessment of materiality, and
 - (b) our selective testing of the data ~~being audited~~, which involves judgement about both the number of transactions ~~s to be audited~~ and the areas to be tested.

This means our ~~Audit~~ Working Papers and any Additional Information may include information and conclusions that may be assessed differently by you in the context of the Transaction.

In addition, the scope of an type of assurance engagement ~~audit~~ is normally narrower than an investigation that you or a reviewing firm/entity/advisers might undertake. Therefore, our ~~Audit~~ Working Papers or any Additional Information are subject to these limitations and may not be sufficient or appropriate for the purposes of the Transaction. You should not rely on them or treat them as such. The name of entity's financial report or sustainability information ~~financial report~~, our type of assurance engagement ~~audit~~ of the financial report or sustainability information ~~financial report~~ and accompanying ~~Audit~~ Working Papers, were not planned, conducted or prepared in either contemplation or for the purposes of the Transaction.

6. We make no representation about the accuracy or completeness of the ~~Audit~~ Working Papers or any Additional Information or of any individual amounts, accounts, balances, transactions or disclosures, or the accuracy or completeness of other information included in our ~~Audit~~ Working Papers or any Additional Information. Accordingly, any notations, comments and individual conclusions appearing on the ~~Audit~~ Working Papers or in any Additional Information do not stand alone, and should not be read or relied upon by you as an opinion or conclusion regarding any individual amounts, accounts, balances, transactions or disclosures. While we will provide the ~~Audit~~ Working Papers and any Additional Information in good faith, you are responsible for verifying the accuracy and completeness of anything we provide to name of reviewing firm/entity/advisers.
7. We reserve the right to withhold any information from the ~~Audit~~ Working Papers which is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our ~~Audit~~ Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records and any other information that is confidential to us, or is subject to legal professional privilege.
8. The ~~Audit~~ Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.
9. To the maximum extent permitted by law, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with name of reviewing firm's/entity's/adviser's access to or use of the ~~Audit~~ Working Papers or any Additional Information.
10. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.

11. You, [purchaser/investor/lender], will indemnify [name of ~~audit firm~~assurance entity], its partners, officers and employees against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding we may suffer arising out of or in connection with [reviewing ~~firm's~~entity's/adviser's] access to our ~~Audit~~ Working Papers and the Additional Information or arising out of, or in connection with, a breach of clauses 8 and/or 10 of this letter.
12. You agree to release and forever discharge [name of ~~audit firm~~assurance entity], its partners, officers and employees from, and not assert against us, any action, liability, claim, suit, demand, claims for costs or expenses or any other proceedings arising out of, or in connection with, your access to the ~~Audit~~ Working Papers and the Additional Information.
13. We reserve the right to withdraw our consent to [name of reviewing ~~firm~~entity/advisers] having access to the ~~Audit~~ Working Papers or to providing any further Additional Information at any time including if you or [name of reviewing ~~firm~~entity/advisers] breach any of the terms of this letter.

Please acknowledge that you accept these terms by signing, dating and returning this letter to us at [~~insert~~address].

Yours faithfully

[Signature of Partner]

[~~Audit Firm~~Assurance Entity]

We confirm our acceptance of the terms ~~under~~on which access to the ~~Audit~~ Working Papers and Additional Information relating to the ~~statutory audit~~[type of assurance] of [name of entity] for the year ended [date] ~~is to~~will be provided to [name of reviewing ~~firm~~entity/advisers].

[Signature]

[Name of Purchaser/Investor/Lender]

[Date]

Appendix 1

EXAMPLE LETTER C: ~~AUDITOR'S~~ CLIENT CONSENT LETTER TO ALLOW ~~THIRD-ANOTHER~~ PARTY ACCESS TO THE ~~PRACTITIONER'S~~ AUDIT WORKING PAPERS

The following example letter is forwarded to the ~~auditor's-practitioner's~~ client in connection with a request by ~~another-third~~ party to access the ~~auditor's-practitioner's audit~~ working papers by:

- (a) ~~the external practitioner~~ auditor of the controlling entity, when seeking to access ~~to the audit~~ working papers of ~~the external auditor another practitioner of the controlled entity~~ for ~~the an~~ audit of a financial report or sustainability report prepared under the Corporations Act 2001 or any other assurance engagement applicable to this GS (if a release from client confidentiality has not been obtained as part of the terms of engagement);
- (a) —
- (b) a purchaser/investor, lending institution, company and/or the reviewing ~~firm~~ entity/advisers, when seeking to access the ~~audit working papers~~ working papers of the ~~external auditor/practitioner~~ in connection with a proposed transaction;
- (c) the external ~~auditor-practitioner~~ of the entity, when seeking to access the internal ~~audit working papers~~ working papers of the internal auditor where the internal audit function has been outsourced; or
- (d) a successor ~~auditor/practitioner~~, when seeking to access the ~~audit~~ working papers of the predecessor ~~auditor/practitioner~~.

Auditor's-Practitioner's Letterhead

[Date]

[Client]

[Address]

Dear [Insert ~~e~~Client contact person]

You have asked us to provide access to our ~~audit working papers~~ working papers for [See Insert 1]²³ for the year ended [date] (the "~~Audit Working Papers~~ Working Papers") to [See Insert 2]²⁴ in connection with [Insert description of purpose e.g. external audit/ transaction]. You have also requested that we answer any questions they may have in relation to the ~~Audit~~ Working Papers ("Additional Information"). This letter sets out the basis on which we are prepared to grant access to our ~~Audit~~ Working Papers and any Additional Information to [Insert 2].

²³ Insert 1 – Insert here either:
'the statutory audit of [name of controlled entity]' the audit or review of [name of entity or component]'; or 'the sustainability assurance engagement of [name of entity or component]';
'the internal audit of [name of entity]'; or
'name of entity / target company'—when in relation to a specific transaction.

²⁴ Insert 2 – Insert here either:
'name of external ~~auditor/practitioner of controlling entity~~'—when the request is ~~in relation to~~ for accessing ~~to the audit~~ working papers of the controlled entity or component or associate or joint venture or internal audit pursuant to ASA 610 Using the Work of Internal Auditors or sustainability assurance engagement pursuant to ASSA 5000 General Requirements for Sustainability Assurance Engagements;
'reviewing ~~firm~~ entity/advisers'—when the request is in relation to accessing the ~~audit~~ working papers of the entity for a proposed transaction;
'name of external auditor'—when the request is for access to the audit working papers relating to the internal audit pursuant to Auditing Standard ASA 610 Considering the Work of Internal Audit; or
'name of successor ~~auditor/practitioner~~'—when the request is for access to the ~~audit~~ working papers of the predecessor ~~auditor~~ practitioner by the successor ~~auditor/practitioner~~; or
'prospective purchaser, investor or lender'—when the request is in relation to accessing the ~~audit~~ working papers of the entity for a proposed transaction.

You acknowledge that the ~~Audit~~-Working Papers and any Additional Information relate to the work that was undertaken by [name of firm] under the terms and conditions contained in our engagement letter dated [insert date]. Accordingly, the ~~Audit~~-Working Papers (including Additional Information) and the scope of our work may not be sufficient or appropriate for the purposes for which [Insert 2] has requested access.

We agree to make the ~~Audit~~-Working Papers and any Additional Information available to [Insert 3 – Refer to Table below regarding the relevant text to be inserted]:

Insert the following text in the letter	Attach accompanying letter
'[name of external auditor/practitioner] if they sign a letter in the form attached, confirming the terms on which we are willing to provide access.'	If for the release of audit -working papers to the: (a) external auditor/practitioner of the controlling entity, attach Letter A. (b) external auditor/practitioner in relation to the internal audit working papers for the internal audit, attach Letter D. (c) newly appointed external auditor/practitioner of the client entity, attach Letter E.
'[reviewing firm/entity /advisers] if they sign a letter in the form attached, confirming the terms on which we are willing to provide access. In particular, please note clauses 5, 7 and 13 of the attached letter.'	If for the release of audit -working papers in relation to a Transaction attach Letter B1.
'[prospective purchaser, investor or lender] if they sign a letter in the form attached, confirming the terms on which we are willing to provide access. In particular, please note clauses 5, 7 and 13 of the attached letter.'	If for the release of audit -working papers in relation to a Transaction attach Letter B2.

To the maximum extent permitted by law:

- (a) we are not responsible to you or any other party for any loss you or any other party may suffer in connection with the access to or use of the ~~Audit~~-Working Papers or any Additional Information by [Insert 2].
- (b) you agree to release and forever discharge [name of audit firm] its partners, officers and employees from, and not assert against us, any action, liability, claim, suit, demand, claims for costs or other expenses or any other proceedings arising out of, or in connection with, the release of our ~~Audit~~-Working Papers and the Additional Information to [Insert 2].
- (c) you will indemnify [name of audit firm], its partners, officers and employees against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding we may suffer arising out of, or in connection with, access to the ~~Audit~~-Working Papers and any Additional Information by [Insert 2].

Please acknowledge that you agree to these terms and to the release of the ~~Audit~~-Working Papers and any Additional Information to [Insert 2] by signing, dating and returning this letter to us at [insert address].²⁵

Yours sincerely

²⁵ If vendor is not also the target company then include the following: Please also arrange for this letter to be signed on behalf of [insert target]].

[Signature of ~~Partner~~Practitioner]

[Assurance~~audit~~ Firm]

We consent to the ~~Audit~~ Working Papers and any Additional Information being made available to **[Insert 2]** and to provide any Additional Information and accept the terms set out above on which such access will be provided.

You have our consent to bill any time and other costs to us at your standard rate. I warrant that I have the necessary authority of the company to commit the company to these terms.

[Signature of Client's Authorised Officer(s)]

[Date]

Appendix 1

EXAMPLE LETTER D: INTERNAL AUDITOR'S TERMS AND CONSENT TO GRANT THE ~~ENTITY'S EXTERNAL AUDITOR PRACTITIONER~~ ACCESS TO ~~THE~~ INTERNAL AUDIT WORKING PAPERS

The following example letter can be used where the internal auditor has received a request from the entity's external ~~auditor-practitioner~~ to access their internal audit working papers which belong to the internal auditor, in connection with the external ~~auditor's-practitioner's~~ audit of the financial report or sustainability information of the entity. The internal audit working papers could relate to an assurance engagement conducted by the internal auditor or a non-assurance engagement conducted by the internal auditor (such as an agreed upon procedures engagement). This letter can be tailored to the specific client circumstances. A client consent letter (Example Letter C) is required before this letter can be provided.

Internal Auditor's Letterhead

[Date]

[Reviewing ~~Auditor~~Practitioner]

[Address]

Dear [~~Insert a~~Addressee(s)]

You have asked for access to our audit working papers of the internal audit of [name of entity]²⁶ for the year ended [date] (the "Internal Audit Working Papers"), under [Auditing Standard ASA 610 ~~Considering-Using the Work of Internal Auditors~~ or Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance Engagements] in connection with your [type of assurance engagement] ~~audit~~ of the [financial report or sustainability information] ~~financial report~~ of [name of entity] for the year ended [~~financial year end for entity~~date]. You have also asked us to answer any questions you may have in relation to the Internal Audit Working Papers ("Additional Information").

This letter sets out the terms on which we are prepared to grant you access to the Internal Audit Working Papers and to provide you with the Additional Information. You acknowledge and agree that:

1. You may only use the Internal Audit Working Papers and Additional Information in connection with your [type of assurance engagement] ~~audit~~ of [name of entity] for the year ended [date].
2. You will make a request for any Additional Information in writing.
3. Our work was performed, and the Internal Audit Working Papers were prepared, in connection with our internal audit engagement with [name of entity] for the year ended [date] and for no other purpose.
4. Our Internal Audit Working Papers or any Additional Information may not be sufficient or appropriate for your purposes and in performing our work for the internal audit of [~~insert~~ name of entity] we may not have addressed matters which you may be interested or which may be material to you.
5. The Internal Audit Working Papers and any Additional Information relate to the periods specified within the Internal Audit Working Papers. Events may have occurred since we prepared the Internal Audit Working Papers, which may impact on the information contained in the Internal Audit Working Papers and on your [type of assurance engagement] ~~statutory audit~~ of [name of entity].

²⁶ Where not an internal audit, refer to other type of engagement, as the case may be.

6. We reserve the right to withhold any information from the Internal Audit Working Papers that is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our Internal Audit Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records, and any other information that is confidential to us, or is subject to legal professional privilege.
7. To the maximum extent permitted by law, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with your access to or use of the Internal Audit Working Papers or any Additional Information.
8. The Audit Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.

In accordance with [Auditing Standard ASA 610 ~~Considering Using the Work of Internal Auditors~~ or Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance Engagements], you have sole responsibility for the [~~opinion or conclusion~~] expressed on the [~~financial report or sustainability information~~] ~~financial~~ report of [name of entity] for the year ended [insert date].

9. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.
10. You agree that, ~~in accordance with Auditing Standard ASA 610,~~ you will bring to our attention any matters of which you are aware which might have an important bearing on our internal audit of [name of entity].
11. You agree to indemnify [name of audit firm], its partners, officers and employees against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding arising out of or in connection with a breach of clauses 8 or 10 of this letter.

Please acknowledge that you accept these terms by signing, dating and returning this letter to us at [insert address].

Yours faithfully

[Signature of Partner]

[Internal auditor]

We accept the terms ~~on under~~ which access to the Internal Audit Working Papers and Additional Information ~~is to will~~ be provided.

[Signature of Partner]

[Date]

[Reviewing external ~~auditor~~ practitioner]

Appendix 1

EXAMPLE LETTER E: PREDECESSOR ~~AUDITOR'S PRACTITIONER'S~~ TERMS AND CONSENT TO ALLOW ACCESS TO ~~THE AUDIT WORKING PAPERS~~ BY THE SUCCESSOR ~~AUDITOR~~ PRACTITIONER

The following example letter can be tailored to the specific client circumstances. A client consent letter (Example Letter C) is required before this letter can be provided.

~~Auditor's~~ Practitioner's Letterhead

[Date]

[Reviewing Auditor]

[Address]

Dear [Name of newly appointed auditor]

You have asked for access to our ~~audit~~ working papers for the [type of assurance engagement] ~~statutory audit~~ of [name of entity] for the year ended [date] (the "Audit Working Papers") in connection with your appointment as the ~~statutory auditor/practitioner~~ of [name of entity] for the year ended [date]. You have also asked us to answer any questions you may have in relation to the ~~Audit~~ Working Papers ("Additional Information").

This letter sets out the terms on which we are prepared to grant you access to the ~~Audit~~ Working Papers and to provide you with the Additional Information. You acknowledge and agree that:

1. You may only use the ~~Audit~~ Working Papers and Additional Information in connection with your [type of assurance engagement] ~~audit~~ of [name of entity] for the year ended [date].
2. You will make a request for any Additional Information in writing.
3. Our work was performed and the ~~Audit~~ Working Papers were prepared in connection with our role as the ~~statutory auditor/practitioner~~ of [~~insert name of entity~~] for the year ended [~~insert year-end date~~] and for no other purpose.
4. The ~~Audit~~ Working Papers or any Additional Information may not be sufficient or appropriate for your purposes. This is because in performing our [type of assurance engagement] ~~statutory audit~~ of [~~insert name of entity~~] for the year ended [date] we may not have addressed matters in which you [or entity] may be interested or are material to you regarding [name of entity].— You therefore agree it is your responsibility to ensure compliance with applicable [Australian Auditing Standards or Standard on Sustainability Assurance], including the requirements in [Auditing Standard ASA 510 Initial Audit Engagements—Opening Balances, Auditing Standard ASA 710 Comparative Information—Corresponding Figures and Comparative Financial Reports Comparatives and Auditing Standard ASA 600 Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors) or ASSA 5000 General Requirements for Sustainability Assurance Engagements] Using the Work of Another Auditor, particularly with regard to your sole responsibility for the [opinion or conclusion] expressed on the [financial report or sustainability information] ~~financial report~~ of [~~insert name of entity~~] for the year ended [~~insert date~~].
5. The ~~Audit~~ Working Papers and any Additional Information relate to the period(s) ended [~~insert date~~].— Events may have occurred since that date which may impact on the information contained in the ~~Audit~~ Working Papers or your [type of assurance engagement] ~~statutory audit~~ of [name of entity].
6. To the maximum extent permitted by law, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with your access to or use of the ~~Audit~~ Working Papers or any Additional Information.

7. The ~~Audit~~ Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.
8. We reserve the right to withhold any information from the ~~Audit~~ Working Papers which is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our ~~Audit~~ Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records, and any other information that is confidential to us, or is subject to legal professional privilege.
9. You have sole responsibility for any **[opinion or conclusion]** expressed, or any advice you give **[name of entity]** on the **[financial report or sustainability information]** ~~financial report~~ of **[entity]** for the year ended **[insert date]** or any other period.
10. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.
11. Please acknowledge that you accept these terms by signing, dating and returning this letter to us at **[insert address]**.

Yours faithfully

[Signature of Partner]

[Predecessor ~~firm~~auditor]

We accept the terms ~~on~~ under which access to the ~~Audit~~ Working Papers and Additional Information ~~is to~~ will be provided.

Signature of Partner]

[Successor ~~auditor~~ practitioner of entity]

[Date]

DRAFT

GS 011
(November 2025)

Guidance Statement GS 011

Providing Access to Working Papers

Issued by the **Auditing and Assurance Standards Board**



Australian Government

Auditing and Assurance Standards Board

Obtaining a Copy of this Guidance Statement

This Guidance Statement is available on the Auditing and Assurance Standards Board (AUASB) website: www.auasb.gov.au

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Important Note

Guidance Statements are developed and issued by the AUASB to provide guidance to practitioners on the application of AUASB Standards and, where relevant, legislation, regulation or other authoritative publication, to assist assurance providers to comply with Standards. Guidance Statements are intended to assist assurance practitioners in applying an existing standard or standards of general application to particular circumstances or specialised industries/sectors.

Guidance Statements are designed to provide guidance to practitioners to achieve the objective(s) of the assurance engagement. Accordingly, Guidance Statements refer to, and are written in the context of a specific AUASB Standard(s); and where relevant, legislation, regulation or other authoritative publication. Guidance Statements are not aimed at providing guidance covering all aspects of the assurance engagement.

Guidance Statements, whilst formally approved and issued by the AUASB, do not establish new principles or amend existing standards. Guidance Statements therefore do not include any additional requirements or extend or vary the existing requirements of any AUASB Standards and are not legally enforceable.

Guidance Statement GS 011 *Providing Access to Working Papers* provides guidance to practitioners on establishing and agreeing the conditions under which third parties and group practitioners are voluntarily granted access to their working papers. It is not a substitute for compliance with relevant AUASB Standard(s).

This Guidance Statement is provided for informational purposes only and should not be relied upon as legal or professional advice. Practitioners should conduct their own evaluation and, where necessary, obtain independent legal advice regarding any relevant aspects before making decisions based on this Guidance Statement. The AUASB makes no representations or warranties regarding the suitability of the information contained herein. The AUASB expressly disclaims any liability for any loss or damage arising from reliance on this Guidance Statement.

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AUTHORITY STATEMENT

The Auditing and Assurance Standards Board (AUASB) formulates Guidance Statement GS 011 *Providing Access to Working Papers* pursuant to section 227B of the *Australian Securities and Investments Commission Act 2001*, for the purposes of providing guidance on auditing and assurance matters.

This Guidance Statement provides guidance to assist auditors and other practitioners to achieve the objective(s) of an assurance engagement. It includes explanatory materials on specific matters for the purposes of understanding and complying with AUASB Standards. The auditor or practitioner exercises professional judgement when using this Guidance Statement.

This Guidance Statement does not prescribe or create new requirements.

Dated: 12 November 2025

D Niven
Chair - AUASB

GUIDANCE STATEMENT GS 011

Providing Access to Working Papers

Application

1. This Guidance Statement (GS) has been formulated by the Auditing and Assurance Standards Board (AUASB) to provide guidance to practitioners regarding requests for access to working papers relating to:
 - (a) an audit or review of a financial report in accordance with the *Corporations Act 2001* (the Act);
 - (b) an audit or review of a financial report, or complete set of financial statements, for any other purpose;
 - (c) an audit or review of other historical financial information;
 - (d) other assurance engagements; and
 - (e) an audit or review of information in a sustainability report in accordance with the Act, or for any other purpose.
2. This GS also applies, as appropriate, to requests regarding access to a practitioner's internal audit working papers under an entity's internal audit outsourcing arrangement. The AUASB is considering the approach to sharing documents where there are separate auditors (i.e. audit firms, authorised audit companies or individual auditors) for the financial report and sustainability report, and the value chain for sustainability purposes. In the meantime, the guidance in this GS may be relevant by analogy.
3. For the purpose of this GS, the term 'assurance engagement(s)' refers to engagements to which this GS applies. The term 'practitioner(s)' refers to those responsible for conducting the assurance engagement.

Issuance Date

4. This GS is issued in November 2025 by the AUASB and replaces GS 011 *Third Party Access to Audit Working Papers* issued in April 2009.

Introduction

5. This GS provides guidance to practitioners when establishing and agreeing the conditions under which a practitioner voluntarily grants third parties and group practitioners access to the practitioner's working papers. Working papers are prepared to meet the documentation requirements of applicable Australian Auditing Standards, Standards on Assurance Engagements and Standards on Sustainability Assurance.¹ The protocols outlined in this GS follow consultation with practitioners, and are on the basis of a willingness by practitioners to co-operate in providing access to their working papers to another party in certain circumstances.
6. The protocols in this GS endeavour to promote cooperation when access to a practitioner's working papers is requested. Working papers are the practitioner's property, and they may, at their discretion, grant, decline or restrict access (subject to regulatory, legislative or other legal requirements). Each request to access working papers is decided on its merits. A practitioner might, for example, exercise their discretion to restrict or decline access to their working papers when their assurance engagement fees are outstanding, or if litigation has commenced

¹ See Australian Auditing Standard ASA 230 *Audit Documentation* (paragraph 8) or [ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information](#), or Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (paragraphs 69-71) as applicable.

or is threatened (unless the practitioner becomes compelled to produce working papers in connection with that litigation).

7. Regulators may also, pursuant to legislative requirements, request access to working papers. When access to working papers is required by a regulator, the practitioner provides access in accordance with the requirements of the relevant legislation.

Definitions

8. For the purposes of this GS the following items have the meanings attributed below:
- (a) Assurance file – One or more folders or other storage media, in physical or electronic form, containing the records that comprise the documentation for a specific assurance engagement that contains the working papers as defined in (l) below, and those other documents that are excluded for the purposes of allowing access, see paragraph 9.
 - (b) Component practitioner – A firm that performs assurance work related to a component for purposes of the sustainability assurance engagement, and the practitioner is able to be sufficiently and appropriately involved in that work.²
 - (c) Component auditor – An auditor who performs audit work related to a component for purposes of the group audit. A component auditor is part of the engagement team for a group audit.³
 - (d) Group financial report – A financial report that includes the financial information of more than one entity or business unit through a consolidation process. For purpose of this GS, a consolidation process includes:
 - (i) Consolidation, proportionate consolidation, or an equity method of accounting;
 - (ii) The presentation in a combined financial report of the financial information of entities or business units that have no parent but are under common control or common management; or
 - (iii) The aggregation of the financial information of entities or business units such as branches or divisions.⁴
 - (e) Group assurance engagement – Includes an engagement for the audit or review of a group financial report and engagement for assurance on group sustainability information.
 - (f) Group practitioner – The group auditor of the group financial report or the assurance practitioner over group sustainability information.
 - (g) Group sustainability information – Sustainability information that includes the sustainability information of more than one entity or business unit.
 - (h) Internal audit function – A function of an entity that performs assurance and consulting activities designed to evaluate and improve the effectiveness of the entity's governance, risk management and internal control processes.
 - (i) Internal auditors – Those individuals who perform the activities of the internal audit function. Internal auditors may belong to an internal audit department or equivalent function, outsourcing entity or co-sourced from both internal and out-sourced resources.

² See ASSA 5000 *General Requirements for Sustainability Assurance Engagements* paragraph 18.

³ See ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)* paragraph 14(c).

⁴ See ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)* paragraph 14(k).

- (j) Internal audit provider – A third party practitioner contracted to provide internal audit services to an entity.
 - (k) Regulators – May include the Australian Securities and Investments Commission (ASIC), the Australian Prudential Regulation Authority (APRA) or the Australian Taxation Office (ATO).
 - (l) Working papers – contained within an assurance file may include:
 - (i) audit or review working papers;
 - (ii) documents or any other records of information, produced or acquired by a practitioner (whether from the client or another party) during an assurance engagement that are used, or developed, to undertake the assurance engagement and fulfil the practitioner's responsibilities under that assurance engagement;
 - (iii) copies of documents, records or schedules produced by the client and utilised by the practitioner to undertake an assurance engagement;
 - (iv) internal documents and records created or developed by the practitioner to perform or support any audit or audit-based procedures undertaken or conclusion derived from these documents, such as memorandums, external correspondence with the client or another party, and final reports;
 - (v) work programs (other than those considered proprietary by the firm); and
 - (vi) for an internal audit engagement – the internal audit working papers.
9. For the purposes of this GS, the following documents and information which are ordinarily contained in an assurance file, do not form part of the practitioner's working papers defined in paragraph 8(l) that are normally provided to another party when access is requested:
- (a) The practitioner's internal budgeting documents concerning costing or billing records for the audit client;
 - (b) Internal staffing-related documents for the engagement and any incidental personnel records or information about the engagement team;
 - (c) Documents or information that are subject to legal professional privilege;
 - (d) Information subject to other legislative requirements, for example, those governing privacy; and
 - (e) Proprietary work programs (e.g. client acceptance checklists and internal firm independence review checklists).
- The information contained in working papers can be in any form, including handwritten data, text, image or audio, and may be stored electronically or in hard copy.
10. For the purposes of this GS, documents or information included in the assurance file may be subject to "legal professional privilege" because an assurance client, or relevant laws or regulations, at the time it was originally provided, required that such information or working paper be legally privileged. An example is legal advice regarding litigation against the assurance client, as provided by its legal counsel. Paragraphs 28-31 of this GS contain further discussion related to legal professional privilege.

Guidance

Circumstances When Requests for Access Are Made

11. The table below outlines:

Guidance Statement GS 011 *Providing Access to Working Papers*

- (a) Common circumstances when requests for access to a practitioner's working papers may arise and when requests for access to an internal audit provider's working papers may arise;
- (b) Specific paragraphs in this GS that could be considered in deciding whether access may be granted; and
- (c) The example letter(s) practitioners may use for each specific circumstance listed.

Circumstances	Relevant Guidance Statement Paragraph	Example Letters in Appendix 1
1. Group Assurance Engagement When a group practitioner wishes to review the working papers of another practitioner in connection with a group assurance engagement. The practitioner may consider whether it is necessary to establish conditions for access to the working papers.	32-42	Letter A Letter C
2. Prospective Purchaser, Investor or Lender When a third party adviser to a prospective purchaser, investor or lender of the practitioner's client wishes to review the working papers to obtain information to assist them advise their client about a transaction.	44-46	Letter B1 Letter B2 Letter C
3. Predecessor/Successor Practitioner When an entity's newly appointed practitioner (successor practitioner) wants to consider the predecessor practitioner's working papers in connection with the next assurance engagement on the entity.	48-49	Letter E Letter C
4. Internal Audit Where the internal audit function is outsourced to an internal audit provider and the entity's practitioner wants to review the entity's internal working papers belonging to the internal audit provider in connection with an assurance engagement.	47	Letter C Letter D
5. Access to working papers of an entity that is neither a controlled entity nor a component. When a practitioner wishes to review the working papers of another practitioner of an entity that is neither a controlled entity nor a component, in connection with an assurance engagement.	43	Letter A Letter C

General Considerations Applicable to all Requests for Access to Working Papers

- 12. Certain matters need to be considered when a practitioner receives a request for access to working papers. They include:
 - (a) client confidentiality requirements concerning access to working papers;
 - (b) risk of legal claims resulting from allowing access and appropriate legal protection to mitigate that risk, such as indemnities that may be required (depending on the circumstances governing the request including the form of the release, waiver or indemnity);
 - (c) the appropriate sequence of indemnities between the practitioner, the practitioner's client and any other parties;
 - (d) how and when the practitioner grants access to their working papers, including having regard to whether the engagement is complete;
 - (e) whether the working papers contain documents or information that are subject to legal professional privilege, which may not form part of the working papers to be accessed by other parties; and

- (f) the practitioner's policies and procedures regarding requests for access to working papers.
- 13. The guidance provided in this GS is general in nature and needs to be adapted to the specific client or other circumstances faced by the practitioner.

Client Confidentiality

- 14. Before the practitioner grants a party access to working papers, the client's consent is necessary to ensure the practitioner complies with their common law duty of confidentiality to the client, as well as applicable professional ethical standards on confidentiality⁵ and any contractual undertakings that the practitioner may have given to the client. Unless consent is given, preferably in writing, the practitioner cannot voluntarily grant access to another party unless required by law to do so.
- 15. When access to working papers is required by a regulator, the practitioner (unless prohibited by the terms of the regulator) needs to consider informing their client that access is being sought and will be granted in accordance with legislative requirements.
- 16. The letter of consent required from the client needs to be signed by a person(s) appropriately authorised to legally bind the client. If the client wishes to give consent under a power of attorney, the practitioner considers whether it is necessary to sight the power of attorney document.

Client Indemnity

External Practitioner

- 17. Whenever the practitioner's client, or any third party, seeks access to working papers, the practitioner may consider obtaining from the client and any third party (as the case may be) an indemnity against any liability which arises as a result of that access.
- 18. Regard should be given to any to any restrictions on obtaining an indemnity. For example, among other matters, a company cannot under the Act⁶ indemnify its auditor from a liability to the company or a related body corporate incurred in the capacity of being the company's auditor. Indemnities cannot cover certain pecuniary penalties or acts other than in good faith.

Internal Auditor

- 19. The internal audit function of a practitioner's client may be undertaken by employees of the entity, or, might be outsourced to an internal audit provider. Where the internal audit services are outsourced to an internal audit provider, the opportunity for the practitioner to access the internal audit working papers of the internal audit provider will depend on who "owns" such working papers. Normally, the letter of engagement between the client and the internal audit provider specifies who "owns" internal audit working papers.
- 20. When the internal audit working papers are "owned" by the client, a consent letter to access the internal audit working papers is not required. Nonetheless, prior to allowing access, the internal audit provider or the client may request the practitioner to acknowledge that their access is subject to their obligations to comply with the requirements of Australian Auditing Standard ASA 610 *Using the Work of Internal Auditors* (ASA 610) or Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000). When the internal auditor's working papers are owned by the internal audit provider:
 - (a) The internal audit provider would ordinarily first require consent from its client before granting access to its working papers to the practitioner. Refer to Example Letter C in Appendix 1 for an example client consent letter.
 - (b) Once the internal audit provider has obtained the signed client consent letter, it would then request the practitioner to provide a signed request letter to access the internal

⁵ See Compiled APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, issued by the Accounting Professional & Ethical Standards Board Limited.

⁶ See Section 199A, *Corporations Act 2001*.

audit work papers. Refer to Example Letter D in Appendix 1 for an example of this letter.

See paragraph 47 for additional considerations related to granting access to internal audit working papers.

Indemnities from Other Parties

21. The working papers which form part of an assurance engagement are ordinarily prepared for the sole purpose of the assurance engagement. Their preparation is for the sole purpose of documenting and supporting the practitioner's conclusions. Consequently, the working papers may not be suitable for any intended use by another party, as the scope and nature of the other party's needs were not known by the practitioner, and thus, did not form part of the scope of the assurance engagement.
22. Access to the working papers by third parties or group practitioners, without receipt of appropriate releases, indemnities and/or waivers of reliance, could place the practitioner at risk of a legal claim by the third party or group practitioner based on the results of their access to the working papers. Accordingly, it would not be prudent for the practitioner to grant such access to their working papers, unless the practitioner has:
 - (a) obtained the client's consent letter; and
 - (b) agreed terms of access with the third party or group practitioner in writing, including appropriate releases and/or indemnities.
23. If access is provided to working papers, in most cases the letter of consent includes an express disclaimer of reliance and exclusion of liability.
24. The Example Letters in Appendix 1 incorporate a suggested form of release, indemnity and waiver of reliance that a practitioner ordinarily seeks when responding to a request to access their working papers.
25. The Example Letters in Appendix 1 are designed to facilitate access to the practitioner's working papers when access is sought by another party. The Example Letters record the agreed basis on which a practitioner may be prepared to provide access to their working papers to another party's agent. The practitioner might consider whether to deny access to the other party's agent if a letter is not executed and obtained from the other party and their agent.

Practitioner's Control Over Access to Working Papers

26. A practitioner may decide to allow limited access to some of their working papers and inform the third party or group practitioner that certain working papers have been omitted.
27. When access to working papers is granted, the practitioner controls how access is to be administered. Ordinarily, the practitioner may:
 - (a) agree on the format (electronic or hard copy) with the other party in which access to the working papers will be provided. The practitioner is entitled to determine the format, location and type of access including, for example, monitored remote virtual access, so as not to place at risk the confidentiality of any of their proprietary audit software and methodologies, as well as other clients' confidential information.
 - (b) agree on and control the extent of access to original working papers granted to the other party.
 - (c) oversee the physical inspection of working papers;
 - (d) request that any questions arising from the examination of the working papers be put in writing. The practitioner's response may be restricted to matters in the working papers, rather than for example, answering questions of a general nature or matters concerning events subsequent to the reporting period covered by the assurance engagement; and
 - (e) not permit making copies of working papers without specific consent. When permission to make copies of working papers is granted, the practitioner ordinarily:
 - (i) maintains control over which working papers can be copied;

- (ii) reviews all working papers that are to be copied, prior to making them available to the third party;
- (iii) retains a record of which working papers have been copied; and
- (iv) considers what (if any) charge is to be made for the cost of making copies of the requested working papers.

Legal Professional Privilege

- 28. In undertaking an assurance engagement, the practitioner might access or incorporate within their assurance file confidential communications made between, or confidential documents prepared by, the client and their legal counsel(s). When the dominant purpose of these communications is for the client's legal counsel to provide legal advice to the client or where the documents have been created in contemplation of existing or anticipated legal proceedings, the communications may be subject to legal professional privilege.
- 29. Documents or information included in the assurance file that are subject to legal professional privilege are owned by the client and not the practitioner. When granting access to working papers is being contemplated, the practitioner needs to consider obtaining legal advice from its own legal counsel as to how to deal with documents or information that may be subject to legal professional privilege. A client also ought to have an opportunity to review all documents and information that are to be produced so that the client can assess whether a claim for legal professional privilege will be made in relation to specified documents.
- 30. The following are example communications, documents and information that may attract legal professional privilege:
 - (a) Correspondence between the client and their legal advisers for the dominant purpose of giving or receiving legal advice, or for use in existing or anticipated litigation, that has been provided to the practitioner for the assurance engagement;
 - (b) Opinions from the legal counsel, and associated billing costs (including details of legal costs), where such information would disclose the nature of the advice sought or given;
 - (c) Correspondence between the practitioner and the client's legal counsel; or
 - (d) Documents that incorporate the types of documents listed (a) to (c) above.
- 31. If any of the documents or information listed in paragraph 30 above are contained in the working papers, or if the practitioner is in any doubt about whether any client communications, documents or information are subject to legal professional privilege, the practitioner notifies their client in accordance with paragraph 29 above. In these circumstances, the practitioner might also need to consult with their own legal counsel in order to correctly identify the status of communications and documents that could potentially be the subject of legal professional privilege.

Granting Access to a Group Practitioner

Basis for Granting Access – Group Assurance Engagements

- 32. Under ASA 600 a group engagement partner is required to take overall responsibility for managing and achieving quality on the group audit.⁷ A practitioner who performs audit work related to a component for the purposes of a group audit under ASA 600 is a component auditor and is part of the engagement team. The group engagement partner is required to have sufficient and appropriate involvement in the work of component auditors and takes responsibility for the nature, timing and extent of direction and supervision of component auditors and the review of their work. The group engagement partner of a controlling entity has a duty to form an opinion on various matters as may be required by laws or regulations, such as the Act (or other relevant statutory requirements) regarding the audit of a group

⁷ See ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)*.

financial report. There may also be circumstances when the practitioner may be engaged to perform a non-statutory audit of a group financial report.

33. If the group auditor requests access to the component auditors working papers, the component auditor considers whether it is necessary to establish and agree the conditions under which a group auditor is granted access to their working papers.
34. Under ASSA 5000 the engagement leader for assurance over group sustainability information may request access to the component practitioner's working papers. The component practitioner considers whether it is necessary to establish and agree the conditions under which the group engagement leader is granted access to their working papers.

Relevant Factors to Consider – Corporations Act Engagement - Controlled Entities

35. For an audit or review of consolidated financial statements or group sustainability information conducted under the Act, the practitioner of a controlled entity must allow the group auditor of the controlling entity access to the controlled entity's books and must give the auditor of the controlling entity any information, explanation or assistance required, for the purposes of the audit or review.⁸ The meaning attaching to these statutory requirements may not be precise, as there is no judicial or statutory authority about what is meant by the words "information, explanation or assistance". The Act does not specify that the external auditor of the controlling entity has a statutory right to inspect the working papers of the auditor of the controlled entity. Nonetheless, the auditor of a controlled entity ordinarily endeavours to be open and frank with the auditor of the controlling entity and seeks to ensure compliance with any reasonable request by the auditor of the controlling entity to discharge their responsibilities under the Act.

Relevant Factors to Consider – Component Auditor or Component Practitioner

36. ASA 600 requires the group auditor to confirm with the component auditor that they will co-operate with the group auditor. Such agreement of co-operation may facilitate any reasonable request by the group auditor for access to component working papers.
37. For non-Corporations Act engagements, the auditor of a controlled entity is ordinarily expected to co-operate with reasonable requests from the group auditor of the for access to its working papers. Practitioners should apply ASA 600 or ASSA 5000, as applicable, and consider appropriate terms of access, including appropriate releases and/or indemnities, where access is voluntary.

Providing Access to the Working Papers of the Component Auditor, Component Practitioner or Controlling Entity

38. The terms of engagement may include a release of client confidentiality in order for the component auditor or component practitioner (herein, the 'component practitioner') to provide working papers to the group practitioner. In the absence of a release of client confidentiality in the terms of engagement, the component practitioner obtains a release of client confidentiality and may issue Example Letter C to the component practitioner's client.
39. Ordinarily, the group auditor will issue instructions to the component practitioner. The instructions issued by the group auditor may set out the nature, timing and extent of working papers requested from the auditor of the controlled entity or component practitioner. It is expected that communications between the group practitioner and component practitioners take place at appropriate times throughout the group assurance engagement.⁹
40. The following guidance is also relevant regarding access to working papers by the group auditor:
 - (a) When access to working papers is permitted during the assurance engagement, it may be prudent to inform the group auditor that the assurance work or accompanying working papers may not reflect significant events or matters which are material to the assurance engagement at the date when access is agreed. This communication ought to also contain the extent to which the component entity's practitioner has any obligation

⁸ See Sections 323A and 323B of the *Corporations Act 2001*.

⁹ See Auditing Standard ASA 600 *Special Considerations-Audits of a Group Financial Report (Including the Work of Component Auditors)*

or responsibility to update the working papers or inform the reviewing practitioner of information obtained subsequent to the date access is provided.

- (b) Requests by the group auditor for progress reports, advice on or information on the assurance engagement of the component entity are best made in writing, detailing specific matters on which a response is sought, and requesting the component practitioner to respond in writing.
41. Notwithstanding some uncertainty about the working papers access obligations of an auditor of a controlled entity under the Act¹⁰, the practitioner may determine whether it is necessary to establish and agree conditions under which the auditor of the controlling entity is granted access to their working papers. When the auditor of a controlled entity determines it is necessary to establish and agree conditions, Example Letter A in Appendix 1 identifies the basis upon which the component auditor may make working papers available to the group auditor. Example Letter A in Appendix 1 may be completed and exchanged between both auditors, before access is granted by the auditor of a controlled entity to their working papers. The auditor of controlled entity should only provide access to working papers if the controlled entity agrees to the terms of access set out in Example Letter C in Appendix 1.
42. When access to working papers is granted, for assurance engagements under ASA 600 or ASSA 5000; and the Act, the controlling entity cannot release or indemnify the auditor of the controlled entity under the Act's relevant provisions.¹¹ Where the auditor of the controlled entity gives assistance or information to the auditor of the controlling entity more than is required by the Act, the auditor of the controlled entity could seek a release and an indemnity from the auditor of the controlling entity (and arguably from the controlling entity itself). Any release or indemnity referred to in this paragraph must extend to liability that arises through access to working papers, other files maintained by the auditor and their audit staff.

Access to Audit Working Papers of the Associate or Joint Venture Auditor (not under ASA 600)

43. When an assurance client has an investment in an associate or is one of the parties in a joint venture, the assurance client's practitioner may seek access to the working papers belonging to the practitioner of the associate or joint venture. In this context, issues similar to those related to access to working papers of the auditor of a controlled entity or component by the group auditor (discussed above) will need to be considered. Normally, audit arrangements are outlined in the joint venture agreement, wherein one practitioner is appointed to audit the joint venture. Audit arrangements for an associate may be outlined in a contract and/or agreement. However, as the investment in the associate or joint venture may be material to one or more of the investors or joint venturers (whose financial report may be audited by another practitioner), it may be necessary for that practitioner to gain access to the working papers of the associate's or joint venture's practitioner. Unless specifically provided for in the practitioner's contract of appointment with the associate or joint venture, the practitioners of the associate or joint venture parties may not be legally entitled to such access. However, to assist the practitioner of an investor or joint venturer, access may be granted at the discretion of all the relevant parties to the associate or joint venture and the associate's or joint venture's practitioner by completing and exchanging Example Letters A in Appendix 1. The practitioner's client consent prior to granting access is obtained in these circumstances and the Example Letter C in Appendix 1 sets out the matters that are ordinarily addressed.

Granting Access to Prospective Purchasers, Investors or Lenders

Basis for Granting Access

44. Owners of an entity seeking to sell their investment, or entities seeking further equity or loan funding from third parties, often believe their objectives might be facilitated by requesting the entity's practitioner to make available their working papers to third parties. The practitioner may consider the following matters before deciding whether to grant access to working papers for this purpose:
- (a) whether to obtain legal advice; and

¹⁰ See Section 323B, *Corporations Act 2001*.

¹¹ Under the relevant provisions of Section 199A, *Corporations Act 2001*.

- (b) ensuring the practitioner's client and third parties, to whom access is to be given, confirm and acknowledge, in favour of the practitioner:
 - (i) that no representation is made about the accuracy or completeness of the working papers or any additional information provided in connection with that access, or of any individual amounts, accounts, balances, transactions or disclosures, or the accuracy or completeness of other information included in the working papers or any additional information;
 - (ii) that the practitioner is not responsible to the audit client and/or other third parties for any loss suffered in connection with access, to or use of, the audit working papers; and
 - (iii) that the practitioner will receive an indemnity against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding that the practitioner may suffer arising out of, or in connection with, granting access to the working papers and the additional information given in connection with that access.

Circumstances in Which a Practitioner can Provide Access to their Working Papers to Prospective Purchasers, Investors or Lenders

- 45. Ordinarily, the statutory auditor will not allow prospective purchasers, investors or lenders access to its working papers until the assurance engagement is completed.
- 46. For the purposes of this GS, the assurance engagement of an entity is complete when:
 - (a) the directors' declaration about the financial statements¹² or sustainability information; or similar representation by the entity's governing body, attached to the financial report or sustainability information, is signed; and
 - (b) the practitioner's report on the financial report or sustainability information is signed.

Granting Access to Internal Audit Working Papers in an Outsourced Internal Audit Arrangement

- 47. When the internal audit function of an entity is outsourced to an internal audit provider, or where personnel from the internal audit provider are seconded to an internal audit client, and the audit working papers belong to the internal audit provider, the practitioner may seek access to the entity's internal audit working papers to gain an understanding of relevant internal auditing activities that are relevant to the assurance engagement. In such circumstances, the following matters may be considered:
 - (a) the practitioner seeking access to the internal auditor's audit working papers needs to comply with the requirements and guidance in ASA 610 or ASSA 5000. This includes acknowledging that an understanding of the audit client's internal control structure and subsequent assessment of audit risk, gained from the review of the internal auditor's working papers, are based solely on the practitioner's professional judgement; and
 - (b) generally, internal audit working papers prepared by an internal audit provider will not be released for review by the practitioner until after the related internal audit report is finalised and/or has been tabled with the Audit Committee (or equivalent governing body), subject to the terms of the outsourcing arrangement.

Reviewing the Working Papers of a Predecessor Practitioner

- 48. When a practitioner is newly appointed to perform an assurance engagement under the Act (or other applicable legislation), they have a statutory responsibility to report on the financial report or sustainability report of the entity for the year of appointment. The financial report may be affected by account balances carried forward from the prior period, and the sustainability report may include comparative information previously reported on by the predecessor practitioner. Accordingly, the successor practitioner will need to form a view about whether the opening balances are fairly stated in accordance with ASA 510 *Initial Audit*

¹² As required by Section 295, *Corporations Act 2001*.

Engagements – Opening Balances, or whether comparative sustainability information is required and appropriately presented in accordance with ASSA 5000. To support these determinations, the successor practitioner may seek access to the predecessor practitioner's working papers. The practitioner's client consent prior to granting access is considered essential in these circumstances and the Example Letter C in Appendix 1 sets out the matters that are ordinarily addressed.

Appropriate Procedures

49. Where the predecessor practitioner agrees to provide the successor practitioner access to the practitioner's working papers, such access ordinarily involves an exchange of letters between the two practitioners. Example Letter E in Appendix 1 sets out the matters ordinarily addressed, though amendments may be required to reflect circumstances specific to the engagement.

EXAMPLE LETTER A: PRACTITIONER'S TERMS AND CONSENT FOR ACCESS TO WORKING PAPERS BY ANOTHER PRACTITIONER

The following example letter can be tailored to specific circumstances where a practitioner is asked by another practitioner to review their working papers. It can also be tailored for entities subject to other statutory requirements. A client consent letter (Example Letter C) may be required to be obtained before this letter can be provided.

Practitioner's Letterhead

[Date]

(Reviewing Practitioner)

[Address]

Dear [Reviewing Practitioner's name]

You have asked for access to our working papers of the [type of assurance engagement] of [name of component or entity] for the year ended [date] (the "Working Papers") [under section 323B of the Corporations Act 2001¹³ or relevant law or regulation] in connection with your [type of assurance engagement] of [name of entity or group] for the year ended [date]. You have also asked us to answer any questions you may have in relation to the Working Papers ("Additional Information"). Your request for Working Papers and Additional Information is set out in your [instructions or request] dated [date] (the "Instructions" or "Request").

This letter sets out the terms on which we are prepared to grant you access to the Working Papers and to provide you with the Additional Information. You acknowledge and agree that:

1. You may only use the Working Papers and Additional Information in connection with your [type of assurance engagement] of [name of entity or group] for the year ended [date].
2. You will make a request for any Additional Information in writing.
3. Our work was performed and the Working Papers were prepared in connection with our role as the practitioner of [name of component or entity] for the year ended [date] and in accordance with your [Instructions or Request]. Our work was not performed for any other purpose.
4. You are responsible for concluding whether our Working Papers and any Additional Information is sufficient or appropriate for your purpose. In performing our [type of assurance engagement] of [name of component or entity] we may not have addressed matters in which you [or the entity or group] may be interested or which may be material to you or [the entity or group].
5. The Working Papers and Additional Information relate to the periods specified within the Working Papers and Additional Information. Events may have occurred since that date which may impact on the information contained in the Working Papers, Additional Information or your [type of assurance engagement] of [name of entity or group].
6. To the maximum extent permitted by law [including subject to the Corporations Act 2001 and Australian Auditing Standards or Standards on Sustainability Assurance], we are not responsible to you or any other party for any loss you or any other party may suffer in connection with your access to or use of the Working Papers or any Additional Information.
7. The Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.
8. We reserve the right to withhold any information from the Working Papers which is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the

¹³ Applicable for a request made by the controlling entity's auditor to the controlled entity's auditor

right to remove files from our Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records and any other information that is confidential to us, or is the subject of legal professional privilege.

9. We reserve the right to withhold any information from the Working Papers which is restricted by legislation in Australia and/or the jurisdiction of which access is provided.
10. In accordance with [**Australian Auditing Standards or Auditing Standard ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)* or Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements***], you have sole responsibility for the opinion expressed on the [**entity or group**] [**financial report or sustainability information**] of [**name of entity or group**] for the year ended [**date**].
11. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions
12. In accordance with [**Australian Auditing Standards or Auditing Standard ASA 600 *Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)* or Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements***], you will, subject to legal and professional considerations, bring to our attention any matters of which you are aware that might have an important bearing on our [**type of assurance engagement**] of [**name of component or entity**].

Please acknowledge that you accept these terms by signing dating and returning this letter to us at [**insert address**].

Yours faithfully

[Signature of Practitioner]

[Type of Assurance Engagement and Name of Component or Entity]

We accept the terms under which access to the Working Papers and Additional Information will be provided.

[Signature of Reviewing Practitioner]

[Role and Name of entity]

[Date]

EXAMPLE LETTER B1: PRACTITIONER'S TERMS AND CONSENT FOR ACCESS TO WORKING PAPERS BY AN ADVISER/FIRM IN CONNECTION WITH A TRANSACTION

The following example letter may be tailored to the specific client circumstances for access to working papers by an adviser/firm in connection with a transaction. A client consent letter (Example Letter C) is required before this letter can be provided.

Practitioner's Letterhead

[Date]

[Reviewing firm/adviser]

[Address]

Dear [Insert addressee(s)]

You, [name of reviewing firm/adviser], have asked for access to our working papers of the [type of assurance engagement] of [name of entity] for the year ended [date] (the "Working Papers") in connection with [describe transaction] (the "Transaction"). You have also asked us to answer any questions you may have in relation to the Working Papers ("Additional Information"). [Name of entity] has authorised us at our discretion to give you access to the Working Papers and provide you with Additional Information. This letter sets out the terms on which we are prepared to grant you access to the Working Papers and to provide you with any Additional Information. You acknowledge and agree that:

1. You may only use the Working Papers and Additional Information in connection with the Transaction.
2. You will make a request for any Additional Information in writing.
3. Our work was performed and the Working Papers were prepared in connection with our role as the [type of assurance engagement] of [name of entity] for the year ended [year end] and for no other purpose.
4. Events may have occurred since we prepared the Working Papers, which may impact on the information contained in the Working Papers and on the Transaction, however, we are not obliged to update our Working Papers after the [financial report or sustainability information] has been issued.
5. In accordance with [Australian Auditing Standards or Standards on Sustainability Assurance], there are inherent limitations in an audit of a [financial report or sustainability information], accordingly our [type of assurance] report is not a guarantee that the [financial report or sustainability information] is free of material misstatement. In undertaking the [type of assurance engagement], we exercised our professional judgement regarding for example:
 - (a) our assessment of materiality, and
 - (b) our selective testing of the data, which involves judgement about both the number of transactions and the areas to be tested.

This means our Working Papers and any Additional Information may include information and conclusions that may be assessed differently by you in the context of the Transaction.

In addition, the scope of an [type of assurance engagement] is normally narrower than an investigation that a [reviewing firm/adviser] might undertake. Therefore, our Working Papers or any Additional Information are subject to these limitations and may not be sufficient or appropriate for the purposes of the Transaction. You should not rely on them or treat them as such. Furthermore, the [name of entity]'s [financial report or sustainability information], our [type of assurance engagement] of the [financial report or sustainability information] and accompanying Working Papers, were not planned, conducted or prepared in either contemplation or for the purposes of the Transaction.

Guidance Statement GS 011 *Providing Access to Working Papers*

6. We make no representation about the accuracy or completeness of the Working Papers or any Additional Information or of any individual amounts, accounts, balances, transactions or disclosures, or the accuracy or completeness of other information included in our Working Papers or any Additional Information. Accordingly, any notations, comments and individual conclusions appearing on the Working Papers or in any Additional Information do not stand alone, and should not be read or relied upon by you as an opinion or conclusion regarding any individual amounts, accounts, balances, transactions or disclosures. While we will provide the Working Papers and any Additional Information in good faith, you are responsible for verifying the accuracy and completeness of anything we provide to you.
7. We reserve the right to withhold any information from the Working Papers which is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records and any other information that is confidential to us, or is subject to legal professional privilege.
8. The Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.
9. To the maximum extent permitted by law, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with your access to or use of the Working Papers or any Additional Information.
10. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.
11. You, **[reviewing firm/advisers]**, will indemnify **[name of assurance entity]**, its partners, officers and employees against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding we may suffer arising out of, or in connection with a breach of clauses 1, 8 and 10 of this letter.¹⁴
12. You agree to release and forever discharge **[name of assurance entity]**, its partners, officers and employees from, and not assert against us, any action, liability, claim, suit, demand, claims for costs or expenses or any other proceedings arising out of, or in connection with, your access to the Working Papers and the Additional Information.
13. We reserve the right to withdraw our consent to you having access to the Working Papers or to providing any further Additional Information at any time including if you breach any of the terms of this letter.

Please acknowledge that you accept these terms by signing, dating and returning this letter to us at **[insert address]**.

Yours faithfully

[Signature of partner]

[Assurance Entity]

We confirm our acceptance of the terms under which access to the Working Papers and Additional Information will be provided.

[Signature]

[Name of Reviewing Entity/Advisers]

[Date]

¹⁴ When agreeing to provide the indemnity contained in Clause 11 of this letter, you should also consider, unless prohibited by law or regulation, obtaining a similar indemnity from the client.

EXAMPLE LETTER B2: PRACTITIONER'S TERMS AND CONSENT FOR ACCESS TO WORKING PAPERS BY A PROSPECTIVE PURCHASER, INVESTOR OR LENDER IN CONNECTION WITH A TRANSACTION

The following example letter can be used to inform the prospective purchase/lender/investor of the terms on which access to working papers and additional information are made available to a reviewing entity/adviser in relation to a transaction. The letter may be tailored to the specific client circumstances. The letter is from the perspective that the usual practice is to allow access to the working papers and any additional information only to the reviewing entity/adviser, rather than the prospective purchaser/lender/investor.¹⁵ A client consent letter (Example Letter C) is required before this can be provided.

Practitioner's Letterhead

[Date]

[Prospective purchaser/investor/lender]

[Address]

[Adviser]

[Address]

Dear [Addressee(s)]

You, [Prospective Purchaser/Investor/Lender], have asked [name of reviewing entity/advisers] to seek access to our working papers of the [type of assurance engagement] of [name of entity] for the year ended [date] (the "Working Papers") in connection with [describe transaction] (the "Transaction"). You have also asked us to answer any questions they may have in relation to the Working Papers ("Additional Information").

[Name of entity] has authorised us at our discretion to give [name of reviewing entity/advisers] access to the Working Papers and provide them with Additional Information. Accordingly, this letter sets out the terms on which we are prepared to grant access to the Working Papers and to provide any Additional Information to [name of reviewing entity/advisers].

You [Prospective Purchaser/Investor/Lender] acknowledge and agree that

1. [Name of reviewing entity/advisers] may only use the Working Papers and Additional Information in connection with the Transaction.
2. [Name of reviewing entity/advisers] will make a request for any Additional Information in writing.
3. Our work was performed and the Working Papers were prepared in connection with our role as the practitioner of [name of entity] for the year ended [year end] and for no other purpose.
4. Events may have occurred since we prepared the Working Papers, which may impact on the information contained in the Working Papers and on the Transaction, however, we are not obliged to update our Working Papers after the [financial report or sustainability information] has been issued.
5. In accordance with [Australian Auditing Standards or Standards on Sustainability Assurance], there are inherent limitations in an [type of assurance engagement] of a [financial report or sustainability information], accordingly our [type of assurance] report is not a guarantee that the [financial report or sustainability information] is free of material

¹⁵ When it is contemplated that access to the auditor's Working Papers will be given to an individual, firm or organisation, other than a professional assurance services (audit) firm, there is risk the party seeking access to the Working Papers may not clearly understand the content, purpose and limitations inherent in the Working Papers. In such circumstances, this Letter may need to be adapted to mitigate this risk.

misstatement. In undertaking the **[type of assurance engagement]**, we exercised our professional judgement regarding for example:

- (a) our assessment of materiality, and
- (b) our selective testing of the data, which involves judgement about both the number of transactions and the areas to be tested.

This means our Working Papers and any Additional Information may include information and conclusions that may be assessed differently by you in the context of the Transaction.

In addition, the scope of an **[type of assurance engagement]** is normally narrower than an investigation that you or a **[reviewing entity/advisers]** might undertake. Therefore, our Working Papers or any Additional Information are subject to these limitations and may not be sufficient or appropriate for the purposes of the Transaction. You should not rely on them or treat them as such. The **[name of entity]**'s **[financial report or sustainability information]**, our **[type of assurance engagement]** of the **[financial report or sustainability information]** and accompanying Working Papers, were not planned, conducted or prepared in either contemplation or for the purposes of the Transaction.

- 6. We make no representation about the accuracy or completeness of the Working Papers or any Additional Information or of any **[individual amounts, accounts, balances, transactions or disclosures]**, or the accuracy or completeness of other information included in our Working Papers or any Additional Information. Accordingly, any notations, comments and individual conclusions appearing on the Working Papers or in any Additional Information do not stand alone, and should not be read or relied upon by you as an opinion or conclusion regarding any **[individual amounts, accounts, balances, transactions or disclosures]**. While we will provide the Working Papers and any Additional Information in good faith, you are responsible for verifying the accuracy and completeness of anything we provide to **[name of reviewing entity/advisers]**.
- 7. We reserve the right to withhold any information from the Working Papers which is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records and any other information that is confidential to us, or is subject to legal professional privilege.
- 8. The Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.
- 9. To the maximum extent permitted by law, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with **[name of reviewing entity's/adviser's]** access to or use of the Working Papers or any Additional Information.
- 10. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.
- 11. You, **[purchaser/investor/lender]**, will indemnify **[name of assurance entity]**, its partners, officers and employees against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding we may suffer arising out of or in connection with **[reviewing entity's/adviser's]** access to our Working Papers and the Additional Information or arising out of, or in connection with, a breach of clauses 8 and/or 10 of this letter.
- 12. You agree to release and forever discharge **[name of assurance entity]**, its partners, officers and employees from, and not assert against us, any action, liability, claim, suit, demand, claims for costs or expenses or any other proceedings arising out of, or in connection with, your access to the Working Papers and the Additional Information.
- 13. We reserve the right to withdraw our consent to **[name of reviewing entity/advisers]** having access to the Working Papers or to providing any further Additional Information at any time including if you or **[name of reviewing entity/advisers]** breach any of the terms of this letter.

Please acknowledge that you accept these terms by signing, dating and returning this letter to us at **[address]**.

Yours faithfully

Guidance Statement GS 011 *Providing Access to Working Papers*

[Signature of Partner]

[Assurance Entity]

We confirm our acceptance of the terms under which access to the Working Papers and Additional Information relating to the **[type of assurance]** of **[name of entity]** for the year ended **[date]** will be provided to **[name of reviewing entity/advisers]**.

[Signature]

[Name of Purchaser/Investor/Lender]

[Date]

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EXAMPLE LETTER C: CLIENT CONSENT LETTER TO ALLOW ANOTHER PARTY ACCESS TO THE PRACTITIONER'S WORKING PAPERS

The following example letter is forwarded to the practitioner's client in connection with a request by another party to access the practitioner's working papers by:

- (a) *a practitioner, when seeking access to the working papers of another practitioner for an audit of a financial report or sustainability report prepared under the Corporations Act 2001 or any other assurance engagement applicable to this GS (if a release from client confidentiality has not been obtained as part of the terms of engagement);*
- (b) *a purchaser/investor, lending institution, company and/or the reviewing entity/advisers, when seeking to access the working papers of the practitioner in connection with a proposed transaction;*
- (c) *the external practitioner of the entity, when seeking to access the internal working papers of the internal auditor where the internal audit function has been outsourced; or*
- (d) *a successor practitioner, when seeking to access the working papers of the predecessor practitioner.*

Practitioner's Letterhead

[Date]

[Client]

[Address]

Dear **[Client contact person]**

You have asked us to provide access to our working papers for **[See Insert 1]¹⁶** for the year ended **[date]** (the "Working Papers") to **[See Insert 2]¹⁷** in connection with **[description of purpose e.g. external audit/ transaction]**. You have also requested that we answer any questions they may have in relation to the Working Papers ("Additional Information"). This letter sets out the basis on which we are prepared to grant access to our Working Papers and any Additional Information to **[Insert 2]**.

You acknowledge that the Working Papers and any Additional Information relate to the work that was undertaken by **[name of firm]** under the terms and conditions contained in our engagement letter dated **[date]**. Accordingly, the Working Papers (including Additional Information) and the scope of our work may not be sufficient or appropriate for the purposes for which **[Insert 2]** has requested access.

We agree to make the Working Papers and any Additional Information available to **[Insert 3 – Refer to Table below regarding the relevant text to be inserted]**:

¹⁶ **Insert 1** – Insert here either:
'the audit or review of [name of entity or component]'; or 'the sustainability assurance engagement of [name of entity or component],
'the internal audit of [name of entity]', or
'name of entity / target company'—when in relation to a specific transaction.

¹⁷ **Insert 2** – Insert here either:
'**name of external practitioner**—when the request is for access to the working papers of the controlled entity or component or associate or joint venture or internal audit pursuant to ASA 610 *Using the Work of Internal Auditors* or sustainability assurance engagement pursuant to ASSA 5000 *General Requirements for Sustainability Assurance Engagements*,
'**reviewing entity**'/advisers'—when the request is in relation to accessing the working papers of the entity for a proposed transaction,
'**name of successor practitioner**'—when the request is for access to the working papers of the predecessor practitioner by the successor practitioner, or
'**prospective purchaser, investor or lender**'- when the request is in relation to accessing the working papers of the entity for a proposed transaction.

Insert the following text in the letter	Attach accompanying letter
‘ [name of external practitioner] if they sign a letter in the form attached, confirming the terms on which we are willing to provide access.’	If for the release of working papers to the: (a) external practitioner of the entity, attach Letter A. (b) external practitioner in relation to the internal audit working papers for the internal audit, attach Letter D. (c) newly appointed external practitioner of the client entity, attach Letter E.
‘ [reviewing entity/advisers] if they sign a letter in the form attached, confirming the terms on which we are willing to provide access. In particular, please note clauses 5, 7 and 13 of the attached letter.’	If for the release of working papers in relation to a Transaction attach Letter B1.
‘ [prospective purchaser, investor or lender] if they sign a letter in the form attached, confirming the terms on which we are willing to provide access. In particular, please note clauses 5, 7 and 13 of the attached letter.’	If for the release of working papers in relation to a Transaction attach Letter B2.

To the maximum extent permitted by law:

- (a) we are not responsible to you or any other party for any loss you or any other party may suffer in connection with the access to or use of the Working Papers or any Additional Information by **[Insert 2]**.
- (b) you agree to release and forever discharge **[name of audit firm]** its partners, officers and employees from, and not assert against us, any action, liability, claim, suit, demand, claims for costs or other expenses or any other proceedings arising out of, or in connection with, the release of our Working Papers and the Additional Information to **[Insert 2]**.
- (c) you will indemnify **[name of audit firm]**, its partners, officers and employees against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding we may suffer arising out of, or in connection with, access to the Working Papers and any Additional Information by **[Insert 2]**.

Please acknowledge that you agree to these terms and to the release of the Working Papers and any Additional Information to **[Insert 2]** by signing, dating and returning this letter to us at **[address]**.¹⁸

Yours sincerely

[Signature of Practitioner]

[Assurance Firm]

We consent to the Working Papers and any Additional Information being made available to **[Insert 2]** and to provide any Additional Information and accept the terms set out above on which such access will be provided.

You have our consent to bill any time and other costs to us at your standard rate. I warrant that I have the necessary authority of the company to commit the company to these terms.

[Signature of Client’s Authorised Officer(s)]

[Date]

¹⁸ If vendor is not also the target company then include the following: Please also arrange for this letter to be signed on behalf of [insert target]].

EXAMPLE LETTER D: INTERNAL AUDITOR'S TERMS AND CONSENT TO GRANT THE EXTERNAL PRACTITIONER ACCESS TO INTERNAL AUDIT WORKING PAPERS

The following example letter can be used where the internal auditor has received a request from the entity's external practitioner to access their internal audit working papers which belong to the internal auditor, in connection with the external practitioner's audit of the financial report or sustainability information of the entity. The internal audit working papers could relate to an assurance engagement conducted by the internal auditor or a non-assurance engagement conducted by the internal auditor (such as an agreed upon procedures engagement). This letter can be tailored to the specific client circumstances. A client consent letter (Example Letter C) is required before this letter can be provided.

Internal Auditor's Letterhead

[Date]

[Reviewing Practitioner]

[Address]

Dear [Addressee(s)]

You have asked for access to our audit working papers of the internal audit of **[name of entity]**¹⁹ for the year ended **[date]** (the "Internal Audit Working Papers"), under **[Auditing Standard ASA 610 Using the Work of Internal Auditors or Standard on Sustainability Assurance ASSA 5000 General Requirements for Sustainability Assurance Engagements]** in connection with your **[type of assurance engagement]** of the **[financial report or sustainability information]** of **[name of entity]** for the year ended **[date]**. You have also asked us to answer any questions you may have in relation to the Internal Audit Working Papers ("Additional Information").

This letter sets out the terms on which we are prepared to grant you access to the Internal Audit Working Papers and to provide you with the Additional Information. You acknowledge and agree that:

1. You may only use the Internal Audit Working Papers and Additional Information in connection with your **[type of assurance engagement]** of **[name of entity]** for the year ended **[date]**.
2. You will make a request for any Additional Information in writing.
3. Our work was performed, and the Internal Audit Working Papers were prepared, in connection with our internal audit engagement with **[name of entity]** for the year ended **[date]** and for no other purpose.
4. Our Internal Audit Working Papers or any Additional Information may not be sufficient or appropriate for your purposes and in performing our work for the internal audit of **[name of entity]** we may not have addressed matters which you may be interested or which may be material to you.
5. The Internal Audit Working Papers and any Additional Information relate to the periods specified within the Internal Audit Working Papers. Events may have occurred since we prepared the Internal Audit Working Papers, which may impact on the information contained in the Internal Audit Working Papers and on your **[type of assurance engagement]** of **[name of entity]**.
6. We reserve the right to withhold any information from the Internal Audit Working Papers that is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our Internal Audit Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records,

¹⁹ Where not an internal audit, refer to other type of engagement, as the case may be.

and any other information that is confidential to us, or is subject to legal professional privilege.

7. To the maximum extent permitted by law, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with your access to or use of the Internal Audit Working Papers or any Additional Information.
8. The Audit Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.

In accordance with [**Auditing Standard ASA 610 *Using the Work of Internal Auditors* or Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements***], you have sole responsibility for the [**opinion or conclusion**] on the [**financial report or sustainability information**] of [**name of entity**] for the year ended [**date**].

9. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.
10. You agree that you will bring to our attention any matters of which you are aware which might have an important bearing on our internal audit of [**name of entity**].
11. You agree to indemnify [**name of audit firm**], its partners, officers and employees against any loss, action, liability, claim, suit, demand, claim for costs or expenses or any other proceeding arising out of or in connection with a breach of clauses 8 or 10 of this letter.

Please acknowledge that you accept these terms by signing, dating and returning this letter to us at [**address**].

Yours faithfully

[Signature of Partner]

[Internal auditor]

We accept the terms under which access to the Internal Audit Working Papers and Additional Information will be provided.

[Signature of Partner]

[Date]

[Reviewing external practitioner]

EXAMPLE LETTER E: PREDECESSOR PRACTITIONER'S TERMS AND CONSENT TO ALLOW ACCESS TO WORKING PAPERS BY THE SUCCESSOR PRACTITIONER

The following example letter can be tailored to the specific client circumstances. A client consent letter (Example Letter C) is required before this letter can be provided.

Practitioner's Letterhead

[Date]

[Reviewing Auditor]

[Address]

Dear [Name of newly appointed auditor]

You have asked for access to our working papers for the [type of assurance engagement] of [name of entity] for the year ended [date] (the "Audit Working Papers") in connection with your appointment as the practitioner of [name of entity] for the year ended [date]. You have also asked us to answer any questions you may have in relation to the Working Papers ("Additional Information").

This letter sets out the terms on which we are prepared to grant you access to the Working Papers and to provide you with the Additional Information. You acknowledge and agree that:

1. You may only use the Working Papers and Additional Information in connection with your [type of assurance engagement] of [name of entity] for the year ended [date].
2. You will make a request for any Additional Information in writing.
3. Our work was performed and the Working Papers were prepared in connection with our role as the practitioner of [name of entity] for the year ended [date] and for no other purpose.
4. The Working Papers or any Additional Information may not be sufficient or appropriate for your purposes. This is because in performing our [type of assurance engagement] of [name of entity] for the year ended [date] we may not have addressed matters in which you [or entity] may be interested or are material to you regarding [name of entity]. You therefore agree it is your responsibility to ensure compliance with applicable [Australian Auditing Standards or Standard on Sustainability Assurance], including the requirements in [ASA 510 Initial Audit Engagements—Opening Balances, Auditing Standard ASA 710 Comparative Information—Corresponding Figures and Comparative Financial Reports and Auditing Standard ASA 600 Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors) or ASSA 5000 General Requirements for Sustainability Assurance Engagements], particularly with regard to your sole responsibility for the [opinion or conclusion] expressed on the [financial report or sustainability information] of [name of entity] for the year ended [date].
5. The Working Papers and any Additional Information relate to the period(s) ended [date]. Events may have occurred since that date which may impact on the information contained in the Working Papers or your [type of assurance engagement] of [name of entity].
6. To the maximum extent permitted by law, we are not responsible to you or any other party for any loss you or any other party may suffer in connection with your access to or use of the Working Papers or any Additional Information.
7. The Working Papers and any Additional Information are confidential information and must be treated as such by you. They must not be copied or used for any other purpose or disclosed or distributed to anyone (other than disclosure as required by law), without our prior written consent, which may be granted at our absolute discretion and may be subject to conditions.
8. We reserve the right to withhold any information from the Working Papers which is confidential to us. Accordingly, unless we have a legal obligation not to do so, we reserve the right to remove files from our Working Papers relating to practice management issues such as budgets, time/cost records, proprietary software, staffing records, and any other information that is confidential to us, or is subject to legal professional privilege.

Guidance Statement GS 011 *Providing Access to Working Papers*

9. You have sole responsibility for any **[opinion or conclusion]** expressed, or any advice you give **[name of entity]** on the **[financial report or sustainability information]** of **[entity]** for the year ended **[date]** or any other period.
10. You must not name us in any report or document which will be publicly available or lodged or filed with any regulator without our prior written consent, such consent will be granted at our absolute discretion and may be subject to conditions.
11. Please acknowledge that you accept these terms by signing, dating and returning this letter to us at **[address]**.

Yours faithfully

[Signature of Partner]

[Predecessor firm]

We accept the terms under which access to the Working Papers and Additional Information will be provided.

Signature of Partner]

[Successor practitioner of entity]

[Date]



AUASB Agenda Paper

Title: Amending standards AUASB 2025-8 & AUASB 2025-9

Date: 12 Nov 2025

Office of AUASB: See Wen Ewe

Agenda Item: 3.0

Objective of Agenda Item

1. The objective of this Agenda Item is to seek AUASB's approval to issue:
 - (a) AUASB 2025-8 *Amendments to AUASB Standards* and the related Explanatory Statement (see section A of this paper);
 - (b) AUASB 2025-9 *Amendments to AUASB Standards* and the related Explanatory Statement (see section B of this paper); and
 - (c) Conforming Amendments to Other AUASB Standards as a result of the revisions to the definitions of listed entity and public interest entity in the APESB Code.

Questions for AUASB members

No.	Questions
1	Do the AUASB members: (a) agree with the proposed operative date of draft AUASB 2025-8 (Agenda Paper 3.3) and approve the amending standard; and (b) the accompanying explanatory statements (Agenda Paper 3.3.1) for issue? (See section A of this paper)
2	Do AUASB members agree with the following Australian-specific amendments in AUASB 2025-9? (a) Adoption of PIE categories as identified in APESB Code (see paragraphs 17 & 18 of this paper); (b) Opinion paragraph of [Aus] Illustration 6A of ASA 570 (see paragraph 21 of this paper); and (c) Going concern diagram to be included in ASA 570 (see paragraph 22 of this paper).
3	Do AUASB members agree to exclude early adoption from all 3 projects (see paragraph 20 of this paper)?
4	Subject to any editorials that may be identified from further quality review, do AUASB members approve the following documents for issue: (a) Draft AUASB 2025-9 (Agenda Paper 3.1); (b) Explanatory Statement to AUASB 2025-9 (Agenda Paper 3.1.1); and (c) Conforming Amendments to Other AUASB Standards (Agenda Paper 3.2)?
5	Do AUASB members agree that the AUASB 2025-9 should not be re-exposed in Australia (see section D of this paper)?
6	Do AUASB members have any comments on the draft AUASB 2025-9 Basis for Conclusions (Agenda Paper 3.1.2)?

Background and Previous Discussions on Topic

2. The IAASB issued *Narrow Scope Amendments to the ISQMs, ISAs and ISRE 2400 (Revised) as a result of the Revisions to the Definitions of Listed Entity and Public Interest Entity in the IESBA Code*¹ on 1 September 2025. These narrow scope amendments to IAASB standards revise the definition of listed entity to publicly traded entity to align with the definition in the IESBA Code.
3. The narrow scope amendments (PIE Track 2):

¹ International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (including International Independence Standards)*

- (a) Adopt the same definition of publicly traded entity (PTE) in the ISQMs and ISAs as adopted in the IESBA Code, while recognising the role local standard setters and regulators play in defining PTEs for their jurisdictions.
 - (b) Incorporate an overarching objective for differential requirements for PTEs in the ISQMs and ISAs and a framework for when it may be appropriate to apply such requirements to other entities.
 - (c) Amend the applicability of the existing requirements for audits of listed entities to apply to audits of PTEs.
 - (d) Add a new requirement in ISRE 2400 (Revised) for public disclosure in the practitioner's review report when the practitioner applied independence requirements specific to reviews of financial statements of certain entities, e.g., for public interest entities.
4. Previous discussion on this topic can be found in [Agenda Item 5.3 of the 10 September 2024 meeting pack](#) and [Agenda Item 7 of the 19 February 2025 meeting pack](#).

Matters for AUASB Consideration

A. Conforming Amendments to ASRE 2410

5. ISRE 2410 is still in pre-clarity format and has not been updated for some time. Throughout the IAASB's PIE Project (Track 1 and Track 2), ISRE 2410 was excluded from the narrow scope amendments while awaiting a full revision of ISRE 2410 by the IAASB. See [Agenda Item 2.1 of the 10 September 2025 meeting pack](#) for more details.
6. However, in Australia we have stepped ahead of the IAASB and have revised ASRE 2410 to align with the auditor's report enhancements. ASRE 2410 is a legislative instrument made under s336 of the *Corporations Act 2001* and is widely used by auditors for reviews of half-yearly reports by disclosing entities. As the completion of ISRE 2410 is only expected March 2027 with a possible effective date of December 2028, the Office of the AUASB is proposing to amend ASRE 2410 as follows:
 - (a) Amendments relating to PIE Track 1 to align with ASA 700 (see [Agenda Item 6 of the 28 January 2025 meeting pack](#) for more details) via an amending standard AUASB 2025-8 for financial reporting periods commencing on or after 1 July 2025; and
 - (b) Amendments relating to PIE Track 2 via an amending standard AUASB 2025-9 together with the other PIE Track 2 amendments for financial reporting periods commencing on or after 15 December 2026.
7. The Office of the AUASB proposes flowing through the amendments in two tranches due to the different operative dates. As the amendments in PIE Track 1 are operative for financial reporting periods commencing on or after 15 December 2024, the half-year reviews for December 2025 year-ends would have concluded by now. Therefore, the Office of the AUASB proposes the operative date to be 1 July 2025 to capture the half-year reviews for June 2026 year-ends. Retrospective application of the standard is explained in the accompanying explanatory statement (see Agenda Paper 3.3.1).
8. Amendments relating to PIE Track 1 include adding a new requirement for the auditor to publicly disclose when the auditor applied independence requirements specific to **audits** of financial reports of PIEs.
9. Extant ASRE 2410 requires auditors to include in the review report that they have complied with the "relevant ethical requirements relating to the **audit** of the annual financial report". This is because the ethical requirements for an interim review under ASRE 2410 are the same as for the annual audit.
10. Part 4A of the Code relate to audit and review engagements. The Office of the AUASB considered whether to retain relating to the 'audit', or to change this to 'audit and review', or 'review'? All options are technically the same and correct.
11. Given that extant ASRE 2410 uses the term 'audit', the Office of the AUASB decided to retain the wording from extant paragraph 35(c) of ASRE 2410 and add "of public interest entities". This is to ensure that the proposed amendments in AUASB 2025-8 are consistent with both the extant ASRE 2410 wording (currently being used by auditors in Australia) and PIE Track 1 wording. This also

avoids the potential to change the wording now and again when the IAASB issues its revised ISRE 2410.

12. The NZAuASB decided at its October meeting to amend ISRE NZ 2410 to include “independence requirements specific to **audits and reviews** of financial statements...” .
13. The Process for Harmonisation with New Zealand Standards details that the joint objective of the NZAuASB and AUASB is to achieve a harmonised set of assurance standards between New Zealand and Australia. The Office of the AUASB consider there to be no difference in substance and this difference in wording and not against this objective. The wording will also be consistent with the IAASB standard.
14. As the amendments to ASRE 2410 are narrow in scope and consistent with the amendments in PIE Track 1 which were exposed in Australia in 2022, further consultation is not considered necessary.

B. Updates for past changes to accounting standards

15. The Office of the AUASB has included amendments in AUASB 2025-8 for past changes in accounting standards. AUASB 2025-8 is operative for financial reporting periods commencing on or after 1 July 2025. The amendments are:
 - (a) ASA 200 paragraph Aus 13.1 - Update the definition of a ‘complete set of financial statements’ to the current definition in AASB 101 (i.e. the change to ‘material accounting policies’, including the statement of profit and loss’ and including all seven elements of a complete set of financial statements); and
 - (b) ASA 210 and ASA 720 application paragraphs – Replace ‘IFRS’ with ‘IFRS Accounting Standards’.
16. As these amendments are narrow in scope and editorial in nature, consultation is not considered necessary.

C. PIE Track 2 amendments

Australian-specific paragraphs

17. In accordance with the AUASB Policy and Process for International Conformance and Harmonisation of Standards, international standards should only be modified if there are compelling reasons to do so. The Compelling Reason Test for modification of an international standard is triggered when the international standard does not reflect, or is not consistent with, Australian legal and regulatory arrangements, or principles and practices that are considered appropriate in maintaining or improving audit or assurance quality in Australia. Compelling reasons are further guided by the AUASB’s policy of harmonisation with the standards of the New Zealand Auditing and Assurance Standards Board (NZAuASB). Any such changes must not result in a requirement that is lesser than or in conflict with the requirements of the equivalent international standard. Any addition or modification from the international standard will be clearly marked as an Australian paragraph (“Aus” prefix). However, minor wording and spelling changes (as opposed to significant terminology changes) need not be reflected in the Australian standard as a modification to the international standard where the intent remains unchanged.
18. The following application material paragraphs are deleted and replaced by Aus paragraphs to adopt the categories of public interest entity identified in the APESB Code. The Aus paragraphs will be consistent with Australian practices and do not result in a requirement that is lesser than or in conflict with the requirements from the international standard. These changes are shown as mark-ups in Agenda Paper 3.1.
 - (a) New paragraph A5 of ASQM 1 is deleted and replaced by paragraph Aus A5.1.
 - (b) New paragraph A16 of ASA 200 is deleted and replaced by paragraph Aus A16.1.

Amendments to ASA 240

19. The IAASB made two amendments to the application material paragraphs of ISA 240 (Revised), *The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements*. The Office of the AUASB flowed through PIE Track 2 changes directly to ASA 240 which was approved by the AUASB at its October 2025 meeting.

Amendments to ASA 570

20. In the IAASB's Bases for Conclusions for ISA 570 (Revised) *Going Concern*, ISA 240 (Revised) and PIE Track 2, it was noted that if early adoption is contemplated the collective changes arising from these 3 projects should preferably be early adopted as a package, rather than on a piecemeal basis to avoid potential confusion for users. The Office of the AUASB proposes to remove the early adoption sentence for all 3 projects. As ASA 570 was approved at the May 2025 AUASB meeting, the Office of the AUASB proposes the removal of the early adoption sentence via AUASB 2025-9. The Basis for Conclusions for ASA 570 is updated to reflect this change. Although the basis for conclusions document does not require the AUASB's approval, the revised Basis for Conclusions for ASA 570 is provided in the meeting pack as Agenda Paper 3.1.3, any feedback from the AUASB is welcomed. Section 336 of the Corporations Act will still permit early adoption of the standards but it won't be highlighted in the standards.
21. The following words are proposed to be included in the opinion paragraph of [Aus] Illustration 6A:

*"In our opinion, because of the significance of the omission of the information described mentioned in the *Basis for Adverse Opinion* section of our report, the accompanying financial report of ABC Company Ltd., is not in accordance with the *Corporations Act 2001* including:*

(a) ..."

The proposed amendment is to provide consistency with [Aus] Illustration 2A of ASA 705 *Modifications to the Opinion in the Independent Auditor's Report* and to harmonise with NZAuASB's ISA (NZ) 570.
22. Stakeholder feedback on ED-ISA 570 was that the diagram in [Aus] Appendix 1 of the extant ASA 570 is very useful. Accordingly, the Office of the AUASB also proposes to include a diagram linking going concern considerations and types of audit opinions in [Aus] Appendix 2 of ASA 570.
23. As the ASAs (other than ASA 805 and ASA 810) are legislative instruments, they can only be amended by another legislative instrument. See Agenda Paper 3.1 for the draft amending standard AUASB 2025-9. Amendments to the non-legislation standards ASA 805, ASA 810 and ASRE 2400 are presented in a table format in Agenda Paper 3.2.
24. Consistent with paragraph 6(a) of this paper, conforming amendments to ASRE 2400 which are related to PIE Track 1 are proposed to apply for financial reporting periods commencing on or after 1 July 2025.

D. Basis for Conclusions

25. In accordance with the AUASB's *Due Process Framework for Developing, Issuing, and Maintaining AUASB Pronouncements and Other Publications*, a Basis for Conclusions (see Agenda Paper 3.1.2) has been prepared detailing how decisions were reached on AUASB 2025-9, including:
 - (a) Referring to the IAASB's Basis for Conclusions which outlines how the IAASB responded to comments received in submissions on its PIE Track 2 exposure draft; and
 - (b) Explain the reasons for the Australian-specific amendments (see also paragraphs 17 and 18 above).
26. While the Due Process Framework does not require the AUASB to approve the Basis for Conclusions, AUASB member feedback is welcomed.

E. Re-exposure of PIE Track 2

27. The *AUASB Due Process Framework* contains criteria for re-exposure of standards. The criteria and how they apply for the amendments relating to PIE Track 2 are summarised in the table below.

AUASB Agenda Paper

Paragraph reference	Criterion	Comments	Supports re-exposure?
72(a), 73	The nature and extent of changes to the original proposals in the ED, and whether the substance of the proposed standard has changed. See also paragraph 73 below.	In relation to these criteria: - The objectives of the project as outlined in paragraph 3 of the Basis for Conclusions (see Agenda Paper 3.1.2) have not changed. - The changes proposed to requirements and recommended practices since the PIE Track 2 ED are not so significant as to cause a major change in practice. See Agenda Item 7 of 19 February 2025 meeting board pack regarding the changes.	No
73	To determine whether proposed standard changed substantially from the ED, the Board considers whether the objectives of the project have changed or if significant new requirements or recommended practices, that would cause a major change in practice, have been introduced. Additionally: a) changes impacting on potential compelling reasons modifications to international standards adopted in Australia, are generally considered to be significant changes; b) where key elements of the exposed standard have been modified in response to comments received on exposure to clarify and enhance understanding, re-exposure is generally not required as long as the Board considers the key elements of the ED have been retained; c) matters relating to the structure or presentation of a standard will typically not warrant re-exposure. The more extensive and/or fundamental the changes to the original ED and current practice are, the more likely it is that the revisions to the ED will have a significant impact on Australian stakeholders and that the proposals therefore should be exposed for a second time.	- The key elements of the ED have been retained. - Respondents to the February 2024 AUASB Consultation Paper Exposure of the IAASB's Proposed Narrow Scope Amendments to: <i>International Standards on Quality Management;</i> <i>International Standards on Auditing; and</i> <i>International Standard on Review Engagements 2400 (Revised), Engagements to Review Historical Financial Statements</i> <i>as a Result of the Revisions to the Definitions of Listed Entity and Public Interest Entity in the IESBA Code</i> overall supported for the adoption of the definitions of PIE and “publicly traded entity” to be adopted in Australia. - All of the areas of change proposed by the IAASB were public at the time of the AUASB Consultation Paper.	No
72(b)	The nature and extent of new substantive issues not considered during the initial consultation;	See above.	No
72(c)	For international equivalent standards, whether there are unique factors in Australia driving re-exposure (ensuring that any re-exposure does not conflict	None.	No

Paragraph reference	Criterion	Comments	Supports re-exposure?
	with the AUASB's policy of convergence to international standards).		
72(e)	The nature and extent of input from stakeholders and whether: i. further consultation with those stakeholders is required; or ii. additional consultation is necessary with key stakeholders who have not had the opportunity to provide feedback on the proposed standard	None.	No
72(d)	Whether any persuasive or significant new evidence has been identified which may impact recommended changes to the proposed standard.	We are not aware of any such evidence.	No
74	The impact of delaying implementation due to re-exposure against the relative urgency and importance of any additional changes to a proposed standard. The Board considers the additional steps it has taken to consult with stakeholders since issuing the ED and whether using committees or targeted consultation could provide the Board with information to support a decision to finalise a revised draft without re-exposure. The Board considers whether any implementation support, for example, the issuance of additional non-authoritative implementation guidance material or staff FAQs would address concerns.	Not applicable.	No

28. Having regard to the above, it is recommended that AUASB 2025-9 is not re-exposed in Australia.
29. The Office of Impact Analysis has advised that an Impact Analysis is not required for AUASB 2025-9.

Collaboration with NZAuASB

30. The Office of the AUASB worked closely with NZAuASB staff in developing the Going Concern diagram which was presented to the NZAuASB at their October meeting. The diagram will be issued in a separate guidance document in NZ but will be included in an appendix to ASA 570 (see paragraph 22 above).
31. The Office of the AUASB also engaged with NZAuASB staff regarding the PIE Track 1 and PIE Track 2 changes. The NZAuASB staff is proposing not to adopt IAASB's definition for publicly traded entities as the extant differential requirements already apply to entities with a higher level of public accountability under the *New Zealand Financial Markets Conduct Act 2013* (FMC Act) and it is considered that the international standards allow the use of a local criterion. Apart from this difference due to local regulatory requirements, the proposals in AUASB 2025-8 and AUASB 2025-9 are harmonised with the NZAuASB staff proposals.

Next steps

32. Subject to the AUASB's approval of AUASB 2025-8 and AUASB 2025-9, the Office of the AUASB will perform a further quality review of the documents for editorials and lodge AUASB 2025-8 and AUASB 2025-9 for the Federal Register of Legislation. The compilation work for AUASB 2025-8 will commence shortly. However, the compilation work for AUASB 2025-9 will be performed together

with compilation work for consequential amendments relating to ASA 570 and ASA 240 due to the same operative date.

Materials presented

Agenda paper	Description
3.1	Draft AUASB 2025-9 <i>Amendments to AUASB Standards</i>
3.1.1	Draft AUASB 2025-9 Explanatory Statement
3.1.2	Draft basis for conclusions – AUASB 2025-9
3.1.3	Revised basis for conclusions – ASA 570 (for information only)
3.2	Draft Conforming Amendments to Other AUASB Standards
3.3	Draft AUASB 2025-8 <i>Amendments to AUASB Standards</i>
3.3.1	Draft AUASB 2025-8 Explanatory Statement

AUASB 2025-9
(November 2025)

AUASB 2025-9

Amendments to AUASB Standards

Issued by the Auditing and Assurance Standards Board

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Australian Government

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PREFACE

Reasons for Issuing AUASB 2025-9

The AUASB issues AUASB 2025-9 *Amendments to AUASB Standards* pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*, as amended (ASIC Act). Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislation Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council (FRC), the AUASB is required, inter alia, to develop auditing standards that have a clear public interest focus and are of the highest quality.

Main Features

This Standard makes amendments to the requirements, application and other explanatory material and appendices of the following AUASB Standards:

ASQM 1	<i>Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements</i> (Issued 10 March 2021 and amended to 28 January 2025)
ASQM 2	<i>Engagement Quality Reviews</i> (Issued 10 March 2021 and amended to 28 January 2025)
ASA 200	<i>Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards</i> (Issued 27 October 2009 and amended to 5 November 2021)
ASA 210	<i>Agreeing the Terms of Audit Engagements</i> (Issued 27 October 2009 and amended to 15 March 2023)
ASA 220	<i>Quality Management for an Audit of a Financial Report and Other Historical Financial Information</i> (Issued 10 March 2021 and amended to 27 April 2022)
ASA 260	<i>Communication With Those Charged with Governance</i> (Issued 1 December 2015 and amended to 28 January 2025)
ASA 265	<i>Communicating Deficiencies in Internal Control to Those Charged with Governance and Management</i> (Issued 27 October 2009 and amended to 3 March 2020)
ASA 315	<i>Identifying and Assessing the Risks of Material Misstatement</i> (Issued 6 March 2020 and amended to 27 April 2022)
ASA 510	<i>Initial Audit Engagements-Opening Balances</i> (Issued 27 October 2009 and amended to 15 March 2023)
ASA 570	<i>Going Concern</i> (Issued 14 May 2025)
ASA 600	<i>Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)</i> (Issued 13 May 2022 and amended to 16 December 2024)
ASA 700	<i>Forming an Opinion and Reporting on a Financial Report</i> (Issued 1 December 2015 and amended to 28 January 2025)
ASA 701	<i>Communicating Key Audit Matters in the Independent Auditor's Report</i> (Issued 1 December 2015 and amended to 27 April 2022)

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ASA 705	<i>Modifications to the Opinion in the Independent Auditor's Report</i> (Issued 1 December 2015 and amended to 27 April 2022)
ASA 706	<i>Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report</i> (Issued 1 December 2015 and amended to 15 March 2023)
ASA 710	<i>Comparative Information—Corresponding Figures and Comparative Financial Reports</i> (Issued 27 October 2009 and amended to 15 March 2023)
ASA 720	<i>The Auditor's Responsibilities Relating to Other Information</i> (Issued 1 December 2015 and amended to 28 January 2025)
ASA 800	<i>Special Considerations—Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks</i> (Issued 26 July 2016 and amended to 7 September 2021)
ASRE 2410	<i>Review of a Financial Report Performed by the Independent Auditor of the Entity</i> (Issued 9 June 2020 and amended to 13 December 2022)

The amendments arise from narrow scope amendments made by the International Auditing and Assurance Standards Board (IAASB) to the International Standards on Quality Management (ISQMs) and International Standards on Auditing (ISAs) as a result of the revisions to the definitions of listed entity and public interest entity in the IESBA Code. Under the Strategic Direction given to the AUASB by the Financial Reporting Council (FRC), the AUASB is required to have regard to any programme initiated by the IAASB for the revision and enhancement of the ISAs and to make appropriate consequential amendments to the Australian Auditing Standards.

AUTHORITY STATEMENT

The Auditing and Assurance Standards Board (AUASB) makes this Auditing Standard ASA 2025-9 *Amendments to AUASB Standards* pursuant to section 227B of the *Australian Securities and Investments Commission Act 2001* and section 336 of the *Corporations Act 2001*.

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Conformity with International Standards on Auditing

This Standard makes amendments to other AUASB Standards that are consistent with changes made by the International Auditing and Assurance Standards Board (IAASB) to the equivalent international standards.

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Application

1. This Standard applies to:
 - (a) an audit of a financial report for a financial year, or an audit of a financial report for a half-year, in accordance with the *Corporations Act 2001*; and
 - (b) an audit of a financial report, or a complete set of financial statements, for any other purpose.
2. This Standard also applies, as appropriate, to an audit of other historical financial information.

Operative Date

3. This Standard is operative for financial reporting periods commencing on or after 15 December 2026.

Introduction

Scope of this Auditing Standard

4. This Standard makes amendments to other AUASB Standards. The amendments arise from IAASB's narrow scope amendments to the ISQMs and ISAs as a result of the revisions to the definitions of listed entity and public interest entity in the IESBA Code.

Objective

5. The objective of this Auditing Standard is to make amendments to the following Auditing Standards:
 - (a) ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* (Issued 10 March 2021 and amended to 28 January 2025)
 - (b) ASQM 2 *Engagement Quality Reviews* (Issued 10 March 2021 and amended to 28 January 2025)
 - (c) ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards* (Issued 27 October 2009 and amended to 5 November 2021)
 - (d) ASA 210 *Agreeing the Terms of Audit Engagements* (Issued 27 October 2009 and amended to 15 March 2023)
 - (e) ASA 220 *Quality Management for an Audit of a Financial Report and Other Historical Financial Information* (Issued 10 March 2021 and amended to 27 April 2022)
 - (f) ASA 260 *Communication With Those Charged with Governance* (Issued 1 December 2015 and amended to 28 January 2025)
 - (g) ASA 265 *Communicating Deficiencies in Internal Control to Those Charged with Governance and Management* (Issued 27 October 2009 and amended to 3 March 2020)

- (h) *ASA 315 Identifying and Assessing the Risks of Material Misstatement* (Issued 6 March 2020 and amended to 27 April 2022)
- (i) *ASA 510 Initial Audit Engagements-Opening Balances* (Issued 27 October 2009 and amended to 15 March 2023)
- (j) *ASA 570 Going Concern* (Issued 14 May 2025)
- (k) *ASA 600 Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)* (Issued 13 May 2022 and amended to 16 December 2024)
- (l) *ASA 700 Forming an Opinion and Reporting on a Financial Report* (Issued 1 December 2015 and amended to 28 January 2025)
- (m) *ASA 701 Communicating Key Audit Matters in the Independent Auditor's Report* (Issued 1 December 2015 and amended to 27 April 2022)
- (n) *ASA 705 Modifications to the Opinion in the Independent Auditor's Report* (Issued 1 December 2015 and amended to 27 April 2022)
- (o) *ASA 706 Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report* (Issued 1 December 2015 and amended to 15 March 2023)
- (p) *ASA 710 Comparative Information-Corresponding Figures and Comparative Financial Reports* (Issued 27 October 2009 and amended to 15 March 2023)
- (q) *ASA 720 The Auditor's Responsibilities Relating to Other Information* (Issued 1 December 2015 and amended to 28 January 2025)
- (r) *ASA 800 Special Considerations—Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks* (Issued 26 July 2016 and amended to 7 September 2021)
- (s) *ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity* (Issued 9 June 2020 and amended to 13 December 2022)

Definition

6. For the purposes of this Standard, the meanings of terms are set out in each AUASB Standard. This Standard does not introduce new definitions.

Amendments to AUASB Standards

7. Where relevant, this Standard uses underlining, striking out and other typographical material to identify the amendments to a Standard, in order to make the amendments more understandable. However, the amendments made by this Standard do not include that underlining, striking out or other typographical material. Amended paragraphs are shown with deleted text struck through and new text underlined. Ellipses (...) are used to help provide the context within which amendments are made and also to indicate text that is not amended.
8. Where this amending standard inserts or deletes a paragraph or footnote, as a result of that insertion or deletion relevant paragraph numbers, cross-references and footnotes are updated.

Amendments to ASQM 1

9. The following paragraph 6 is inserted following existing paragraph 5:

Some of the requirements set out in the ASQMs are applicable only to audits of financial reports of publicly traded entities, reflecting significant public interest in the financial

condition of these entities due to the potential impact of their financial well-being on stakeholders. (Ref: Para. A3–A4)

10. The following paragraph 7 is inserted following the new paragraph 6:

Stakeholders have heightened expectations regarding an audit engagement for a publicly traded entity because of the significance of the public interest in the financial condition of the entity. The purpose of the requirements in the ASQMs that apply to audits of financial reports of publicly traded entities is to meet these expectations, thereby enhancing stakeholders' confidence in the entity's financial reports that can be used when assessing the entity's financial condition. (Ref: Para. A3–A7)

11. Existing paragraph Aus 10.1 is amended to read as follows:

In applying a risk-based approach, the firm is required to take into account:

- (a) ...

Accordingly, the design of the firm's system of quality management, in particular the complexity and formality of the system, will vary. For example, a firm that performs different types of engagements for a wide variety of entities, including audits of financial reports of ~~listed~~ publicly traded entities, will likely need to have a more complex and formalised system of quality management and supporting documentation, than a firm that performs only reviews of financial reports or agreed-upon procedures engagements.

12. Existing sub-paragraph 16(j) is deleted:

~~Listed entity – An entity whose shares, stock or debt are quoted or listed on a recognised stock exchange, or are marketed under the regulations of a recognised stock exchange or other equivalent body.~~

13. The following sub-paragraph 16(p) is inserted following existing paragraph Aus 16.7:

Publicly traded entity – An entity that issues financial instruments that are transferrable and traded through a publicly accessible market mechanism, including through listing on a stock exchange. A listed entity as defined by relevant securities law or regulation is an example of a publicly traded entity.

For purposes of the ASQMs:

- (i) If law, regulation or professional requirements define more explicitly a publicly traded entity in a specific jurisdiction, the firm applies that more explicit definition. For example, law, regulation or professional requirements may define publicly traded entities for purposes of defining entities that are considered public interest entities, by making reference to specific public markets for trading securities, incorporating exemptions for specific types of entities, or setting size criteria.
- (ii) When terms other than publicly traded entity are applied to entities by law, regulation or professional requirements to meet the purpose described in paragraphs 6 and 7, such terms are regarded as equivalent to “publicly traded entity”.

14. Existing paragraph 34 is amended to read as follows:

In designing and implementing responses in accordance with paragraph 26, the firm shall include the following responses: (Ref: Para. A116)

- (a) ...

- (e) The firm establishes policies or procedures that: (Ref: Para. A124–A126)

- (i) Require communication with those charged with governance when performing an audit of a financial report of ~~listed~~ publicly traded entities about how the

system of quality management supports the consistent performance of quality audit engagements; (Ref: Para. A127–A129)

- (ii) ...
 - (f) The firm establishes policies or procedures that address engagement quality reviews in accordance with ASQM 2, and require an engagement quality review for:
 - (i) Audits of financial reports of ~~listed~~ publicly traded entities;
 - (ii) ...
15. The following paragraph A3 is inserted following existing paragraph A2:

The firm may determine that there are entities other than publicly traded entities where stakeholders have heightened expectations regarding the audit engagement, reflecting significant public interest in the financial condition of those entities. Therefore, the firm may also apply one or more requirements set out in an ASQM for audits of financial reports of publicly traded entities to the audits of such other entity(ies). Paragraphs A4–A7 may be relevant in this regard.

16. The following paragraph A4 is inserted following the new paragraph A3:

The extent of public interest in the financial condition of an entity may, for example, be affected by:

- The nature of the business or activities, such as taking on financial obligations to the public as part of the entity's primary business.
- Whether the entity is subject to regulatory supervision designed to provide confidence that the entity will meet its financial obligations.
- Size of the entity.
- The importance of the entity to the sector in which it operates including how easily replaceable it is in the event of financial failure.
- Number and nature of stakeholders including investors, customers, creditors and employees.
- The potential systemic impact on other sectors and the economy as a whole in the event of financial failure of the entity.

17. The following paragraph A5 is inserted following the new paragraph A4:

[Deleted by the AUASB. Refer Aus A5.1]

Aus A5.1 Law, regulation or professional requirements, including relevant ethical requirements, may define or designate an entity(ies) as a "public interest entity" or may use terms other than "public interest entity" to describe entities in which there is a significant public interest in their financial condition. For example, the APESB Code has identified certain categories of public interest entity, including:

- A publicly traded entity*;
- An entity one of whose main functions is to take deposits from the public;

* Includes a listed entity as defined in Section 9 of the *Corporations Act 2001*.

- An entity one of whose main functions is to provide insurance to the public; or
- An entity specified as such by law, regulation or professional standards to meet the purpose described in paragraph 400.15 of the Code.

The Code provides for the categories to be more explicitly defined or added to as described in paragraphs 400.23 A1 and 400.23 A2 of the Code.

18. The following paragraph A6 is inserted following the new paragraph A5:

In addition, those responsible for setting law, regulation or professional requirements may also designate categories of "public interest entities". Depending on the facts and circumstances in a specific jurisdiction, such categories may include:

- Superannuation funds.
- Collective investment vehicles.
- Private entities with large numbers of stakeholders (other than investors).
- Not-for-profit organisations or governmental entities.
- Public utilities.

19. The following paragraph A7 is inserted following the new paragraph A6:

The firm may also consider the following factors in determining whether it may be appropriate to apply one or more requirements in an ASQM for audits of publicly traded entities to the audit of another entity(ies):

- Whether the entity is treated as a public interest entity for purposes of relevant ethical requirements, including those related to independence.
- Whether the entity is likely to become a publicly traded entity in the near future.
- Whether in similar circumstances, the firm has applied the differential requirements for publicly traded entities to other entities.
- Whether the entity has been specified as not being a publicly traded entity by law, regulation or professional requirements.
- Whether the entity or other stakeholders requested the firm to apply the differential requirements for publicly traded entities to the entity and, if so, whether there are any reasons for not meeting this request.
- The entity's corporate governance arrangements, for example, whether those charged with governance are distinct from the owners or management.
- Whether in similar circumstances, a predecessor firm has applied differential requirements for publicly traded entities to the entity.

20. Existing paragraph A128 is amended to read as follows:

ASA 260 deals with the auditor's responsibility to communicate with those charged with governance in an audit of a financial report, and addresses the auditor's determination of the appropriate person(s) within the entity's governance structure with whom to communicate²¹ and the communication process.²² In some circumstances, it may be appropriate to communicate with those charged with governance of entities other than ~~listed~~ publicly traded entities, including those where the firm determines that there is significant public interest in the financial condition of those entities (see paragraph A3) (or when performing other

engagements). Examples of such entities may include financial institutions (such as banks, insurance companies and superannuation funds) and other entities such as not-for-profit organisations, for example, entities that may have public interest or public accountability characteristics, such as:

- ~~Entities that hold a significant amount of assets in a fiduciary capacity for a large number of stakeholders including financial institutions, such as certain banks, insurance companies, and superannuation funds.~~
- ~~Entities with a high public profile, or whose management or owners have a high public profile.~~
- ~~Entities with a large number and wide range of stakeholders.~~

21. Existing paragraph A132 is amended to read as follows:

The firm uses professional judgement in determining, in the circumstances, the appropriate form of communication with the external party, including communication with those charged with governance when performing an audit of a financial report of ~~listed~~ publicly traded entities, which may be made orally or in writing. Accordingly, the form of communication may vary.

...

22. Existing paragraph A133 is amended to read as follows:

This ASQM requires an engagement quality review for audits of financial reports of publicly traded entities. Law or regulation may also include explicit requirements to perform an engagement quality review to be performed for certain entities, for example, for audit engagements for entities that:

- Are public interest entities as defined in a particular specific jurisdiction;
- ...

23. Existing paragraph A134 is amended to read as follows:

The firm's understanding of the conditions, events, circumstances, actions or inactions that may adversely affect the achievement of the quality objectives, as required by paragraph 25(a)(ii), relates to the nature and circumstances of the engagements performed by the firm. In designing and implementing responses to address one or more quality risk(s), the firm may determine that an engagement quality review is an appropriate response based on the reasons for the assessments given to the quality risks.

Examples of conditions, events, circumstances, actions or inactions giving rise to one or more quality risk(s) for which an engagement quality review may be an appropriate response

Those relating to the types of engagements performed by the firm and reports to be issued:

- ...

Those relating to the types of entities for which engagements are undertaken:

- ...

- ~~Entities other than listed entities that may have public interest or public accountability characteristics, for example:~~ Entities other than publicly traded entities if the firm determines that there is significant public interest in the financial condition of those entities (see paragraph A3) for which an engagement quality review is not otherwise required by law or regulation. Examples of such entities may include financial institutions (such as banks, insurance companies and superannuation funds) and other entities such as not-for-profit organisations.

- ~~Entities that hold a significant amount of assets in a fiduciary capacity for a large number of stakeholders including financial institutions, such as certain banks, insurance companies, and superannuation funds for which an engagement quality review is not otherwise required by law or regulation.~~
 - Entities with a high public profile, or whose management or owners have a high public profile.
 - ~~Entities with a large number and wide range of stakeholders.~~
24. Existing paragraph A151 is amended to read as follows:
- Examples of matters in paragraph 37 that may be considered by the firm in selecting completed engagements for inspection*
- In relation to the conditions, events, circumstances, actions or inactions giving rise to the quality risks:
 - The types of engagements performed by the firm, and the extent of the firm's experience in performing the type of engagement.
 - The types of entities for which engagements are undertaken, for example:
 - ◆ Entities that are ~~listed~~ publicly traded entities.
 - ◆ ...
25. Existing paragraph A166 is amended to read as follows:
- The nature, timing and extent of the procedures undertaken to understand the root cause(s) of an identified deficiency may also be affected by the nature and circumstances of the firm, such as:
- ...
- Examples of how the nature of identified deficiencies and their possible severity and the nature and circumstances of the firm may affect the nature, timing and extent of the procedures to understand the root cause(s) of the identified deficiencies*
- The nature of the identified deficiency: The firm's procedures to understand the root cause(s) of an identified deficiency may be more rigorous in circumstances when an engagement report related to an audit of a financial report of a ~~listed~~ publicly traded entity was issued that was inappropriate or the identified deficiency relates to leadership's actions and behaviours regarding quality.
 - ...

Amendments to ASQM 2

26. Existing paragraph A3 is amended to read as follows:
- The firm may assign more than one individual to be responsible for appointing engagement quality reviewers. For example, the firm's policies or procedures may specify a different process for appointing engagement quality reviewers for audits of ~~listed~~ publicly traded entities than for audits of ~~non-listed~~ other than publicly traded entities or other engagements, with different individuals responsible for each process.
27. Existing paragraph A30 is amended to read as follows:
- The nature and extent of the engagement quality reviewer's procedures for a specific engagement may depend on, among other factors:

- ...
- The nature and size of the entity, including whether the entity is a ~~listed~~ publicly traded entity.
- ...

Amendments to ASA 200

28. The following paragraph 10 is inserted following existing paragraph 9:

Some of the requirements set out in the ASAs are applicable only to audits of financial reports of publicly traded entities, reflecting significant public interest in the financial condition of these entities due to the potential impact of their financial well-being on stakeholders. (Ref: Para. A14-A15)

29. The following paragraph 11 is inserted following the new paragraph 10:

Stakeholders have heightened expectations regarding an audit engagement for a publicly traded entity because of the significance of the public interest in the financial condition of the entity. The purpose of the requirements in the ASAs that apply to audits of financial reports of publicly traded entities is to meet these expectations, thereby enhancing stakeholders' confidence in the entity's financial reports that can be used when assessing the entity's financial condition. (Ref: Para. A14-A18)

30. The following sub-paragraph 13(m) is inserted following existing paragraph 13(l):

Publicly traded entity – An entity that issues financial instruments that are transferrable and traded through a publicly accessible market mechanism, including through listing on a stock exchange. A listed entity as defined by relevant securities law or regulation is an example of a publicly traded entity.

For purposes of the ASAs:

- (i) If law, regulation or professional requirements define more explicitly a publicly traded entity in a specific jurisdiction, the auditor applies that more explicit definition. For example, law, regulation or professional requirements may define publicly traded entities for purposes of defining entities that are considered public interest entities, by making reference to specific public markets for trading securities, incorporating exemptions for specific types of entities, or setting size criteria.
- (ii) When terms other than publicly traded entity are applied to entities by law, regulation or professional requirements to meet the purpose described in paragraphs 10 and 11, such terms are regarded as equivalent to "publicly traded entity".

31. The following paragraph A14 and heading is inserted following existing paragraph A13:

Public Interest in the Financial Condition of an Entity (Ref: Para. 10-11)

The auditor may determine that there are entities other than publicly traded entities where stakeholders have heightened expectations regarding the audit engagement, reflecting significant public interest in the financial condition of those entities. Therefore, the auditor may also apply one or more requirements set out in an ASA for audits of financial reports of publicly traded entities to the audits of such other entity(ies). Paragraphs A15-A18 may be relevant in this regard.

32. The following paragraph A15 is inserted following the new paragraph A14:

The extent of public interest in the financial condition of an entity may, for example, be affected by:

- The nature of the business or activities, such as taking on financial obligations to the public as part of the entity's primary business.
- Whether the entity is subject to regulatory supervision designed to provide confidence that the entity will meet its financial obligations.
- Size of the entity.
- The importance of the entity to the sector in which it operates including how easily replaceable it is in the event of financial failure.
- Number and nature of stakeholders including investors, customers, creditors and employees.
- The potential systemic impact on other sectors and the economy as a whole in the event of financial failure of the entity.

33. The following paragraph A16 is inserted following the new paragraph A15:

[Deleted by the AUASB. Refer Aus A16.1]

Aus A16.1 Law, regulation or professional requirements, including relevant ethical requirements, may define or designate an entity(ies) as a "public interest entity" or may use terms other than "public interest entity" to describe entities in which there is a significant public interest in their financial condition. For example, the APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) has identified certain categories of public interest entity, including:

- A publicly traded entity*.
- An entity one of whose main functions is to take deposits from the public, or
- An entity one of whose main functions is to provide insurance to the public; or
- An entity specified as such by law, regulation or professional standards to meet the purpose described in paragraph 400.15 of the Code.

The Code provides for the categories to be more explicitly defined or added to as described in paragraphs 400.23 A1 and 400.23 A2 of the Code.

34. The following paragraph A17 is inserted following the new paragraph A16:

In addition, those responsible for setting law, regulation or professional requirements may also designate categories of "public interest entities". Depending on the facts and circumstances in a specific jurisdiction, such categories may include:

- Superannuation funds.
- Collective investment vehicles.
- Private entities with large numbers of stakeholders (other than investors).
- Not-for-profit organisations or governmental entities.
- Public utilities.

* Includes a listed entity as defined in Section 9 of the *Corporations Act 2001*.

35. The following paragraph A18 is inserted following the new paragraph A17:

The auditor may also consider the following factors in determining whether to apply one or more requirements in an ASA for audits of publicly traded entities to the audit of another entity(ies):

- Whether the entity is treated as a public interest entity for purposes of relevant ethical requirements, including those related to independence.
- Whether the entity is likely to become a publicly traded entity in the near future.
- Whether in similar circumstances, the auditor has applied the differential requirements for publicly traded entities to other entities.
- Whether the entity has been specified as not being a publicly traded entity by law, regulation or professional requirements.
- Whether the entity or other stakeholders requested the auditor to apply the differential requirements for publicly traded entities to the entity and, if so, whether there are any reasons for not meeting this request.
- The entity's corporate governance arrangements, for example, whether those charged with governance are distinct from the owners or management.
- Whether in similar circumstances, a predecessor auditor has applied differential requirements for publicly traded entities to the entity.

36. Existing paragraph A70 is amended to read as follows:

The “considerations specific to smaller entities” included in some Australian Auditing Standards have been developed primarily with ~~unlisted~~ entities in mind. Some of the considerations, however, may be helpful in audits of smaller ~~listed~~ publicly traded entities.

Amendments to ASA 210

37. Existing paragraph A12 is amended to read as follows:

The way in which the responsibilities for financial reporting are divided between management and those charged with governance will vary according to the resources and structure of the entity and any relevant law or regulation, and the respective roles of management and those charged with governance within the entity. In most cases, management is responsible for execution while those charged with governance have oversight of management. In some cases, those charged with governance will have, or will assume, responsibility for approving the financial report or monitoring the entity’s internal control related to financial reporting. In larger or ~~publicly listed~~ more complex entities, a subgroup of those charged with governance, such as an audit committee, may be charged with certain oversight responsibilities.

Amendments to ASA 220

38. Existing paragraph A39 is amended to read as follows:

ASA 200²⁸ requires that the auditor comply with relevant ethical requirements, including those pertaining to independence, relating to financial statement audit engagements. Relevant ethical requirements may vary depending on the nature and circumstances of the engagement. For example, certain requirements related to independence may be applicable only when performing audits of ~~listed~~ publicly traded or public interest entities. ASA 600 includes additional requirements and guidance to those in this ASA regarding communications about relevant ethical requirements with component auditors.

Amendments to ASA 260

39. Existing paragraph 1 is amended to read as follows:

This Auditing Standard deals with the auditor's responsibility to communicate with those charged with governance in an audit of a financial report. Although this Auditing Standard applies irrespective of an entity's governance structure or size, particular considerations apply where all of those charged with governance are involved in managing an entity, and for ~~listed~~ publicly traded entities. This Auditing Standard does not establish requirements regarding the auditor's communication with an entity's management or owners unless they are also charged with a governance role.

40. Existing paragraph 18 is amended to read as follows:

~~In the case of listed entities, the~~ The auditor shall communicate with those charged with governance ~~a:~~

- (a) ~~A statement that the engagement team and others in the firm as appropriate, the firm and, when applicable, network firms have complied with relevant ethical requirements regarding independence; and~~

19. For audits of financial reports of publicly traded entities, the statement required by paragraph 18 shall include:

- (a) All relationships and other matters between the firm, network firms, and the entity that, in the auditor's professional judgement, may reasonably be thought to bear on independence. This shall include total fees charged during the period covered by the financial report for audit and non-audit services provided by the firm and network firms to the entity and components controlled by the entity. These fees shall be allocated to categories that are appropriate to assist those charged with governance in assessing the effect of services on the independence of the auditor; and (Ref: Para. A30)
- (b) In respect of threats to independence that are not at an acceptable level, the actions taken to address the threats, including actions that were taken to eliminate the circumstances that create the threats, or applying safeguards to reduce the threats to an acceptable level. (Ref: Para. ~~A30~~A31–A32)

41. Existing paragraph 21 is amended to read as follows:

The auditor shall communicate in writing with those charged with governance regarding auditor independence ~~when~~ as required by paragraphs ~~17–19~~ of this Auditing Standard.

42. The heading above existing paragraph A29 is amended to read as follows:

Auditor Independence (Ref: Para. 17–18~~9~~)

43. The following paragraph A30 is inserted following existing paragraph A29:

Relevant ethical requirements or law or regulation may also specify particular communications to those charged with governance for matters that may reasonably be thought to bear on independence. For example, the APESB Code requires the auditor to communicate with those charged with governance information regarding fees,²⁸ including fees for sustainability assurance engagements, and the provision of non-assurance services for audit clients that are public interest entities.²⁹

44. Existing paragraph A32 is amended to read as follows:

²⁸ See, for example, paragraphs R410.23–R410.28 of the APESB Code.

²⁹ See, for example, paragraphs R600.21–R600.23 of the APESB Code.

The communication requirements relating to auditor independence that apply in the case of ~~listed publicly traded~~ entities may also be appropriate in the case of ~~some other entities other than publicly traded entities~~, including those where the auditor determines that there is significant public interest in the financial condition of those entities.³¹, ~~including those that may be of significant public interest, for example because they have a large number and wide range of stakeholders and considering the nature and size of the business~~. Examples of such entities may include financial institutions (such as banks, insurance companies, and superannuation funds), and other entities such as not-for-profit organisations ~~charities~~. ~~On the other hand, there may be situations where communications regarding independence may not be relevant, for example, where all of those charged with governance have been informed of relevant facts through their management activities. This is particularly likely where the entity is owner managed, and the auditor's firm and network firms have little involvement with the entity beyond a financial report audit.~~

45. Existing paragraph A40 is amended to read as follows:

In the case of audits of smaller entities, the auditor may communicate in a less structured manner with those charged with governance than in the case of, for example, publicly traded ~~listed~~ or larger entities.

Amendments to ASA 265

46. Existing paragraph A9 is amended to read as follows:

Law or regulation in some jurisdictions may establish a requirement (particularly for audits of ~~listed publicly traded~~ entities) for the auditor to communicate to those charged with governance or to other relevant parties (such as regulators) one or more specific types of deficiency in internal control that the auditor has identified during the audit. Where law or regulation has established specific terms and definitions for these types of deficiency and requires the auditor to use these terms and definitions for the purpose of the communication, the auditor uses such terms and definitions when communicating in accordance with the legal or regulatory requirement.

47. Existing paragraph A13 is amended to read as follows:

In determining when to issue the written communication, the auditor may consider whether receipt of such communication would be an important factor in enabling those charged with governance to discharge their oversight responsibilities. In addition, for ~~listed publicly traded~~ entities in certain jurisdictions, those charged with governance may need to receive the auditor's written communication before the date of approval of the financial report in order to discharge specific responsibilities in relation to internal control for regulatory or other purposes. For other entities, the auditor may issue the written communication at a later date. Nevertheless, in the latter case, as the auditor's written communication of significant deficiencies forms part of the final audit file, the written communication is subject to the overriding requirement⁷ for the auditor to complete the assembly of the final audit file on a timely basis. ASA 230 states that an appropriate time limit within which to complete the assembly of the final audit file is ordinarily not more than 60 days after the date of the auditor's report.⁸

48. Existing paragraph A15 is amended to read as follows:

The level of detail at which to communicate significant deficiencies is a matter of the auditor's professional judgement in the circumstances. Factors that the auditor may consider in determining an appropriate level of detail for the communication include, for example:

- The nature of the entity. For ~~example instance~~, the communication required for a public interest entity may be different from that for an entity other than a non-public interest entity.

³¹ See ASA 200 paragraph A14.

- The size and complexity of the entity. For ~~example~~instance, the communication required for a complex entity may be different from that for an entity operating a simple business.
- The nature of significant deficiencies that the auditor has identified.
- The entity's governance composition. For ~~example~~instance, more detail may be needed if those charged with governance include members who do not have significant experience in the entity's industry or in the affected areas.
- Legal or regulatory requirements regarding the communication of specific types of deficiency in internal control.

Amendments to ASA 315

49. Existing paragraph A56 is amended to read as follows:

An understanding of the entity's organisational structure and ownership may enable the auditor to understand such matters as:

- ...
- The distinction between the owners, those charged with governance and management.

Example:

In less complex entities, owners of the entity may be involved in managing the entity, therefore there is little or no distinction. In contrast, such as in some ~~listed~~publicly traded entities, there may be a clear distinction between management, the owners of the entity, and those charged with governance.³²

- ...

Amendments to ASA 510

Amendments to ASA 510 Appendix 1: Illustration 1 and [Aus] Illustration 2A

50. The first point of Illustration 1 is amended to read as follows:

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of an entity other than a ~~listed~~publicly traded entity. The audit is not a group audit (i.e., ASA 600⁶ does not apply).
- ...

51. The first point of [Aus] Illustration 2A is amended to read as follows:

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a single ~~listed~~publicly traded company. The audit is not a group audit (i.e., ASA 600¹³ does not apply).
- ...

Amendments to ASA 570

52. Existing paragraph Aus 0.3 is amended to read as follows:

This Auditing Standard is operative for financial reporting periods beginning on or after 15 December 2026. ~~Early adoption of this Auditing Standard is permitted prior to this date.~~

53. Existing paragraph 1 is amended to read as follows:

This Australian Auditing Standard (ASA) deals with the auditor's responsibilities in the audit of a financial report relating to going concern and the implications for the auditor's report. Although this ASA applies irrespective of the entity's size or complexity, particular considerations apply only for audits of financial reports of ~~listed~~ publicly traded entities. (Ref: Para. A1–A2)

54. Existing paragraph 34 is amended to read as follows:

If the auditor concludes that the going concern basis of accounting is appropriate and no material uncertainty exists, the auditor shall include a separate section in the auditor's report with the heading "Going Concern", and: (Ref: Para. A78–A79)

- (a) ...
- (b) For an audit of financial report of a ~~listed~~ publicly traded entity, when significant judgements are made by management in concluding that there is no material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern: (Ref: Para. A82–A83, A89)
 - (i) ...

55. Existing paragraph 35 is amended to read as follows:

If adequate disclosure about the material uncertainty is made in the financial report, the auditor shall express an unmodified opinion and the auditor's report shall include a separate section under the heading "Material Uncertainty Related to Going Concern" and: (Ref: Para. A78–A79, A90–A91)

- (a) Include a reference to the related disclosure(s) in the financial report; (Ref: Para. A73, A77)
- (b) For an audit of financial report of a ~~listed~~ publicly traded entity, describe how the auditor evaluated management's assessment of the entity's ability to continue as a going concern; (Ref: Para. A84–A88)
- (c) ...

56. Existing paragraph A2 is amended to read as follows:

For audits of financial reports of ~~listed~~ publicly traded entities, when the auditor concludes, based on the audit evidence obtained, that no material uncertainty exists, and significant judgements were made by management in concluding that there is no material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern, this ASA requires the auditor to disclose under the heading of "Going Concern" within the auditor's report how the auditor evaluated management's assessment of the entity's ability to continue as a going concern.

57. Existing paragraph A81 is amended to read as follows:

Illustration 1 of Appendix 1 to this ASA is an example of an auditor's report of an entity other than a ~~listed~~ publicly traded entity when the auditor has obtained sufficient appropriate audit evidence regarding the appropriateness of management's use of the going concern basis of accounting and has concluded that no material uncertainty exists.

58. Existing paragraph A82 is amended to read as follows:

For an audit of a financial report of an entity other than a ~~listed~~ publicly traded entity, law or regulation may require the auditor to provide the information required by paragraph 34(b). The auditor also may decide that providing the information required by paragraph 34(b) for ~~an~~ entities other than a ~~listed entity~~ publicly traded entities would be appropriate to enhance

transparency for intended users of a financial report in the auditor's report. For example, the auditor may decide to do so if the auditor determines that there is significant public interest in the financial condition of those entities.⁴⁰ ~~For example, the auditor may decide to do so for other entities, including those that may be of significant public interest, for example, because they have a large number and wide range of stakeholders and considering the nature and size of the business. Examples of such entities may include financial institutions (such as banks, insurance companies, and superannuation funds), and other entities such as not-for-profit organisations or charities.~~

59. Existing paragraph A89 is amended to read as follows:

Illustration 2 of Appendix 1 to this ASA is an example of an auditor's report of a ~~listed publicly traded~~ entity when:

- ...

60. Existing paragraph A91 is amended to read as follows:

Illustrations 3 and 4 of Appendix 1 to this ASA are examples of an auditor's report of an entity other than a ~~listed publicly traded~~ entity and a ~~listed publicly traded~~ entity, respectively, when the auditor has obtained sufficient appropriate audit evidence regarding the appropriateness of management's use of the going concern basis of accounting but a material uncertainty exists and disclosure is adequate in the financial report.

61. Existing paragraph A92 is amended to read as follows:

Illustrations 5 and 6 of Appendix 1 to this ASA are examples of auditor's reports for a ~~listed publicly traded~~ entity and an entity other than a ~~listed publicly traded~~ entity containing qualified and adverse opinions, respectively, when the auditor has obtained sufficient appropriate audit evidence regarding the appropriateness of management's use of the going concern basis of accounting but adequate disclosure of a material uncertainty is not made in the financial report.

62. Existing paragraph A101 is amended to read as follows:

In the case of an entity other than a ~~listed publicly traded~~ entity, in addition to the required statements to be provided in the auditor's report, when appropriate, the auditor may also communicate with those charged with governance additional matters, for example, describing how the auditor evaluated management's assessment of the entity's ability to continue as a going concern.

63. Existing Appendix 1 is amended to read as follows:

Illustrations of Independent Auditor's Reports Related to Going Concern

- Illustration 1: An auditor's report of an entity other than a ~~listed publicly traded~~ entity containing an unmodified opinion when the auditor has concluded that no material uncertainty exists.
- Illustration 2: [Deleted by the AUASB. Refer [Aus] Illustration 2A].
- [Aus] Illustration 2A: An auditor's report on a financial report of a single ~~listed publicly traded~~ company prepared in accordance with the *Corporations Act 2001* containing an unmodified opinion when the auditor has concluded that no material uncertainty exists and disclosure in the financial report about the significant judgements made by management in concluding that there is no material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as going concern is adequate.

⁴⁰ See ASA 200 paragraph A14.

- Illustration 3: An auditor's report of an entity other than a ~~listed publicly traded~~ entity containing an unmodified opinion when the auditor has concluded that a material uncertainty exists and disclosure in the financial report is adequate.
- Illustration 4: [Deleted by the AUASB. Refer [Aus] Illustration 4A].
- [Aus] Illustration 4A: An auditor's report on a financial report of a single ~~listed publicly traded~~ company prepared in accordance with the *Corporations Act 2001* containing an unmodified opinion when the auditor has concluded that a material uncertainty exists and disclosure in the financial report is adequate.
- Illustration 5: [Deleted by the AUASB. Refer [Aus] Illustration 5A].
- [Aus] Illustration 5A: An auditor's report on a financial report of a single ~~listed publicly traded~~ company prepared in accordance with the *Corporations Act 2001* containing a qualified opinion when the auditor has concluded that a material uncertainty exists and that the financial report is materially misstated due to inadequate disclosure.
- Illustration 6: [Deleted by the AUASB. Refer [Aus] Illustration 6A].
- [Aus] Illustration 6A: An auditor's report on a financial report of a single ~~listed publicly traded~~ company prepared in accordance with the *Corporations Act 2001* containing an adverse opinion when the auditor has concluded that a material uncertainty exists and the financial report omits the required disclosures relating to the material uncertainty.
- [Aus] Illustration 7: An auditor's report on a financial report of a single ~~listed publicly traded~~ company prepared in accordance with the *Corporations Act 2001* containing a disclaimer of opinion (limitation of scope) when the auditor has been unable to obtain sufficient appropriate audit evidence about the company's ability to continue as a going concern.

Amendments to ASA 570 Appendix 1: Illustration 1, [Aus] Illustration 2A, Illustration 3, [Aus] Illustration 4A, [Aus] Illustration 5A, [Aus] Illustration 6A, [Aus] Illustration 7

64. Illustration 1 is amended to read as follows:

Illustration 1 – An Auditor's Report of an Entity Other Than a ~~Listed Publicly Traded~~ Entity Containing an Unmodified Opinion When No Material Uncertainty Exists

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of an entity other than a ~~listed publicly traded~~ entity using a fair presentation framework. The audit is not a group audit (i.e., ASA 600⁴⁶ does not apply).
- ...

65. [Aus] Illustration 2 is amended to read as follows:

[Aus] Illustration 2 – An Auditor's Report on a Financial Report of a Single ~~Listed Publicly Traded~~ Company Prepared in Accordance With the *Corporations Act 2001* Containing an Unmodified Opinion When No Material Uncertainty Exists and Disclosure in the Financial Report About the Significant Judgements Made by Management in Concluding That There is No Material Uncertainty Is Adequate

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed publicly traded~~ company. The audit is not a group audit (i.e., ASA 600 does not apply).

- ...

66. Illustration 3 is amended to read as follows:

Illustration 3 – An Auditor’s Report of an Entity Other Than a ~~Listed~~Publicly Traded Entity Containing an Unmodified Opinion When a Material Uncertainty Exists and Disclosure in the Financial Report Is Adequate

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of an entity other than a ~~listed~~publicly traded entity using a fair presentation framework. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

67. [Aus] Illustration 4A is amended to read as follows:

[Aus] Illustration 4A – An Auditor’s Report on a Financial Report of a Single ~~Listed~~Publicly Traded Company Prepared in Accordance With the *Corporations Act 2001* Containing an Unmodified Opinion When the Auditor Has Concluded That a Material Uncertainty Exists and Disclosure in the Financial Report Is Adequate

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed~~publicly traded company. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

68. [Aus] Illustration 5A is amended to read as follows:

[Aus] Illustration 5A – An Auditor’s Report on a Financial Report of a Single ~~Listed~~Publicly Traded Company Prepared in Accordance With *Corporations Act 2001* Containing a Qualified Opinion When the Auditor Has Concluded That a Material Uncertainty Exists and That the Financial Report Is Materially Misstated Due to Inadequate Disclosure

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed~~publicly traded company. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

69. [Aus] Illustration 6A is amended to read as follows:

[Aus] Illustration 6A – An Auditor’s Report on a Financial Report of a Single ~~Listed~~Publicly Traded Company Prepared in Accordance With the *Corporations Act 2001* Containing an Adverse Opinion When the Auditor Has Concluded That a Material Uncertainty Exists and the Financial Report Omits the Required Disclosures Relating to the Material Uncertainty

For purposes of the illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed~~publicly traded company. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

INDEPENDENT AUDITOR’S REPORT

...

Adverse Opinion

...

In our opinion, because of the significance of the omission of the information described ~~mentioned~~ in the *Basis for Adverse Opinion* section of our report, the accompanying financial report of ABC Company Ltd., is not in accordance with the *Corporations Act 2001* including:

(a) ...

70. [Aus] Illustration 7 is amended to read as follows:

[Aus] Illustration 7 – An Auditor’s Report on a Financial Report of a Single Listed Publicly Traded Company Prepared in Accordance With the *Corporations Act 2001* Containing a Disclaimer of Opinion (Limitation of Scope) When the Auditor Has Been Unable to Obtain Sufficient Appropriate Audit Evidence About the Company’s Ability to Continue as a Going Concern

For purposes of the illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a single listed publicly traded company. The audit is not a group audit (i.e. ASA 600* does not apply).
- ...

Amendments to ASA 600

71. [Aus] Illustration 1A of Appendix 1 is amended to read as follows:

[Aus] Illustration 1A: Illustration of Independent Auditor’s Report When the Group Auditor Is Not Able to Obtain Sufficient Appropriate Audit Evidence on Which to Base the Group Audit Opinion – General Purpose Financial Report, Qualified Opinion under the *Corporations Act 2001*

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- The audit is a group audit of a listed publicly traded company with subsidiaries (i.e., ASA 600 applies).
- ...

INDEPENDENT AUDITOR’S REPORT

...

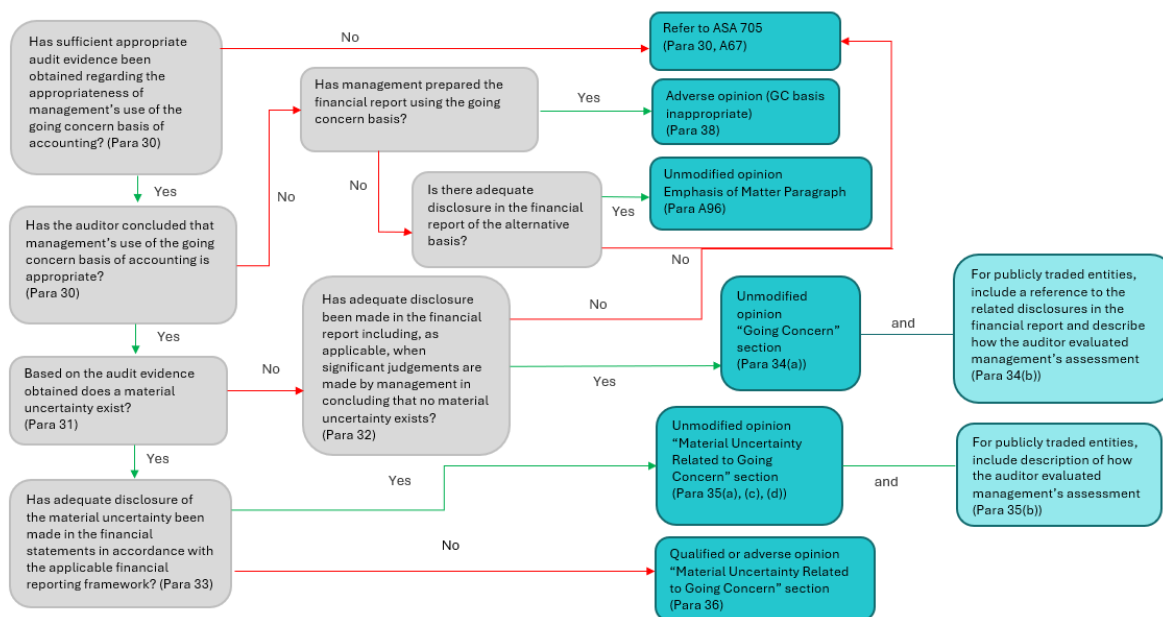
Auditor’s Responsibilities for the Audit of the Consolidated Financial Report

[Reporting in accordance with ASA 700 – see [Aus] Illustration 2A in the Appendix of ASA 700.-]

...

72. The following diagram and its heading are inserted after the existing Auditor’s Decision-Making Process for Going Concern diagram in [Aus] Appendix 2:

Linking Going Concern Considerations and Types of Audit Opinions



Note: Paragraph references in this chart refers to paragraphs in ASA 570

Amendments to ASA 700

73. Existing paragraph 30 is amended to read as follows:

For audits of financial reports of ~~listed~~ publicly traded entities, the auditor shall communicate key audit matters in the auditor's report in accordance with ASA 701.

74. Existing paragraph 31 is amended to read as follows:

When the auditor is otherwise required by law or regulation or decides to communicate key audit matters in the auditor's report, the auditor shall do so in accordance with ASA 701. (Ref: Para. A40–A44~~3~~)

75. Existing paragraph 40 is amended to read as follows:

The Auditor's Responsibilities for the Audit of the Financial Report section of the auditor's report also shall: (Ref: Para. A50)

(a) ...

(b) ~~For audits of the financial report of listed entities, state that the auditor provides those charged with governance with a statement that the auditor has:~~

(i) ~~C~~omplied with relevant ethical requirements regarding independence; and

(ii) ~~F~~or audits of financial reports of publicly traded entities, communicated with them all relationships and other matters that may reasonably be thought to bear on the auditor's independence, and where applicable, actions taken to eliminate threats or safeguards applied; and

(c) For audits of the financial report of ~~listed~~ publicly traded entities and any other entities for which key audit matters are communicated in accordance with ASA 701, state that, from the matters communicated with those charged with governance, the auditor determines those matters that were of most significance in the audit of the financial

report of the current period and are therefore the key audit matters. The auditor describes these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. (Ref: Para. A53)

76. Existing paragraph A41 is amended to read as follows:

This ASA requires communication of key audit matters for audits of financial reports of publicly traded entities. Law or regulation may also require communication of key audit matters for audits of entities other than publicly traded ~~listed~~ entities, for example, entities characterised in such law or regulation as public interest entities.

77. Existing paragraph A42 is amended to read as follows:

The auditor may also decide to communicate key audit matters for ~~other entities other than publicly traded entities, including those where the auditor determines that there is significant public interest in the financial condition of those entities.~~³³ ~~including those that may be of significant public interest, for example because they have a large number and wide range of stakeholders and considering the nature and size of the business.~~ Examples of such entities may include financial institutions (such as banks, insurance companies, and superannuation funds), and other entities such as not-for-profit organisations ~~charities~~.

78. Existing paragraph A44 is amended to read as follows:

~~Listed~~ Publicly traded entities are not common in the public sector. However, public sector entities may be significant due to size, complexity or public interest aspects. In such cases, an auditor of a public sector entity may be required by law or regulation or may otherwise decide to communicate key audit matters in the auditor's report.

79. Existing paragraph A63 is amended to read as follows:

Law or regulation may require that the auditor's report include the name of the engagement partner responsible for audits other than those of a ~~general purpose~~ financial reports of listed publicly traded entities. The auditor may also be required by law or regulation, or may decide to include additional information beyond the engagement partner's name in the auditor's report to further identify the engagement partner, for example, the engagement partner's professional license number that is relevant to the jurisdiction where the auditor practices.

80. Existing Appendix 1 is amended to read as follows:

Illustrations of Independent Auditor's Reports on Financial Reports

- Illustration 1: [Deleted by the AUASB.] Refer [Aus] Illustration 1A.
- [Aus] Illustration 1A: An auditor's report on a financial report of a single ~~listed publicly traded~~ company prepared in accordance with the *Corporations Act 2001* (a fair presentation framework).
- Illustration 2: [Deleted by the AUASB.] Refer [Aus] Illustration 2A.
- [Aus] Illustration 2A: An auditor's report on a financial report of a ~~listed publicly traded~~ company and its subsidiaries (Group) prepared in accordance with the *Corporations Act 2001* (a fair presentation framework).

³³ See ASA 200 paragraph A14.

- Illustration 3: An auditor's report on a financial report of an entity other than a ~~listed~~publicly traded entity prepared in accordance with a fair presentation framework.
- Illustration 4: An auditor's report on a financial report of an entity other than a ~~listed~~publicly traded entity prepared in accordance with a general purpose compliance framework.

Amendments to ASA 700 Appendix 1: [Aus] Illustration 1A, [Aus] Illustration 2A, Illustration 3 and Illustration 4

81. [Aus] Illustration 1A is amended to read as follows:

[Aus] Illustration 1A:

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a single ~~listed~~publicly traded company. The audit is not a group audit (i.e. ASA 600 does not apply).
- ...

82. [Aus] Illustration 2A is amended to read as follows:

[Aus] Illustration 2A:

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed~~publicly traded company and its subsidiaries (the Group). The audit is a group audit (i.e. ASA 600 applies).
- ...

83. Illustration 3 and its heading are amended to read as follows:

Example Auditor's Report
Single Entity (not ~~listed~~publicly traded)
(Fair Presentation Framework)

Illustration 3

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of a financial report of an entity other than a ~~listed~~publicly traded entity. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

84. Illustration 4 and its heading are amended to read as follows:

Example Auditor's Report
Single Entity (not ~~listed~~publicly traded)
(Compliance Framework)

Illustration 4:

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of a financial report of an entity other than a ~~listed~~publicly traded entity required by law or regulation. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

INDEPENDENT AUDITOR'S REPORT

...

Auditor's Responsibilities for the Audit of the Financial Report

...

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ...

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence.

Amendments to ASA 701

85. Existing paragraph 5 is amended to read as follows:

This Auditing Standard applies to audits of general purpose financial reports of ~~listed~~publicly traded entities and circumstances when the auditor otherwise decides to communicate key audit matters in the auditor's report. This Auditing Standard also applies when the auditor is required by law or regulation to communicate key audit matters in the auditor's report.³ However, ASA 705 prohibits the auditor from communicating key audit matters when the auditor disclaims an opinion on the financial report, unless such reporting is required by law or regulation.⁴

86. Existing paragraph A59 is amended to read as follows:

The determination of key audit matters involves making a judgement about the relative importance of matters that required significant auditor attention. Therefore, it may be rare that the auditor of a general purpose financial report of a ~~listed~~publicly traded entity would not determine at least one key audit matter from the matters communicated with those charged with governance to be communicated in the auditor's report. However, in certain limited circumstances (e.g., for a ~~listed~~publicly traded entity that has very limited operations), the auditor may determine that there are no key audit matters in accordance with paragraph 10 because there are no matters that required significant auditor attention.

Amendments to ASA 705

Amendments to ASA 705 Appendix: [Aus] Illustration 1A, [Aus] Illustration 2A, [Aus] Illustration 3A, Illustration 4 and Illustration 5

87. [Aus] Illustration 1A is amended to read as follows:

[Aus] Illustration 1A: Qualified Opinion due to a Material Misstatement of the Financial Report

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a single ~~listed~~publicly traded company. The audit is not a group audit (i.e. ASA 600 does not apply).

- ...

88. [Aus] Illustration 2A is amended to read as follows:

[Aus] Illustration 2A: Adverse Opinion due to a Material Misstatement of the Financial Report

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed~~ publicly traded company and its subsidiaries (the Group). The audit is a group audit (i.e. ASA 600 applies).
- ...

89. [Aus] Illustration 3A is amended to read as follows:

[Aus] Illustration 3A: Qualified Opinion due the Auditor's Inability to Obtain Sufficient Audit Evidence Regarding a Foreign Associate

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed~~ publicly traded company and its subsidiaries (the Group). The audit is a group audit (i.e. ASA 600 applies).
- ...

90. Illustration 4 is amended to read as follows:

Example Auditor's Report
Consolidated Entity (not ~~listed~~ publicly traded)
(Fair Presentation Framework)

Illustration 4 – Disclaimer of Opinion due to the Auditor's Inability to Obtain Sufficient Appropriate Audit Evidence about a Single Element of the Financial Report

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of a financial report of an entity other than a ~~listed~~ publicly traded entity, and its subsidiaries (the Group). The audit is a group audit (i.e., ASA 600 applies).
- ...

91. Illustration 5 is amended to read as follows:

Example Auditor's Report
Single Entity (not ~~listed~~ publicly traded)
(Fair Presentation Framework)

Illustration 5 – Disclaimer of Opinion due to the Auditor's Inability to Obtain Sufficient Appropriate Audit Evidence about Multiple Elements of the Financial Report

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of a financial report of an entity other than a ~~listed~~ publicly traded entity. The audit is not a group audit (i.e., ASA 600, does not apply).
- ...

Amendments to ASA 706

92. Existing paragraph A17 is amended to read as follows:

Appendix 3 is an illustration of the interaction between the Key Audit Matters section, an Emphasis of Matter paragraph and an Other Matter paragraph when all are presented in the auditor's report. The illustrative report in Appendix 4 includes an Emphasis of Matter paragraph in an auditor's report for an entity other than a ~~listed~~publicly traded entity that contains a qualified opinion and for which key audit matters have not been communicated.

93. Existing [Aus] Illustration 1A in Appendix 3 is amended to read as follows:

[Aus] Illustration 1A:

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of a single ~~listed~~publicly traded company's financial report using a fair presentation framework. The audit is not a group audit (i.e., ASA 600⁹ does not apply).
- ...

94. Existing [Aus] Illustration 2A in Appendix 4 is amended to read as follows:

Example Auditor's Report
Single Entity (not ~~listed~~publicly traded)
(Fair Presentation Framework)

[Aus] Illustration 2A

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of a financial report of an entity other than a ~~listed~~publicly traded entity using a fair presentation framework. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

Amendments to ASA 710

Amendments to ASA 710 Appendix 1: Illustration 1, [Aus] Illustration 1A, Illustration 2, [Aus] Illustration 2A, Illustration 3 and Illustration 4

95. Existing Illustration 1 is amended to read as follows:

Illustration 1 - Corresponding Figures (Ref: Para. A5)

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of an entity other than a ~~listed~~publicly traded entity. The audit is not a group audit (i.e., ASA 600¹⁰ does not apply).
- ...

96. Existing [Aus] Illustration 1A is amended to read as follows:

[Aus] Illustration 1A - Corresponding Figures (Ref: Para. A5)

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a single listed publicly traded company. The audit is not a group audit (i.e., ASA 600¹⁶ does not apply).
- ...

97. Existing Illustration 2 is amended to read as follows:

Illustration 2 – Corresponding Figures (Ref: Para. A5)

For purposes of this illustrative auditor’s report the following circumstances are assumed:

- Audit of the financial report of an entity other than a listed publicly traded entity. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

98. Existing [Aus] Illustration 2A is amended to read as follows:

[Aus] Illustration 2A – Corresponding Figures (Ref: Para. A5)

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a single listed publicly traded company. The audit is not a group audit (i.e., ASA 600²¹ does not apply).
- ...

99. Existing Illustration 3 is amended to read as follows:

Illustration 3 - Corresponding Figures (Ref: Para. A7)

For purposes of this illustrative auditor’s report the following circumstances are assumed:

- Audit of the financial report of an entity other than a listed publicly traded entity. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

100. Existing Illustration 4 is amended to read as follows:

Illustration 4 - Comparative Financial Reports (Ref: Para. A9)

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of an entity other than a listed publicly traded entity. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

Amendments to ASA 720

101. Existing paragraph 21 is amended to read as follows:

The auditor’s report shall include a separate section with a heading “Other Information”, or other appropriate heading, when, at the date of the auditor’s report: (Ref: Para. Aus A52.1)

- (a) For an audit of a financial report of a listed publicly traded entity, the auditor has obtained, or expects to obtain, the other information; or
- (b) For an audit of a financial report of an entity other than a listed publicly traded entity, the auditor has obtained some or all of the other information. (Ref: Para. A52)

102. Existing paragraph 22 is amended to read as follows:

When the auditor's report is required to include an Other Information section in accordance with paragraph 21 of this Auditing Standard, this section shall include: (Ref: Para. A53)

- (a) ...
- (b) An identification of:
 - (i) Other information, if any, obtained by the auditor prior to the date of the auditor's report; and
 - (ii) For an audit of a financial report of a ~~listed~~publicly traded entity, other information, if any, expected to be obtained after the date of the auditor's report;
- (c) ...

103. Existing paragraph A12 is amended to read as follows:

When the annual report is translated into other languages pursuant to law or regulation (such as may occur when a jurisdiction has more than one official language), or when multiple "annual reports" are prepared under different legislation (for example, when an entity is ~~listed~~publicly traded in more than one jurisdiction), consideration may need to be given as to whether one, or more than one of the "annual reports" form part of the other information. Law or regulation may provide further guidance in this respect.

104. Existing paragraph A52 is amended to read as follows:

For an audit of a financial report of an entity other than a ~~listed~~publicly traded entity, the auditor may consider that the identification in the auditor's report of other information that the auditor expects to obtain after the date of the auditor's report would be appropriate in order to provide additional transparency about the other information that is subject to the auditor's responsibilities under this Auditing Standard. The auditor may consider it appropriate to do so, for example, when management is able to represent to the auditor that such other information will be issued after the date of the auditor's report.

105. Existing [Aus] Appendix 3 is amended to read as follows:

Illustrations of Auditor's Reports Relating to Other Information

- Illustration 1: [Deleted by the AUASB. Refer [Aus] Illustration 1A]
- [Aus] Illustration 1A: An auditor's report of a ~~listed~~publicly traded company, containing an unmodified opinion when the auditor has obtained all of the other information prior to the date of the auditor's report and has not identified a material misstatement of the other information.
- Illustration 2: [Deleted by the AUASB. Refer [Aus] Illustration 2A]
- [Aus] Illustration 2A: An auditor's report of a ~~listed~~publicly traded company containing an unmodified opinion when the auditor has obtained part of the other information prior to the date of the auditor's report, has not identified a material misstatement of the other information, and expects to obtain other information after the date of the auditor's report.
- Illustration 3: An auditor's report of an entity other than a ~~listed~~publicly traded entity containing an unmodified opinion when the auditor has obtained part of the other information prior to the date of the auditor's report, has not identified a material misstatement of the other information, and expects to obtain other information after the date of the auditor's report.

- Illustration 4: [Deleted by the AUASB. Refer [Aus] Illustration 4A]
- [Aus] Illustration 4A: An auditor's report of a listed publicly traded company containing an unmodified opinion when the auditor has obtained no other information prior to the date of the auditor's report but expects to obtain other information after the date of the auditor's report.
- Illustration 5: [Deleted by the AUASB. Refer [Aus] Illustration 5A]
- [Aus] Illustration 5A: An auditor's report of a listed publicly traded company containing an unmodified opinion when the auditor has obtained all of the other information prior to the date of the auditor's report and has concluded that a material misstatement of the other information exists.
- Illustration 6: [Deleted by the AUASB. Refer [Aus] Illustration 6A]
- [Aus] Illustration 6A: An auditor's report of a listed publicly traded company containing a qualified opinion when the auditor has obtained all of the other information prior to the date of the auditor's report and there is a limitation of scope with respect to a material item in the financial report which also affects the other information.
- Illustration 7: [Deleted by the AUASB. Refer [Aus] Illustration 7A]
- [Aus] Illustration 7A: An auditor's report of a listed publicly traded company containing an adverse opinion when the auditor has obtained all of the other information prior to the date of the auditor's report and the adverse opinion on the financial report also affects the other information.

Amendments to ASA 720 Appendix 3: [Aus] Illustration 1A, [Aus] Illustration 2A, Illustration 3, [Aus] Illustration 4A, [Aus] Illustration 5A, [Aus] Illustration 6A and [Aus] Illustration 7A

106. Existing [Aus] Illustration 1A is amended to read as follows:

[Aus] Illustration 1A

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a single listed publicly traded company. The audit is not a group audit (i.e., ASA 600* does not apply).
- ...

107. Existing footnote † in [Aus] Illustration 1A is amended to read as follows:

See ASA 701 *Communicating Key Audit Matters in the Independent Auditor's Report*. The Key Audit Matters section is required for listed publicly traded entities only.

108. Existing [Aus] Illustration 2A is amended to read as follows:

[Aus] Illustration 2A

For purposes of this illustrative auditor's report, the following circumstances are assumed:

- Audit of the financial report of a single listed publicly traded company. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

109. Existing Illustration 3 is amended to read as follows:

Illustration 3 – An auditor’s report of an entity other than a ~~listed~~publicly traded company containing an unmodified opinion when the auditor has obtained part of the other information prior to the date of the auditor’s report, has not identified a material misstatement of the other information, and expects to obtain other information after the date of the auditor’s report.

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of an entity other than a ~~listed~~publicly traded company. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

110. Existing [Aus] Illustration 4A is amended to read as follows:

[Aus] Illustration 4A

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a single ~~listed~~publicly traded company. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

111. Existing [Aus] Illustration 5A is amended to read as follows:

[Aus] Illustration 5A

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a single ~~listed~~publicly traded company. The audit is not a group audit (i.e., ASA 600 does not apply).
- ...

112. Existing [Aus] Illustration 6A is amended to read as follows:

[Aus] Illustration 6A:

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed~~publicly traded company and its subsidiaries (the Group). The audit is a group audit (i.e., ASA 600 applies).
- ...

113. Existing [Aus] Illustration 7A is amended to read as follows:

[Aus] Illustration 7A

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a ~~listed~~publicly traded company and its subsidiaries (the Group). The audit is a group audit (i.e., ASA 600 applies).
- ...

Amendments to ASA 800

114. Existing paragraph A16 is amended to read as follows:

ASA 700 requires the auditor to communicate key audit matters in accordance with ASA 701²¹ for audits of a general purpose financial report of ~~listed~~publicly traded entities. For

audits of a special purpose financial report, ASA 701 only applies when communication of key audit matters in the auditor's report on the special purpose financial report is required by law or regulation or the auditor otherwise decides to communicate key audit matters. When key audit matters are communicated in the auditor's report on a special purpose financial report, ASA 701 applies in its entirety.²²

115. Existing Appendix 1 is amended to read as follows:

Illustrations of Independent Auditor's Reports on a Special Purpose Financial Report

- Illustration 1: An auditor's report on a financial report of an entity other than a ~~listed~~publicly traded entity prepared in accordance with the financial reporting provisions of a contract (for purposes of this illustration, a compliance framework).
- Illustration 2: An auditor's report on a financial report of an entity other than a ~~listed~~publicly traded entity prepared in accordance with the tax basis of accounting in Jurisdiction X (for purposes of this illustration, a compliance framework).
- Illustration 3:[Deleted by the AUASB.]
- [Aus] Illustration 4: [Deleted by the AUASB as a result of changes to the Australian Accounting Standards impacting the ability for certain for-profit entities to prepare Special Purpose Financial Statements#]
- [Aus] Illustration 5: An auditor's report on a financial report prepared by a not-for-profit incorporated association in accordance with the financial reporting provisions of the *applicable legislation* (for purposes of this illustration, a fair presentation framework).

Amendments to ASA 800 Appendix 1: Illustration 1 and Illustration 2

116. Existing Illustration 1 is amended to read as follows:

Illustration 1: An auditor's report on a financial report of an entity other than a listed <u>publicly traded</u> entity prepared in accordance with the financial reporting provisions of a contract (for purposes of this illustration, a compliance framework).

...

INDEPENDENT AUDITOR'S REPORT

...

Auditor's Responsibilities for the Audit of the Financial Report

...

Paragraph 41(b) of ASA 700 explains that the shaded material below can be located in an Appendix to the auditor's report.

...

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ...

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence.

- ...
117. Existing Illustration 2 is amended to read as follows:

Illustration 2: An auditor's report on a financial report of an entity other than a ~~listed~~publicly traded entity prepared in accordance with the tax basis of accounting in Jurisdiction X (for purposes of this illustration, a compliance framework).

...

INDEPENDENT AUDITOR'S REPORT

...

Auditor's Responsibilities for the Audit of the Financial Report

...

Paragraph 41(b) of ASA 700 explains that the shaded material below can be located in an Appendix to the auditor's report.

...

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ...

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence.

...

Amendments to ASRE 2410

118. Existing paragraph 13 of Appendix 3 is amended to read as follows:

ASIC and the ASX have agreed that ~~listed~~publicly traded entities can satisfy the requirements of the Act by lodging the half-year financial report, the directors' report, and the auditor's review report on the financial report with the ASX. Details are provided in ASIC Regulatory Guide 28 *Relief from dual lodgement of financial reports* (July 2003) and *ASIC Corporations (Electronic Lodgement of Financial Reports) Instrument 2601/181*.

119. Existing example modified auditor's review reporting on a half-year financial report in Appendix 3 is amended to read as follows:

EXAMPLE UNMODIFIED AUDITOR'S REVIEW REPORT ON A HALF-YEAR FINANCIAL REPORT – SINGLE ~~LISTED~~PUBLICLY TRADED COMPANY – CORPORATIONS ACT 2001

...

Commencement of the legislative instrument

For legal purposes, each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
The whole of this instrument	14 December 2026.	14 December 2026.

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

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AUASB 2025-9
(November 2025)

Explanatory Statement

AUASB 2025-9 Amendments to AUASB Standards

Issued by the Auditing and Assurance Standards Board

Draft



Australian Government

Auditing and Assurance Standards Board

Obtaining a Copy of this Explanatory Statement

This Explanatory Statement is available on the Auditing and Assurance Standards Board (AUASB) website: www.auasb.gov.au

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Reasons for Issuing AUASB 2025-9

The AUASB issues AUASB 2025-9 *Amendments to AUASB Standards* pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*, as amended (ASIC Act). Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislation Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council (FRC), the AUASB is required, inter alia, to develop auditing standards that have a clear public interest focus and are of the highest quality.

Main Features

This Standard makes amendments to the requirements, application and other explanatory material and appendices of the following AUASB Standards:

ASQM 1	<i>Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements</i> (Issued 10 March 2021 and amended to 28 January 2025)
ASQM 2	<i>Engagement Quality Reviews</i> (Issued 10 March 2021 and amended to 28 January 2025)
ASA 200	<i>Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards</i> (Issued 27 October 2009 and amended to 5 November 2021)
ASA 210	<i>Agreeing the Terms of Audit Engagements</i> (Issued 27 October 2009 and amended to 15 March 2023)
ASA 220	<i>Quality Management for an Audit of a Financial Report and Other Historical Financial Information</i> (Issued 10 March 2021 and amended to 27 April 2022)
ASA 260	<i>Communication With Those Charged with Governance</i> (Issued 1 December 2015 and amended to 28 January 2025)
ASA 265	<i>Communicating Deficiencies in Internal Control to Those Charged with Governance and Management</i> (Issued 27 October 2009 and amended to 3 March 2020)
ASA 315	<i>Identifying and Assessing the Risks of Material Misstatement</i> (Issued 6 March 2020 and amended to 27 April 2022)
ASA 510	<i>Initial Audit Engagements-Opening Balances</i> (Issued 27 October 2009 and amended to 15 March 2023)
ASA 570	<i>Going Concern</i> (Issued 14 May 2025)
ASA 600	<i>Special Considerations—Audits of a Group Financial Report (Including the Work of Component Auditors)</i> (Issued 13 May 2022 and amended to 16 December 2024)
ASA 700	<i>Forming an Opinion and Reporting on a Financial Report</i> (Issued 1 December 2015 and amended to 28 January 2025)
ASA 701	<i>Communicating Key Audit Matters in the Independent Auditor's Report</i> (Issued 1 December 2015 and amended to 27 April 2022)

ASA 705	<i>Modifications to the Opinion in the Independent Auditor's Report</i> (Issued 1 December 2015 and amended to 27 April 2022)
ASA 706	<i>Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report</i> (Issued 1 December 2015 and amended to 15 March 2023)
ASA 710	<i>Comparative Information—Corresponding Figures and Comparative Financial Reports</i> (Issued 27 October 2009 and amended to 15 March 2023)
ASA 720	<i>The Auditor's Responsibilities Relating to Other Information</i> (Issued 1 December 2015 and amended to 28 January 2025)
ASA 800	<i>Special Considerations—Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks</i> (Issued 26 July 2016 and amended to 7 September 2021)
ASRE 2410	<i>Review of a Financial Report Performed by the Independent Auditor of the Entity</i> (Issued 9 June 2020 and amended to 13 December 2022)

The amendments arise from narrow scope amendments made by the International Auditing and Assurance Standards Board (IAASB) to the International Standards on Quality Management (ISQMs) and International Standards on Auditing (ISAs) as a result of the revisions to the definitions of listed entity and public interest entity in the IESBA Code. Under the Strategic Direction given to the AUASB by the Financial Reporting Council (FRC), the AUASB is required to have regard to any programme initiated by the IAASB for the revision and enhancement of the ISAs and to make appropriate consequential amendments to the Australian Auditing Standards.

Operative Date

AUASB 2025-9 *Amendments to AUASB Standards* is operative for financial reporting periods commencing on or after 15 December 2026.

Process of making Australian Auditing Standards

The AUASB's Strategic Direction, *inter alia*, provides that the AUASB develop Australian Auditing Standards that:

- have a clear public interest focus and are of the highest quality;
- use the ISAs of the IAASB as the underlying standards;
- conform with the Australian regulatory environment; and
- are capable of enforcement.

Consultation Process prior to issuing the AUASB 2025-9

The AUASB has consulted publicly as part of its due process in developing the AUASB 2025-9. An AUASB Consultation Paper wrap-around *Exposure of the IAASB's Proposed Narrow Scope Amendments to:*

- *International Standards on Quality Management;*
- *International Standards on Auditing; and*
- *International Standard on Review Engagements 2400 (Revised), Engagements to Review Historical Financial Statements*

as a Result of the Revisions to the Definitions of Listed Entity and Public Interest Entity in the IESBA Code was issued on 5 February 2024 for a 50-day comment period.

Submissions were received by the AUASB and these were considered as part of the development and finalisation of the standard.

Impact Analysis

A Preliminary Assessment form has been prepared in connection with the preparation of AUASB 2025-9 and lodged with the Office of Impact Analysis (OIA). The OIA advised that an Impact Analysis is not required in relation to this standard.

Exemption from Sunsetting

Auditing Standards promulgated by the AUASB that are legislative instruments are exempt from the sunseting provisions of the *Legislation Act 2003* through section 12 of the *Legislation (Exemption and Other Matters) Regulation 2015* (Item 18(a)).

The AUASB's Standards incorporate Standards set by the IAASB. The AUASB's Standards are exempt from sunseting because a more stringent review process than sunseting applies to the Standards. This review process ensures Australia's Auditing Standards regime remains consistent with international standards. Typically, the AUASB Standards are revised at least once within a ten-year period, with most of the Standards subject to revisions much more frequently than that. Each revision follows the stringent review process (which includes the opportunity for public comment) in order to remain consistent with international Standards. It is very unlikely that any AUASB Standard would not have been amended (or else considered for amendment) within a ten-year period through these review processes. Therefore, if it applied, a ten-year sunseting regime would have very limited practical application to AUASB Standards. Parliamentary oversight is retained whenever a Standard is replaced or amended since the Standards are disallowable instruments and subject to the normal tabling and scrutiny process as required by the *Legislation Act 2003*.

STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Legislative Instrument: AUASB 2025-9 *Amendments to AUASB Standards*

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

Background

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001* (ASIC Act). Under section 336 of the *Corporations Act 2001* (the Act), the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislative Instruments Act 2003*.

Main Features

This Standard makes amendments to the requirements, application and other explanatory material and appendices of the AUASB Standards. The amendments arise from narrow scope amendments made by the IAASB to the ISQMs and ISAs as a result of the revisions to the definitions of listed entity and public interest entity in the IESBA Code.

Human Rights Implications

AUASB Standards are issued by the AUASB in furtherance of the objective of facilitating the Australian economy. The standards do not diminish or limit any of the applicable human rights or freedoms, and thus do not raise any human rights issues.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.

November 2025

Basis for Conclusions

AUASB 2025-9 *Amendments to AUASB Standards*

Prepared by the Auditing and Assurance Standards Board

Draft



Australian Government

Auditing and Assurance Standards Board

Obtaining a Copy of this Basis for Conclusions

This Basis for Conclusions is available on the Auditing and Assurance Standards Board (AUASB) website: www.auasb.gov.au

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ISSN 2201-3628

Basis for Conclusions AUASB 2025-9 *Amendments to AUASB Standards* has been developed by the Auditing and Assurance Standards Board (AUASB) to provide a background to, and rationale for the development and approval of the standards by the AUASB. The Basis for Conclusions relates to, but does not form part of, AUASB 2025-9.

No responsibility is taken for the results of actions or omissions to act on the basis of any information contained in this document or for any errors or omissions in it.

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BASIS FOR CONCLUSIONS

AUASB 2025-9 *Amendments to AUASB Standards*

Background

1. In accordance with its mandate under section 227 of the *Australian Securities and Investments Commission Act 2001* and the Financial Reporting Council's Strategic Direction, the AUASB's policy is to adopt the International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB), unless there is a compelling reason not to do so. In addition, the AUASB is required to make such amendments to the ISAs to ensure the Australian Auditing Standards both exhibit and conform to the Australian regulatory environment and statutory requirements. Further amendments are made where there are compelling reasons to do so and are made with a public interest focus.
2. The AUASB issued AUASB 2025-9 to amend Australian Standards on Quality Management (ASQMs) and Auditing Standards (ASAs), as a result of the revisions to the definitions of listed entity and public interest entity in the Accounting Professional & Ethical Standards Board Limited to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code). The Code is based on the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code).
3. In January 2024, the International Auditing and Assurance Standards Board (IAASB) issued an exposure draft proposing to amend the International Standards on Quality Management (ISQMs) and International Standards on Auditing (ISAs) as a result of the revisions to the definitions of listed entity and public interest entity in the IESBA Code (PIE Track 2). The purpose of these amendments is to:
 - Align to the greatest extent possible the definitions and key concepts underlying the definitions in the ISQMs and ISAs related to listed entities and PIEs to the IESBA's definitions and key concepts in the revisions to the IESBA Code.
 - Establish an objective and guidelines to support the IAASB's judgments regarding specific matters for which differential requirements for certain entities are appropriate.
 - Extend the applicability of existing differential requirements for listed entities in the ISQMs and ISAs to meet heightened expectations of stakeholders regarding the performance of audit engagements for public interest entities.
4. The AUASB issued a 'wrap-around' [Consultation Paper](#) on the IAASB's then proposed amendments to the ISQMs and ISAs on 5 February 2024.
5. The comment period closed on 25 March 2024. The AUASB received written comment letters from:
 - [Pitcher Partners](#)
 - [CPA Australia](#)
6. The AUASB considered all submissions received and provided a [written submission to the IAASB](#) in April 2024.
7. In December 2024, the IAASB decided to proceed with the other narrow scope amendments to the ISQMs and ISAs proposed for PIE Track 2 (not part of the Consultation Paper) by:
 - Replacing "listed entity" with "Publicly Traded Entity" (PTE) as defined in the IESBA Code for the purposes of applying differential requirements in the ISQMs and ISAs.
 - Amending the objective and purpose for differential requirements, including when it may be appropriate to apply a differential requirement to entities other than PTEs.

8. The [IAASB Consultation Paper Invitation to Comment on Public Interest Entity \(PIE\) Track 2](#) was issued for a 45-day comment period. The AUASB decided at its February 2025 meeting not to make a submission to the IAASB on the IAASB Consultation Paper.
9. Further details regarding the development of PIE Track 2 and how the IAASB addressed feedback on their exposure draft can be found in the [Basis for Conclusions](#) on the IAASB's website.

Substantive Comments raised by Australian Respondents on Exposure

10. The AUASB received feedback from Pitcher Partners and CPA Australia. Having regard to feedback received, the AUASB's [written submission](#) to the IAASB supported the adoption of the definitions of PIE and "publicly traded entity" and extending the extant differential requirements for engagement quality reviews from listed to PIEs but did not support extending the extant differential requirements for communicating key audit matters.

Compelling reasons assessment

11. The adoption of international standards and any changes to adopted standards are governed by the [AUASB Policy and Process for International Conformance and Harmonisation of Standards](#) (Harmonisation Policy). The policies and procedures incorporate "compelling reasons" tests which must be met to support changes to the international standards. Changes are made only when the AUASB is satisfied that there are persuasive reasons to do so. Further to paragraph 1 of this Basis of Conclusions document, compelling reasons fall broadly into two categories: legal and regulatory; and principles and practices considered appropriate having regard to the public interest in Australia.
12. The AUASB has adopted the categories of public interest entity identified in the Code.

Early Adoption

13. Because of the potential confusion for users if auditors' reports for the same or similar periods within the marketplace lack consistency, the AUASB believes that if early adoption is contemplated the collective changes arising from the Going Concern, Fraud and Listed Entity and PIE projects should preferably be early adopted as a package, rather than on a piecemeal basis.

Conclusion

14. The AUASB voted to approve and issue AUASB 2025-9 on 12 November 2025 and it is operative for financial reporting periods commencing on or after 15 December 2026.
15. In reaching its conclusions the AUASB considered:
 - (a) all stakeholder feedback;
 - (b) the IAASB's due process and consideration as to whether PIE Track 2 should be re-exposed; and
 - (c) whether the amendments made by the IAASB since exposure:
 - (i) were in response to submissions from stakeholders on the exposure draft,
 - (ii) have not changed the fundamental approach and principles on which the standard is based, and
 - (iii) did not require the re-expose of the standard.

* * *

Revised May-November 2025

Basis for Conclusions ***ASA 570 Going Concern and ASA 2025-4*** ***Amendments to Australian Auditing*** ***Standards***

Prepared by the Auditing and Assurance Standards Board

Draft



Australian Government

Auditing and Assurance Standards Board

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Basis for Conclusions ASA 570 *Going Concern* and ASA 2025-4 *Amendments to Australian Auditing Standards* has been developed by the Auditing and Assurance Standards Board (AUASB) to provide a background to, and rationale for the development and approval of the standards by the AUASB. The Basis for Conclusions relates to, but does not form part of, ASA 570 or ASA 2025-4.

No responsibility is taken for the results of actions or omissions to act on the basis of any information contained in this document or for any errors or omissions in it.

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BASIS FOR CONCLUSIONS

ASA 570 *Going Concern* and ASA 2025-4 *Amendments to Australian Auditing Standards*

Background

1. In accordance with its mandates under section 227 of the *Australian Securities and Investments Commission Act 2001* and the Financial Reporting Council's Strategic Direction, the AUASB's policy is to adopt the International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB), unless there is a compelling reason not to do so. In addition, the AUASB is required to make such amendments to the ISAs to ensure the Australian Auditing Standards both exhibit and conform to the Australian regulatory environment and statutory requirements. Further amendments are made where there are compelling reasons to do so and are made with a public interest focus.
2. The AUASB has issued ASA 570. ASA 570 is consistent with ISA 570 (Revised 2024), *Going Concern*, issued by the IAASB in April 2025. Refer paragraphs 10-11 of this Basis of Conclusions document for further detail on the compelling reason amendments.
3. In March 2022, the IAASB approved a project proposal to undertake certain targeted actions to revise extant ISA 570 (Revised). The project objectives that support the public interest included enhancing or clarifying extant ISA 570 (Revised) to:
 - Promote consistent practice and behaviour and facilitate effective responses to identified risks of material misstatement related to going concern;
 - Strengthen the auditor's evaluation of management's assessment of going concern, including reinforcing the importance, throughout the audit, of the appropriate exercise of professional scepticism; and
 - Enhance transparency with respect to the auditor's responsibilities and work related to going concern where appropriate, including strengthening communications and reporting requirements.
4. The IAASB released an exposure draft of proposed revised ISA 570 in April 2023 and in May 2023 the AUASB exposed the IAASB exposure draft to gather feedback from Australian stakeholders to inform its submission to the IAASB. Comments letters from stakeholders are available on the AUASB website.
5. The AUASB also sought input by hosting a series of virtual roundtable meeting with stakeholders representing assurance providers from medium and large audit firms, the public sector and the professional accounting bodies across Australia.
6. The comment period closed on 14 August 2023. The AUASB received written comment letters from:
 - [Nexia Australia](#)
 - [Pitcher Partners](#)
 - [Chartered Accountants Australia and New Zealand](#)
 - [CPA Australia](#)
 - [Deloitte Touche Tohmatsu Australia](#)

- [Ernst & Young Australia](#)
- 7. The AUASB considered all submissions received and provided a [written submission to the IAASB](#) in August 2023.
- 8. The AUASB monitored the development of ISA 570 to ensure that the AUASB's issues raised were appropriately addressed. Further details regarding the development of ISA 570 and how the IAASB addressed feedback on their exposure draft can be found in the [ISA 570 Basis for Conclusions](#) on the IAASB's website.

Substantive Comments raised by Australian Respondents on Exposure

9. The AUASB received feedback from respondents on the Australian exposure of ISA 570 with the substantive comments included in the submission to the IAASB relating to:
- (a) Financial reporting requirements;
 - (b) Evaluation of management's assessment of going concern; and
 - (c) Enhanced transparency in the auditor's report.

The AUASB included these matters in its submission to the IAASB. The Appendix details substantive feedback received from Australian stakeholders and how those matters have been addressed in the final ISA 570.

Compelling reasons assessment

10. The adoption of international standards and any changes to adopted standards are governed by the [AUASB Policy and Process for International Conformance and Harmonisation of Standards](#) (Harmonisation Policy). The policies and procedures incorporate "compelling reasons" tests which must be met to support changes to the international standards. Changes are made only when the AUASB is satisfied that there are persuasive reasons to do so. Further to paragraph 1 of this Basis of Conclusions document, compelling reasons fall broadly into two categories: legal and regulatory; and principles and practices considered appropriate having regard to the public interest in Australia.
11. The AUASB has made the following compelling reason amendments upon adoption of ISA 570 in Australia as ASA 570:
- (a) Including a diagram of the auditor's decision-making process for going concern, extracted from the IAASB's Basis for Conclusions of the revised ISA. The AUASB decided to include an updated version of the going concern diagram in extant ASA 570 as an appendix to ASA 570. This diagram provides a useful summary for auditors on the overall application of the standard.
 - (b) Removing the optional sub-heading "No material uncertainty exists" included within the example auditor's reports as it was considered that this may lead to inconsistencies in practice and confusion in the market.
 - (c) Amending the example auditor's reports for *Corporations Act 2001* requirements..
12. The revised ASA 570 includes a reminder paragraph carried over from extant ASA 570 that the opinion by the auditor of a *Corporations Act 2001* financial report covers the solvency statement made by the directors in the director's declaration that forms part of the financial report.

Early Adoption

~~12.13.~~ Because of the potential confusion for users of auditors' reports for the same or similar periods within the marketplace lack consistency, the AUASB believes that if early adoption is contemplated the collective changes arising from the Going Concern, Fraud and Listed Entity and PIE projects should preferably be early adopted as a package, rather than on a piecemeal basis.

Conclusion

~~13.14.~~ The AUASB voted to approve and issue ASA 570 and ASA 2025-4 on 14 May 2025.

~~14.15.~~ In reaching its conclusions the AUASB considered:

- (a) all stakeholder feedback;
- (b) the IAASB's due process and consideration as to whether ISA 570 should be re-exposed; and
- (c) whether the amendments made to ISA 570 by the IAASB since exposure were in response to submissions from stakeholders on the exposure draft, have not changed the fundamental approach and principles on which the standard is based, and did not require the re-expose of the standard.

* * *

Appendix

How the substantive comments raised in the AUASB submission to the IAASB have been addressed in the final ISA 570

No.	Substantive comments in the AUASB submission	How addressed in the revised ISA 570 or why not an impediment to issuing an Australian standard
1	<i>Changes to IFRS accounting standards</i> The AUASB recommended that the IAASB continue to liaise with the IASB on amendments to IFRS accounting standards to cover financial report disclosures currently deriving from extant ISA 570/ASA 570.	<i>Lack of action by IASB is not an impediment to continuing the existing requirements.</i> The IAASB has encouraged the IASB to amend its standards. In the absence of change, the IAASB and AUASB sought to work within the confines of the existing accounting standards requirements.
2	<i>Evaluating management's assessment</i> The requirements in ED-570 should articulate the extent of work effort required by the auditor in circumstances where the entity has not prepared a detailed assessment of going concern, and in instances where the entity is clearly a going concern. Specific substantive comments included: ○ The requirement for the auditor to design and perform audit procedures in all circumstances may be seen as inconsistent with ISA 315 <i>Identifying and Assessing the Risks of Material Misstatement</i>. ○ In circumstances where the auditor (and TCWG) has not identified any events or conditions that may cast significant doubt, the auditor should be able to use their professional judgment to determine the extent of work required.	<i>Recommendations have substantively been addressed by the IAASB.</i> A clarification that an evaluation of management's assessment is always required but application material recognises that the nature, timing and extent of work is appropriate to the circumstances of an engagement – paragraph 17 and A35. Paragraph 19 (the work effort paragraph around evaluating management's assessment) has been amended as follows: ○ To clarify that the nature and extent of the auditor's procedures is proportionate to the results of risk assessment procedures. ○ The requirement for assumptions now includes an evaluation only for <i>significant</i> assumptions. ○ Scalability examples are included at application material A46. As it relates to management NOT performing an assessment, the final ISA 570 clarifies that it is a requirement for the auditor to request management to make an assessment. Application material A33 has been included to support the requirement by explaining that a lack of assessment may be a limitation on the audit evidence the auditor is able to obtain. The IAASB confirmed in its deliberations that management's assessment is fundamental to support management's assertion (whether explicit or implicit) that it is appropriate to prepare the financial statements using the going concern basis of accounting.

No.	Substantive comments in the AUASB submission	How addressed in the revised ISA 570 or why not an impediment to issuing an Australian standard
3	<i>Definition - Material Uncertainty</i> Recommended revising the definition of ‘Material Uncertainty (Related to Going Concern)’ (MURGC) by: ○ Removing reference to ‘disclosures’ – conclusion around material uncertainty preceded consideration of adequacy of disclosures. ○ Including reference to the auditor’s evaluation of management’s plans for future actions. ○ Moving application material explaining ‘may cast significant doubt’ to the definition.	<i>These recommendations have all been addressed by the IAASB in the revised definition.</i> The revised MURGC definition no longer refers to ‘disclosures’. It now includes a reference to management’s plans for future actions and explains the term ‘may cast significant doubt’: <i>Material Uncertainty (Related to Going Concern)—An uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the entity’s ability to continue as a going concern. “May cast significant doubt” is used to refer to circumstances where the magnitude of the potential impact and likelihood of occurrence of the identified events or conditions are such that, unless management’s plans for future actions mitigate their effects, the entity may be unable to realize its assets and discharge its liabilities in the normal course of business and continue its operations for the foreseeable future.</i>
4	<i>Management’s plans for future action</i> The AUASB supported the requirements in relation to future action, but encouraged further application material to assist auditors on: ○ Gathering audit evidence on management’s intent and ability where there is insufficient documentation and detailed plans ○ The nature of work and the resulting impact when written confirmations from third parties cannot be obtained ○ Procedures that may be performed when information provided by third parties is for periods shorter than the auditor’s going concern assessment period	<i>This point has been partly addressed by the IAASB. The AUASB submission encouraged additional guidance, rather than raising concern with the requirements themselves.</i> There is no requirement to obtain written evidence about intent, recognising differences across jurisdictions in terms of the legality and enforceability of such written confirmations. Instead, there is application material included in paragraphs A63, A65 and A97 to address the range of considerations relevant to requesting written evidence from supporting parties about their intent to provide or maintain the necessary financial support. To aid practice, paragraph A48 has been expanded to recognise that the nature and extent of the audit evidence to be obtained about management’s ability and intent is a matter of professional judgment based on the nature and the circumstances of the entity and the engagement.
5.1	<i>Transparency in the auditor’s report Heading</i> The heading of the section of the auditor’s report on going concern should clearly indicate where there are issues in relation to going concern to assist users of the financial statements.	<i>This recommendation has been addressed by the IAASB.</i> Example reports included in ISA 570 indicate where there is no MURGC: ○ a heading ‘Going Concern’ (consistent with paragraph 34 of ISA 570) with a subheading (this subheading is not required, it is optional) ‘No Material Uncertainty Related to Going Concern’ Example reports included in ISA 570 indicate where there is a MURGC:

No.	Substantive comments in the AUASB submission	How addressed in the revised ISA 570 or why not an impediment to issuing an Australian standard
		○ a heading ‘Material Uncertainty Related to Going Concern’ (consistent with paragraph 35 of ISA 570)
5.2	<i>Explicit statement</i> Ensure that the proposed explicit statement is not misinterpreted as a separate opinion on going concern and as guaranteeing the future viability of the entity.	<i>This matter has been addressed by the IAASB.</i> Paragraph 34 of ISA 570 has been amended to recognise that the explicit statement is in the context of the financial report as a whole and that the conclusions are not a guarantee as to the entity’s ability to continue as a going concern.
5.3	<i>Accounting Standards – disclosures</i> The Accounting Standards do not include a specific requirement to disclose events or conditions that cast significant doubt on the entity’s ability to continue as a going concern unless management’s conclusions involve significant judgment.	<i>This matter has been addressed by the IAASB.</i> The IAASB discussed that while ‘close call’ situations remain undefined by the IFRS Accounting Standards, education material issued by the IFRS Foundation in January 2021 clarifies circumstances which constitute a ‘close call’ situation (i.e., when significant judgments are made by management in concluding that there is no material uncertainty). The educational material also refers to a 2014 IASB Interpretations Committee Agenda Decision that explains when significant judgments are made by management in concluding that there is no material uncertainty, paragraph 122 of IAS 1 would apply and require disclosures from management in the financial statements of those significant judgments. The IAASB leveraged this guidance to clarify the threshold that triggers the additional communication about going concern for audits of listed entities when no material uncertainty exists. The IAASB replaced the threshold ‘events or conditions’ with ‘significant management judgments.’[paragraph 34(b)] Paragraph A1 of ISA 570 now links to ISA 701 recognising that significant judgments were made by management in concluding that there is no material uncertainty related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern, are by their nature KAMs.
5.4	<i>Differential reporting</i> On balance, the proposed explicit statement about the auditor’s conclusions on the appropriateness of management’s use of the going concern basis of accounting and whether a material uncertainty has been identified should apply to all audits of financial statements, not just listed entities. If this requirement is not extended beyond listed entities, then the standard should explicitly encourage voluntary application.	<i>This matter has not been addressed by the IAASB.</i> <i>The comment in the AUASB submission was on an ‘on balance’ basis. The Office of the AUASB does not consider this matter to be reason enough not to adopt ISA 570 in Australia, particularly as the performance obligations of ISA 570 are for all engagements, the differential requirements are for reporting only. The Office of the AUASB also does not consider that it is necessary to make a specific Australian amendment on the basis that an auditor can always elect to disclose more within the auditor’s report than required by the Auditing Standards. Any such expansion would put a more onerous burden on Australian auditors</i>

No.	Substantive comments in the AUASB submission	How addressed in the revised ISA 570 or why not an impediment to issuing an Australian standard
		<i>compared to other jurisdictions, leading to inconsistencies with global expectations.</i> The IAASB did consider this matter, however, in the interests of scalability and as supported generally by stakeholders, the IAASB did not extend this requirement to all entities. An expansion of differential reporting to PIEs will be considered at later stage as part of a revisit to the PIE Track 2 project.
5.5	<i>Linkage with ISA 701</i> Paragraph A1 of ED-570 and changes to ISA 700 will clarify that for listed entities, the going concern section of the auditor's report, and not a key audit matter, should cover instances where events or conditions have been identified that may cast significant doubt on the entity's ability to continue as a going concern but the auditor concludes that no material uncertainty exists. Paragraph 15 of ISA 701 should also be revised to clarify that communicating a key audit matter in the auditor's report is not a substitute for reporting in accordance with ED-570.	<i>This matter has been addressed by the IAASB.</i> Consequential amendments to paragraph 15 of ISA 701 clarify this position: <u>'The following are, by their nature, key audit matters: Aa matter giving rise to a modified opinion in accordance with ISA 705 (Revised), or, in accordance with ISA 570 (Revised 2024) or, a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern or when significant judgments were made by management in concluding that there is no material uncertainty.</u> in accordance with ISA 570 (Revised), are by their nature key audit matters. However, in such circumstances, these matters shall not be described in the Key Audit Matters section of the auditor's report and the requirements in paragraphs 13–14 do not apply. Rather, the auditor shall: (a) Report on these matter(s) in accordance with the applicable ISA(s); and (b) Include a reference to the Basis for Qualified (Adverse) Opinion, or the Material Uncertainty Related to Going Concern <u>or the Going Concern</u> section(s) in the Key Audit Matters section. (Ref: Para. A6–A7)'

Conforming Amendments to non-legislative AUASB Standards due to Narrow Scope Amendments to the ASQMs, ASAs and ASRE 2400 as a result of the Revisions to the Definitions of Listed Entity and Public Interest Entity in the APESB Code

Amendments to non-legislative AUASB standards do not require an amending standard. The standards are revised and replaced.

Where this document inserts or deletes a paragraph or footnote, as a result of that insertion or deletion relevant paragraph numbers, cross-references and footnotes are updated. Where this document inserts, deletes or amends a heading or a sub-heading, as a result of that insertion, deletion or amendment, the heading or sub-heading on the Table of Contents are updated.

Reference	Amendments made to IAASB standards	Proposed amendments to AUASB standards
ASA 805 <i>Special Considerations-Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement</i>		
Paragraph A20	ISA 700 (Revised) requires the auditor to communicate key audit matters in accordance with ISA 701 for audits of complete sets of general purpose financial statements of listed <u>publicly traded</u> entities. For audits of a single financial statement or a specific element of a financial statement, ISA 701 only applies when communication of key audit matters in the auditor's report on such financial statements or elements is required by law or regulation, or the auditor otherwise decides to communicate key audit matters. When key audit matters are communicated in the auditor's report on a single financial statement or a specific element of a financial statement, ISA 701 applies in its entirety. ...	ASA 700 requires the auditor to communicate key audit matters in accordance with ASA 701 for audits of a general purpose financial report of listed <u>publicly traded</u> entities. For audits of a single financial statement or a specific element of a financial statement, ASA 701 only applies when communication of key audit matters in the auditor's report on such financial report or elements is required by law or regulation, or the auditor otherwise decides to communicate key audit matters. When key audit matters are communicated in the auditor's report on a single financial statement or a specific element of a financial statement, ASA 701 applies in its entirety. ...
Appendix 2	Illustrations of Independent Auditor's Reports on a Single Financial Statement and on a Specific Element of a Financial Statement - Illustration 1: An auditor's report on a single financial statement of an entity other than a listed-publicly traded entity prepared in accordance with a general purpose framework (for purposes of this illustration, a fair presentation framework). - Illustration 2: An auditor's report on a single financial statement of an entity other than a listed-publicly traded entity prepared in accordance with a special purpose framework (for purposes of this illustration, a fair presentation framework). - Illustration 3: An auditor's report on a specific element of a financial statement of a listed-publicly traded entity prepared in accordance with a special purpose	Illustrations of Independent Auditor's Reports on a Single Financial Statement and on a Specific Element of a Financial Statement - Illustration 1: An auditor's report on a single financial statement of an entity other than a listed-publicly traded entity prepared in accordance with a general purpose framework (for purposes of this illustration, a fair presentation framework). - Illustration 2: An auditor's report on a single financial statement of an entity other than a listed-publicly traded entity prepared in accordance with a special purpose framework (for purposes of this illustration, a fair presentation framework). - Illustration 3: [Deleted by the AUASB. Refer [Aus] Illustration 3A. [Aus] Illustration 3A: An auditor's report on a specific element of a financial statement of an entity other than a listed <u>publicly traded</u> entity prepared in

Reference	Amendments made to IAASB standards	Proposed amendments to AUASB standards
	framework (for purposes of this illustration, a compliance framework). ...	accordance with a special purpose framework (for purposes of this illustration, a compliance framework). ...
Appendix 2 Illustration 1	Illustration 1: An auditor's report on a single financial statement of an entity other than a listed publicly traded entity prepared in accordance with a general purpose framework (for purposes of this illustration, a fair presentation framework). For purposes of this illustrative auditor's report, the following circumstances are assumed: • Audit of a balance sheet (that is, a single financial statement) of an entity other than a listed publicly traded entity. ... Auditor's Responsibilities for the Audit of the Financial Statements ... As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: • ... We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. <u>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence.</u> ...	Illustration 1: For purposes of this illustrative auditor's report, the following circumstances are assumed: • Audit of a statement of financial position (that is, a single financial statement) of an entity other than a listed publicly traded entity. The single financial statement is <i>not</i> prepared under the <i>Corporations Act 2001</i>. • ... Auditor's Responsibilities for the Audit of the Financial Statement ... As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: • ... We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. <u>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence.</u> ...
Appendix 2 Illustration 2	Illustration 2: An auditor's report on a single financial statement of an entity other than a listed publicly traded entity prepared in accordance with a special purpose framework. For purposes of this illustrative auditor's report, the following circumstances are assumed: • Audit of a statement of cash receipts and disbursements (that is, a single financial statement) of an entity other than a listed publicly traded entity. ... Auditor's Responsibilities for the Audit of the Financial Statements ...	Illustration 2: For purposes of this illustrative auditor's report, the following circumstances are assumed: • Audit of a statement of cash receipts and disbursements (that is, a single financial statement) of an entity other than a listed publicly traded entity. The single financial statement is <i>not</i> prepared under the <i>Corporations Act 2001</i>. • ... Auditor's Responsibilities for the Audit of the Financial Statement ... As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain

Reference	Amendments made to IAASB standards	Proposed amendments to AUASB standards
	As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: ... We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. <u>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence.</u> ...	professional scepticism throughout the audit. We also: ... We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. <u>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence.</u> ...
Appendix 2 [Aus] Illustration 3A	Illustration 3: An auditor's report on a specific element of a financial statement of a listed <u>publicly traded</u> entity prepared in accordance with a special purpose framework. For purposes of this illustrative auditor's report, the following circumstances are assumed: Audit of an accounts receivable schedule (that is, element, account or item of a financial statement). ...	[Aus] Illustration 3A: For purposes of this illustrative auditor's report, the following circumstances are assumed: - Audit of an accounts receivable schedule (that is, element, account or item of a financial statement) of an entity other than a listed <u>publicly traded</u> entity. The schedule is <i>not</i> prepared under the <i>Corporations Act 2001</i>. ...
ASA 810 Engagements to Report on Summary Financial Statements		
Appendix 1 Illustration 1	<u>Illustration 1:</u> Circumstances include the following: An unmodified opinion is expressed on the audited financial statements of a listed <u>publicly traded</u> entity. ...	Illustration 1: Circumstances include the following: An unmodified opinion is expressed on the audited financial report of a listed <u>publicly traded</u> entity. ...
ASRE 2400 Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Entity		
Paragraph 86	The practitioner's report for the review engagement shall be in writing, and shall contain the following elements: (Ref: Para. A122–A125, A146, A148) (a) ... (j) A reference to the practitioner's obligation under this ISRE to comply with relevant ethical requirements; <u>(j)A If the relevant ethical requirements require the practitioner to publicly disclose when the practitioner applied independence requirements specific to reviews of financial statements of certain</u>	The assurance practitioner's report for the review engagement shall be in writing, and shall contain the following elements: (Ref: Para. A124–A127, A148, A150) (a) ... (j) A reference to the assurance practitioner's obligation under this ASRE to comply with relevant ethical requirements; <u>(k) If the relevant ethical requirements require the assurance practitioner to publicly disclose when the assurance practitioner applied independence requirements specific to reviews of financial statements of certain entities, the</u>

Reference	Amendments made to IAASB standards	Proposed amendments to AUASB standards
	<u>entities, the practitioner's report shall include a statement that:</u> (i) <u>Identifies the jurisdiction of origin of the relevant ethical requirements or refers to the IESBA Code; and</u> (ii) <u>Indicates that the practitioner is independent of the entity in accordance with the independence requirements applicable to reviews of financial statements of those entities. (Ref. Para. A137A)</u> ...	<u>assurance practitioner's report shall include a statement that:</u> (i) <u>Identifies the jurisdiction of origin of the relevant ethical requirements or refers to the APESB Code; and</u> (ii) <u>Indicates that the assurance practitioner is independent of the entity in accordance with the independence requirements applicable to reviews of financial statements of those entities. (Ref. Para. A138)</u> ...
Paragraph A138	<u>Relevant Ethical Requirements (Ref. Para. 86(j)A(ii))</u> <u>A137A. Relevant ethical requirements may:</u> <u>Establish independence requirements that are applicable to reviews of financial statements of certain entities specified in the relevant ethical requirements, such as the independence requirements for reviews of financial statements of public interest entities in the IESBA Code. Relevant ethical requirements may also require or encourage the practitioner to determine whether it is appropriate to apply such independence requirements to reviews of financial statements of entities other than those entities specified in the relevant ethical requirements.</u> <u>Require the practitioner to publicly disclose when the practitioner applied independence requirements applicable to reviews of financial statements of certain entities. For example, the IESBA Code requires that when a firm has applied the independence requirements for public interest entities in performing a review of the financial statements of an entity, the firm publicly disclose that fact, unless making such disclosure would result in disclosing confidential future plans of the entity.¹ The following illustrates the disclosure in the practitioner's report when the IESBA Code comprises all of the relevant ethical requirements that apply to the review engagement:</u>	<u>Relevant Ethical Requirements (Ref. Para. 86(k)(ii))</u> <u>A138. Relevant ethical requirements may:</u> <u>Establish independence requirements that are applicable to reviews of financial statements of certain entities specified in the relevant ethical requirements, such as the independence requirements for reviews of financial statements of public interest entities in the Code. Relevant ethical requirements may also require or encourage the assurance practitioner to determine whether it is appropriate to apply such independence requirements to reviews of financial statements of entities other than those entities specified in the relevant ethical requirements.</u> <u>Require the assurance practitioner to publicly disclose when the assurance practitioner applied independence requirements applicable to reviews of financial statements of certain entities. For example, the Code requires that when a firm has applied the independence requirements for public interest entities in performing a review of the financial statements of an entity, the firm publicly disclose that fact, unless making such disclosure would result in disclosing confidential future plans of the entity.² The following illustrates the disclosure in the practitioner's report when the Code comprises all of the relevant ethical requirements that apply to the review engagement:</u> <u>We are independent of the Company in accordance with the Accounting</u>

¹ IESBA Code, paragraphs R400.20-R400.21

² See APESB Code paragraphs R400.20-R400.21.

Reference	Amendments made to IAASB standards	Proposed amendments to AUASB standards
	<u>We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to reviews of financial statements of public interest entities.</u> ...	<u>Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code), as applicable to reviews of financial statements of public interest entities.</u> ...

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AUASB 2025-8
(November 2025)

AUASB 2025-8

Amendments to AUASB Standards

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PREFACE

AUTHORITY STATEMENT

CONFORMITY WITH INTERNATIONAL STANDARDS ON AUDITING

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PREFACE

Reasons for Issuing AUASB 2025-8

The AUASB issues AUASB 2025-8 *Amendments to AUASB Standards* pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*, as amended (ASIC Act). Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislation Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council (FRC), the AUASB is required, inter alia, to develop auditing standards that have a clear public interest focus and are of the highest quality.

Main Features

This Standard makes amendments to the requirements, application and other explanatory material and appendices of the following AUASB Standards:

- | | |
|-----------|---|
| ASRE 2410 | <i>Review of a Financial Report Performed by the Independent Auditor of the Entity</i> (Issued 9 June 2020 and amended to 13 December 2022) |
| ASA 101 | <i>Preamble to AUASB Standards</i> (Issued 28 January 2025) |
| ASA 200 | <i>Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards</i> (Issued 27 October 2009 and amended to 5 November 2021) |
| ASA 210 | <i>Agreeing the Terms of Audit Engagements</i> (Issued 27 October 2009 and amended to 15 March 2023) |
| ASA 700 | <i>Forming an Opinion and Reporting on a Financial Report</i> (Issued 1 December 2015 and amended to 28 January 2025) |

The amendments arise from changes made by the Accounting Professional & Ethical Standards Board (APESB) to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code), minor amendments to define a term used throughout the AUASB Standards and other editorial corrections.

AUTHORITY STATEMENT

The Auditing and Assurance Standards Board (AUASB) makes this Standard AUASB 2025-8 *Amendments to AUASB Standards* pursuant to section 227B of the *Australian Securities and Investments Commission Act 2001* and section 336 of the *Corporations Act 2001*.

Dated: <TypeHere>

D Niven
Chair - AUASB

Draft

Conformity with International Standards on Auditing

This Standard makes amendments to other standards that are consistent with changes made by the International Auditing and Assurance Standards Board to the equivalent International Standard on Auditing.

Draft

AUASB 2025-8

Amendments to AUASB Standards

Application

1. This Standard applies to:
 - (a) an audit of a financial report for a financial year, or an audit of a financial report for a half-year, in accordance with the *Corporations Act 2001*; and
 - (b) an audit of a financial report, or a complete set of financial statements, for any other purpose.
2. This Standard also applies, as appropriate, to an audit of other historical financial information.

Operative Date

3. This Standard is operative for financial reporting periods commencing on or after 1 July 2025.

Introduction

Scope of this Standard

4. This Standard makes amendments to AUASB Standards as a result of amendments arising from changes made by the APESB to the Code, minor amendments to define a term used throughout the AUASB Standards and other editorial corrections.

Objective

5. The objective of this Standard is to make amendments to the following AUASB Standards:
 - (a) ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (Issued 9 June 2020 and amended to 13 December 2022)
 - (b) ASA 101 *Preamble to AUASB Standards* (Issued 28 January 2025)
 - (c) ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards* (Issued 27 October 2009 and amended to 5 November 2021)
 - (d) ASA 210 *Agreeing the Terms of Audit Engagements* (Issued 27 October 2009 and amended to 15 March 2023)
 - (e) ASA 700 *Forming an Opinion and Reporting on a Financial Report* (Issued 1 December 2015 and amended to 28 January 2025)

Definition

6. For the purposes of this Standard, the meanings of terms are set out in each AUASB Standard. This Standard does not introduce new definitions.

Amendments to AUASB Standards

7. Where relevant, this Standard uses underlining, striking out and other typographical material to identify the amendments to a Standard, in order to make the amendments more understandable. However, the amendments made by this Standard do not include that underlining, striking out or other typographical material. Amended paragraphs are shown with

deleted text struck through and new text underlined. Ellipses (...) are used to help provide the context within which amendments are made and also to indicate text that is not amended.

8. Where this amending standard inserts or deletes a paragraph or footnote, as a result of that insertion or deletion relevant paragraph numbers, cross-references and footnotes are updated.

Amendments to ASRE 2410

9. Existing subparagraph 35(c) is amended to read as follows:

Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit of the annual financial report, and has fulfilled the auditor's other ethical responsibilities in accordance with these requirements.

(i) The statement shall identify the relevant ethical requirements applicable within Australia; and

(ii) If the relevant ethical requirements require the auditor to publicly disclose when the auditor applied independence requirements specific to audits of financial reports of certain entities, the statement shall indicate that the auditor is independent of the entity in accordance with the independence requirements applicable to the audits of those entities. (Ref: Para. A45)

10. The following paragraph A45 and its heading is inserted following existing paragraph A44:

Relevant Ethical Requirements (Ref: Para. 35(c))

Relevant ethical requirements may:

(a) Establish independence requirements that are specific to reviews of financial reports of certain entities specified in the relevant ethical requirements, such as the independence requirements for reviews of financial reports of public interest entities in the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code). Relevant ethical requirements may also require the auditor to determine whether it is appropriate to apply such independence requirements to audits of financial reports of entities other than those entities specified in the relevant ethical requirements.

(b) Require the auditor to publicly disclose when the auditor applied independence requirements specific to audits of financial reports of certain entities. For example, the Code requires that when a firm has applied the independence requirements for public interest entities in performing a review of the financial report of an entity, the firm publicly disclose that fact, unless making such disclosure would result in disclosing confidential future plans of the entity.⁹

11. Existing Example Unmodified Auditor's Review Report on a Half-Year Financial Report – Single Listed Company in Appendix 3 is amended to read as follows:

EXAMPLE UNMODIFIED AUDITOR'S REVIEW REPORT ON A HALF-YEAR FINANCIAL REPORT – SINGLE LISTED COMPANY – *CORPORATIONS ACT 2001*

...

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described

⁹ See the Code paragraphs R400.20-R400.21.

in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the ~~Accounting Professional and Ethical Standards Board's~~ *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to ~~our~~ audits of the ~~annual~~ financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

...

12. Existing Appendix 4 is amended to read as follows:

Illustrations of Auditors' Review Reports for financial reports not prepared under the *Corporations Act 2001*—Unmodified and Modified Conclusions

Example A – Unmodified Auditor's Review Report (not a public interest entity) – Fair Presentation

Example B – Auditor's Review Report with a Qualified Conclusion (Except For) for a Departure from the Applicable Financial Reporting Framework (not a public interest entity) – Fair Presentation Framework

Example C – Auditor's Review Report with a Qualified Conclusion for a Limitation On Scope Not Imposed by Management (not a public interest entity) – Fair Presentation Framework

Example D – Auditor's Review Report with an Adverse Conclusion for a Departure from the Applicable Financial Reporting Framework (not a public interest entity) – Fair Presentation Framework

Example E – Unmodified Auditor's Review Report on a Financial Report (not a public interest entity) – Compliance Framework

Amendments to ASA 101

13. The following paragraph 14 is inserted following existing paragraph 13:

The term "enquire" or "enquiries" in a provision of an AUASB Standard has the same meaning as the term "inquire" or "inquiries" (as applicable) in the corresponding provision of any equivalent standard issued by the IAASB.

Amendments to ASA 200

14. Existing paragraph Aus 13.1 is amended to read as follows:

A complete set of financial statements means financial statements and related notes as determined by the requirements of the applicable financial reporting framework. For example, a complete set of financial statements as described in Accounting Standard AASB 101* includes:

- (a) a statement of financial position as at the end of the period;
- (b) a statement of profit or loss and other comprehensive income for the period;
- (c) a statement of changes in equity for the period;
- (d) a statement of cash flows for the period; ~~and~~
- (e) notes, comprising material accounting policy information ~~a summary of significant accounting policies~~ and other explanatory information; and

- (f) comparative information in respect of the preceding period, where applicable; and
- (g) a statement of financial position as at the beginning of the preceding period, if required.

Amendments to ASA 210

15. Existing paragraph A8 is amended to read as follows:

At present, there is no objective and authoritative basis that has been generally recognised globally for judging the acceptability of general purpose frameworks. In the absence of such a basis, financial reporting standards established by organisations that are authorised or recognised to promulgate standards to be used by certain types of entities are presumed to be acceptable for general purpose financial reports prepared by such entities, provided the organisations follow an established and transparent process involving deliberation and consideration of the views of a wide range of stakeholders. Examples of such financial reporting standards include:

- ~~IFRS Accounting Standards~~International Financial Reporting Standards (IFRSs) promulgated by the International Accounting Standards Board;
- ...

16. Existing paragraph 4 of Appendix 2 is amended to read as follows:

The auditor may decide to compare the accounting conventions to the requirements of an existing financial reporting framework considered to be acceptable. For example, the auditor may compare the accounting conventions to IFRS Accounting Standards. For an audit of a small entity, the auditor may decide to compare the accounting conventions to a financial reporting framework specifically developed for such entities by an authorised or recognised standards setting organisation. When the auditor makes such a comparison and differences are identified, the decision as to whether the accounting conventions adopted in the preparation of the financial report constitute an acceptable financial reporting framework includes considering the reasons for the differences and whether application of the accounting conventions, or the description of the financial reporting framework in the financial report, could result in a financial report that is misleading.

Amendments to ASA 700

17. Existing paragraph Aus 9.1 is amended to read as follows:

Reference to “Australian Accounting Standards” in this Auditing Standard means the Australian Accounting Standards issued by the Australian Accounting Standards Board, and reference to “~~International Financial Reporting Standards~~IFRS Accounting Standards” (~~IFRSs~~), means the IFRS Accounting Standards~~International Financial Reporting Standards~~ issued by the International Accounting Standards Board.

18. Existing paragraph 27 is amended to read as follows:

If the reference to the applicable financial reporting framework in the auditor’s opinion is not to the ~~IFRS Accounting Standards~~International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board or International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standards Board, the auditor’s opinion shall identify the jurisdiction of origin of the framework.

19. Existing paragraph A13 is amended to read as follows:

In some cases, the financial report may represent that it is prepared in accordance with two financial reporting frameworks (e.g., the Australian Accounting Standards and IFRS

Accounting StandardsIFRSs). This may be because management is required, or has chosen, to prepare the financial report in accordance with both frameworks, in which case both are applicable financial reporting frameworks. Such description is appropriate only if the financial report complies with each of the frameworks individually. To be regarded as being prepared in accordance with both frameworks, the financial report needs to comply with both frameworks simultaneously and without any need for reconciling statements. In practice, simultaneous compliance is unlikely unless the jurisdiction has adopted the other framework (e.g., IFRS Accounting StandardsIFRSs) as its own national framework, or has eliminated all barriers to compliance with it.

20. Existing paragraph A15 is amended to read as follows:

The financial report may, however, be prepared in accordance with one applicable financial reporting framework and, in addition, describe in the notes to the financial report the extent to which the financial report complies with another framework (e.g., a financial report prepared in accordance with Australian Accounting Standards that also describes the extent to which it complies with IFRS Accounting StandardsIFRSs). Such description may constitute supplementary financial information as discussed in paragraph 54 and is covered by the auditor's opinion if it cannot be clearly differentiated from the financial report.

21. Existing paragraph A27 is amended to read as follows:

In the case of a financial report prepared in accordance with a fair presentation framework, the auditor's opinion states that the financial report presents fairly, in all material respects, or gives a true and fair view of, the matters that the financial report are designed to present. For example, in the case of a financial report prepared in accordance with IFRS Accounting StandardsIFRSs, these matters are the financial position of the entity as at the end of the period and the entity's financial performance and cash flows for the period then ended. Consequently, the [...] in paragraph 25 and elsewhere in this Auditing Standard is intended to be replaced by the words in italics in the preceding sentence when the applicable financial reporting framework is IFRS Accounting StandardsIFRSs or, in the case of other applicable financial reporting frameworks, be replaced with words that describe the matters that the financial report is designed to present.

AUASB 2025-8
(November 2025)

Explanatory Statement

AUASB 2025-8 Amendments to AUASB Standards

Issued by the Auditing and Assurance Standards Board

Draft



Australian Government

Auditing and Assurance Standards Board

Obtaining a Copy of this Explanatory Statement

This Explanatory Statement is available on the Auditing and Assurance Standards Board (AUASB) website: www.auasb.gov.au

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Draft

Reasons for Issuing Auditing Standard AUASB 2025-8

The AUASB issues AUASB 2025-8 *Amendments to AUASB Standards* pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*, as amended (ASIC Act). Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislation Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council (FRC), the AUASB is required, *inter alia*, to develop auditing standards that have a clear public interest focus and are of the highest quality.

Main Features

This Standard makes amendments to the requirements, application and other explanatory material and appendices of the following AUASB Standards:

ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (Issued 9 June 2020 and amended to 13 December 2022)

ASA 101 *Preamble to AUASB Standards* (Issued 28 January 2025)

The amendments arise from changes made by the Accounting Professional & Ethical Standards Board (APESB) to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) and minor amendments to define a term used throughout the AUASB Standards.

Operative Date

AUASB 2025-8 *Amendments to AUASB Standards* is operative for financial reporting periods commencing on or after 1 July 2025.

Process of making Australian Auditing Standards

The AUASB's Strategic Direction, *inter alia*, provides that the AUASB develop Australian Auditing Standards that:

- have a clear public interest focus and are of the highest quality;
- use the International Standards on Auditing (ISAs) of the International Auditing and Assurance Standards Board (IAASB) as the underlying standards;
- conform with the Australian regulatory environment; and
- are capable of enforcement.

Consultation Process prior to issuing the Auditing Standard

It is the view of the AUASB that AUASB 2025-8 does not require public exposure as the amendments are sufficiently narrow in scope.

Impact Analysis

A Preliminary Assessment form has been prepared in connection with the preparation of AUASB 2025-8 and lodged with the Office of Impact Analysis (OIA). The OIA advised that an Impact Analysis is not required in relation to this standard.

Exemption from Sunsetting

Auditing Standards promulgated by the AUASB that are legislative instruments are exempt from the sunseting provisions of the *Legislation Act 2003* through section 12 of the *Legislation (Exemption and Other Matters) Regulation 2015* (Item 18(a)).

The AUASB's Standards incorporate Standards set by the International Auditing and Assurance Standards Board. The AUASB's Standards are exempt from sunseting because a more stringent review process than sunseting applies to the Standards. This review process ensures Australia's Auditing Standards regime remains consistent with international standards. Typically, the AUASB Standards are revised at least once within a ten-year period, with most of the Standards subject to revisions much more frequently than that. Each revision follows the stringent review process (which includes the opportunity for public comment) in order to remain consistent with international Standards. It is very unlikely that any AUASB Standard would not have been amended (or else considered for amendment) within a ten-year period through these review processes. Therefore, if it applied, a ten-year sunseting regime would have very limited practical application to AUASB Standards. Parliamentary oversight is retained whenever a Standard is replaced or amended since the Standards are disallowable instruments and subject to the normal tabling and scrutiny process as required by the *Legislation Act 2003*.

Commencement of AUASB 2025-8

The instrument was made on 12 November 2025 but is operative for financial reporting periods commencing on or after 1 July 2025. In practice, while some financial periods may be shorter than 12 months, it is unlikely that entities would have reporting periods that commenced on 1 July 2025 and ended before 12 November 2025 or the assurance work would be concluded during that period. Therefore, the retrospective commencement is not expected to disadvantage any person.

STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Legislative Instrument: **Auditing Standard AUASB 2025-8 *Amendments to AUASB Standards***

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

Background

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*, as amended (ASIC Act). Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislative Instruments Act 2003*.

Main Features

This Standard makes amendments to the requirements, application and other explanatory material and appendices of the following AUASB Standards:

- ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (Issued 9 June 2020 and amended to 13 December 2022)
- ASA 101 *Preamble to AUASB Standards* (Issued 28 January 2025)

The amendments arise from changes made by the Accounting Professional & Ethical Standards Board (APESB) to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) and minor amendments to define a term used throughout the AUASB Standards.

Human Rights Implications

AUASB Standards are issued by the AUASB in furtherance of the objective of facilitating the Australian economy. The standards do not diminish or limit any of the applicable human rights or freedoms, and thus do not raise any human rights issues.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.



AUASB Agenda Paper

Title: Accounting related amendments AUASB 2025-12

Date: 12 November 2025

Office of AUASB: See Wen Ewe

Agenda Item: 4.0

Objective of Agenda Item

1. The objective of this Agenda Item is to seek AUASB's approval to issue AUASB 2025-12 *Amendments to AUASB Standards* and the related Explanatory Statement.

Question for AUASB members

No.	Question
1	Do AUASB members approve the following documents for issue: (a) Draft AUASB 2025-12 (Agenda Paper 4.1); and (b) Explanatory Statement to AUASB 2025-12 (Agenda Paper 4.2)?

Background

2. The Australian Accounting Standards Board (AASB) issued AASB 18 *Presentation and Disclosure in Financial Statements* on 7 June 2024. AASB 18 applies to for-profit entities for periods beginning on or after 1 January 2027 and to not-for-profit and superannuation entities for periods beginning on or after 1 January 2028. AASB 18 supersedes AASB 101 *Presentation of Financial Statements* and amends AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* where applicable.
3. As a result of AASB 101 being superseded by AASB 18, cross references to AASB 101 in the suite of AUASB Standards need to be updated.

Matters for AUASB Consideration

4. The NZAuASB made amendments to the suite of NZAuASB standards for the equivalent of AASB 18 and PIE Track 2 (part 1) both operative for financial reporting periods commencing on or after 15 December 2026.
5. The [Process for Harmonisation with New Zealand Standards](#) details that the joint objective of the NZAuASB and AUASB is to achieve a harmonised set of assurance standards between New Zealand and Australia. Therefore, the Office of the AUASB is proposing to make the AASB 18 related changes via an amending standard AUASB 2025-12 for financial reporting periods commencing on or after 15 December 2026. Although AASB 18 only applies to for-profit entities for periods beginning on or after 1 January 2027 (and for not-for-profit entities a year later), the amendments are minor and have no practical effect. For for-profit entities, it is uncommon for entities to have year ending between 14 December and 30 December.
6. As the amendments are minor and narrow in scope, consultation is not considered necessary.

Next steps

7. Subject to the AUASB's approval of AUASB 2025-12, the Office of the AUASB will perform a further quality review of the documents for editorials and lodge AUASB 2025-12 for the Federal Register of Legislation. The compilation work for AUASB 2025-12 will be performed together with the consequential amendments relating to ASA 570 and ASA 240 with the same operative date.

Materials presented

Agenda paper	Description
4.1	Draft AUASB 2025-12 <i>Amendments to AUASB Standards</i>
4.2	Draft AUASB 2025-12 Explanatory Statement

AUASB 2025-12
(November 2025)

AUASB 2025-12

Amendments to AUASB Standards

Issued by the Auditing and Assurance Standards Board

Draft



Australian Government

Auditing and Assurance Standards Board

Obtaining a Copy of this Standard

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www.auasb.gov.au

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PREFACE

Reasons for Issuing AUASB 2025-12

The AUASB issues AUASB 2025-12 *Amendments to AUASB Standards* pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*. Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislation Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council, the AUASB is required, inter alia, to develop auditing standards that have a clear public interest focus and are of the highest quality.

Main Features

This Standard makes minor amendments to the requirements, application and other explanatory material and appendices of the following AUASB Standards:

- | | |
|-----------|--|
| ASA 200 | <i>Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards</i> (Issued 27 October 2009 and amended to 12 November 2025) |
| ASA 450 | <i>Evaluation of Misstatements Identified during the Audit</i> (Issued 27 October 2009 and amended to 30 May 2017) |
| ASA 570 | <i>Going Concern</i> (Issued 14 May 2025) |
| ASA 700 | <i>Forming an Opinion and Reporting on a Financial Report</i> (Issued 1 December 2015 and amended to 12 November 2025) |
| ASRE 2410 | <i>Review of a Financial Report Performed by the Independent Auditor of the Entity</i> (Issued 9 June 2020 and amended to 12 November 2025) |

The amendments arise from a new standard issued by the Australian Accounting Standards Board AASB 18 *Presentation and Disclosure in Financial Statements* which supersedes AASB 101 *Presentation of Financial Statements*.

AUTHORITY STATEMENT

The Auditing and Assurance Standards Board makes this Standard AUASB 2025-12 *Amendments to AUASB Standards* pursuant to section 227B of the *Australian Securities and Investments Commission Act 2001* and section 336 of the *Corporations Act 2001*.

Dated: <TypeHere>

D Niven
Chair - AUASB

Conformity with International Standards on Auditing

This Standard has been made for Australian legislative purposes and accordingly there is no equivalent International Standard on Auditing issued by the International Auditing and Assurance Standards Board.

AUASB 2025-12

Amendments to AUASB Standards

Application

1. This Standard applies to:
 - (a) an audit of a financial report for a financial year, or an audit of a financial report for a half-year, in accordance with the *Corporations Act 2001*; and
 - (b) an audit of a financial report, or a complete set of financial statements, for any other purpose.
2. This Standard also applies, as appropriate, to an audit of other historical financial information.

Operative Date

3. This Standard is operative for financial reporting periods commencing on or after 15 December 2026.

Introduction

Scope of this Standard

4. This Standard makes minor amendments to AUASB Standards as a result of amendments arising from a new standard issued by the Australian Accounting Standards Board AASB 18 *Presentation and Disclosure in Financial Statements* which supersedes AASB 101 *Presentation of Financial Statements*.

Objective

5. The objective of this Standard is to make amendments to the following Auditing Standards:
 - (a) *ASA 200 Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards* (Issued 27 October 2009 and amended to 12 November 2025)
 - (b) *ASA 450 Evaluation of Misstatements Identified during the Audit* (Issued 27 October 2009 and amended to 30 May 2017)
 - (c) *ASA 570 Going Concern* (Issued 14 May 2025)
 - (d) *ASA 700 Forming an Opinion and Reporting on a Financial Report* (Issued 1 December 2015 and amended to 12 November 2025)
 - (e) *ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity* (Issued 9 June 2020 and amended to 12 November 2025)

Definition

6. For the purposes of this Standard, the meanings of terms are set out in each AUASB Standard. This Standard does not introduce new definitions.

Amendments to AUASB Standards

7. Where relevant, this Standard uses underlining, striking out and other typographical material to identify the amendments to a Standard, in order to make the amendments more understandable. However, the amendments made by this Standard do not include that underlining, striking out or other typographical material. Amended paragraphs are shown with

deleted text struck through and new text underlined. Ellipses (...) are used to help provide the context within which amendments are made and also to indicate text that is not amended.

8. Where this amending standard inserts or deletes a paragraph or footnote, as a result of that insertion or deletion relevant paragraph numbers, cross-references and footnotes are updated.

Amendments to ASA 200

9. Existing paragraph Aus 13.1 and footnote * (as amended by AUASB 2025-8 *Amendments to AUASB Standards*) are amended to read as follows:

A complete set of financial statements means financial statements and related notes as determined by the requirements of the applicable financial reporting framework. For example, a complete set of financial statements as described in Accounting Standard AASB 1840¹* includes:

- (a) a statement (or statements) of financial performance for the reporting period;
 - (~~a~~b) a statement of financial position as at the end of the reporting period;
 - (~~b~~) ~~a statement of profit or loss and other comprehensive income for the period;~~
 - (c) a statement of changes in equity for the reporting period;
 - (d) a statement of cash flows for the reporting period;
 - (e) notes for the reporting period, comprising material accounting policy information and other explanatory information; and
 - (f) comparative information in respect of the preceding period, where applicable; and
 - (g) a statement of financial position as at the beginning of the preceding period, if required.
10. Existing footnote § in paragraph Aus A10.2 is amended to read as follows:
- See AASB 1840¹.
11. Existing footnote * in paragraph A53 is amended to read as follows:
- Issued by the Australian Accounting Standards Board on 15 July 2004 and amended to 21 May 2019, (June 2014).

Amendments to ASA 450

12. Existing footnote 7 of paragraph A1 is amended to read as follows:

For example, Australian Accounting Standards require an entity to provide additional disclosures when compliance with the specific requirements in Australian Accounting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance (See AASB 1084¹ *Basis of Preparation* ~~Presentation~~ of Financial Statements, paragraph 476C(c)).

Amendments to ASA 570

13. Existing paragraph 3 and footnote 1 are amended to read as follows:

Some financial reporting frameworks contain an explicit requirement for management to make a specific assessment of the entity's ability to continue as a going concern and include

* See AASB 1840¹, *Presentation and Disclosure in Financial Statements*, paragraph 10.

standards regarding matters to be considered and disclosures to be made in connection with going concern. For example, Australian Accounting Standard (AASB) ~~108101~~ requires management to make an assessment of an entity's ability to continue as a going concern.¹ The detailed requirements regarding management's responsibility to assess the entity's ability to continue as a going concern and related financial statement disclosures may also be set out in law or regulation. (Ref: Para. A4)

14. Existing paragraph A4 and footnote 17 are amended to read as follows:

The circumstances in which entities prepare financial reports on a going concern basis of accounting may vary. For example, AASB ~~108101~~ explains that those circumstances could range from when an entity has a history of profitable operations and ready access to financial resources, to when management may need to consider a wide range of factors relating to current and expected profitability, debt repayment schedules and potential sources of replacement financing before it can satisfy itself that the going concern basis is appropriate.¹⁷

15. Existing paragraph A5 is amended to read as follows:

The applicable financial reporting framework may or may not explicitly use the term "material uncertainty" when describing the uncertainties that are required to be disclosed in the financial report related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. For example, the term "material uncertainty" is used in AASB ~~108101~~ and IPSAS 1. In some other financial reporting frameworks, the term "significant uncertainty" is used in similar circumstances. The auditor is required by paragraph 31 to conclude whether a material uncertainty exists regardless of whether or how the applicable financial reporting framework defines a "material uncertainty." The applicable financial reporting framework may also not define or describe the term "may cast significant doubt" or may use other terms or phrases.

16. Existing footnote 26 in paragraph A50 is amended to read as follows:

See, for example, AASB ~~108101~~ defines this as a period that should be at least, but is not limited to, twelve months from the end of the reporting period and IPSAS 1 defines this as a period that should be at least, but is not limited to, twelve months from the approval of the financial statements.

Amendments to ASA 700

17. Existing footnote 24 in paragraph A7 is amended to read as follows:

For example, Australian Accounting Standards require an entity to provide additional disclosures when compliance with the specific requirements in Australian Accounting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance (See AASB ~~108101~~ *Presentation Basis of Preparation of Financial Statements*, paragraph ~~6C17~~(c)).

Amendments to ASRE 2410

18. Existing paragraph A31 is amended to read as follows:

Accounting Standard AASB ~~18101~~ *Presentation and Disclosure in Financial Statements* provides requirements and explanatory guidance relating to comparative information included in a financial report prepared in accordance with Australian Accounting Standards. Accounting Standard AASB 1 *First-time Adoption of Australian Accounting Standards* provides requirements and guidance relating to comparative information when an entity adopts Australian Accounting Standards for the first time.

¹ See AASB ~~108101~~ *Basis of Preparation of Financial Statements* ~~Presentation of Financial Statements~~, paragraphs ~~6K-6L~~25-26.
¹⁷ See AASB ~~108101~~, paragraph ~~6L~~26.

19. Existing paragraph 15 of Appendix 3 is amended to read as follows:

Form and Content of Interim Financial Reports – AASB 134 paragraph 9 states:

“If an entity publishes a complete set of financial statements in its interim financial report, the form and content of those statements shall conform to the requirements of AASB ~~18404~~ 18401 for a complete set of financial statements”.

Commencement of the legislative instrument

For legal purposes, each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
The whole of this instrument	14 December 2026.	14 December 2026.

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

AUASB 2025-12
(November 2025)

Explanatory Statement

AUASB 2025-12 Amendments to AUASB Standards

Issued by the Auditing and Assurance Standards Board

Draft



Australian Government

Auditing and Assurance Standards Board

Obtaining a Copy of this Explanatory Statement

This Explanatory Statement is available on the Auditing and Assurance Standards Board (AUASB) website: www.auasb.gov.au

Contact Details

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Draft

Reasons for Issuing Auditing Standard AUASB 2025-12

The AUASB issues AUASB 2025-12 *Amendments to AUASB Standards* pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*. Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislation Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council, the AUASB is required, *inter alia*, to develop auditing standards that have a clear public interest focus and are of the highest quality.

Main Features

This Standard makes minor amendments to the requirements, application and other explanatory material and appendices of the following AUASB Standards:

ASA 200	<i>Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards</i> (Issued 27 October 2009 and amended to 12 November 2025)
ASA 450	<i>Evaluation of Misstatements Identified during the Audit</i> (Issued 27 October 2009 and amended to 30 May 2017)
ASA 570	<i>Going Concern</i> (Issued 14 May 2025)
ASA 700	<i>Forming an Opinion and Reporting on a Financial Report</i> (Issued 1 December 2015 and amended to 12 November 2025)
ASRE 2410	<i>Review of a Financial Report Performed by the Independent Auditor of the Entity</i> (Issued 9 June 2020 and amended to 12 November 2025)

The amendments arise from a new standard issued by the Australian Accounting Standards Board AASB 18 *Presentation and Disclosure in Financial Statements* which supersedes AASB 101 *Presentation of Financial Statements*.

Operative Date

AUASB 2025-12 *Amendments to AUASB Standards* is operative for financial reporting periods commencing on or after 15 December 2026.

Process of making Australian Auditing Standards

The AUASB's Strategic Direction, *inter alia*, provides that the AUASB develop Australian Auditing Standards that:

- have a clear public interest focus and are of the highest quality;
- use the International Standards on Auditing of the International Auditing and Assurance Standards Board as the underlying standards;
- conform with the Australian regulatory environment; and
- are capable of enforcement.

Consultation Process prior to issuing the Auditing Standard

It is the view of the AUASB that AUASB 2025-12 does not require public exposure as the amendments are minor and sufficiently narrow in scope.

Impact Analysis

A Preliminary Assessment form has been prepared in connection with the preparation of AUASB 2025-12 and lodged with the Office of Impact Analysis (OIA). The OIA advised that an Impact Analysis is not required in relation to this standard.

Exemption from Sunsetting

Auditing Standards promulgated by the AUASB that are legislative instruments are exempt from the sunseting provisions of the *Legislation Act 2003* through section 12 of the *Legislation (Exemption and Other Matters) Regulation 2015* (Item 18(a)).

The AUASB's Standards incorporate Standards set by the International Auditing and Assurance Standards Board. The AUASB's Standards are exempt from sunseting because a more stringent review process than sunseting applies to the Standards. This review process ensures Australia's Auditing Standards regime remains consistent with international standards. Typically, the AUASB Standards are revised at least once within a ten-year period, with most of the Standards subject to revisions much more frequently than that. Each revision follows the stringent review process (which includes the opportunity for public comment) in order to remain consistent with international Standards. It is very unlikely that any AUASB Standard would not have been amended (or else considered for amendment) within a ten-year period through these review processes. Therefore, if it applied, a ten-year sunseting regime would have very limited practical application to AUASB Standards. Parliamentary oversight is retained whenever a Standard is replaced or amended since the Standards are disallowable instruments and subject to the normal tabling and scrutiny process as required by the *Legislation Act 2003*.

STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Legislative Instrument: **Auditing Standard AUASB 2025-12 *Amendments to AUASB Standards***

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

Background

The AUASB was established under section 227A of the *Australian Securities and Investments Commission Act 2001*. Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislative Instruments Act 2003*.

Main Features

This Standard makes minor amendments to the requirements, application and other explanatory material and appendices of the following AUASB Standards:

- *ASA 200 Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards* (Issued 27 October 2009 and amended to 12 November 2025)
- *ASA 450 Evaluation of Misstatements Identified during the Audit* (Issued 27 October 2009 and amended to 30 May 2017)
- *ASA 570 Going Concern* (Issued 14 May 2025)
- *ASA 700 Forming an Opinion and Reporting on a Financial Report* (Issued 1 December 2015 and amended to 12 November 2025)
- *ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity* (Issued 9 June 2020 and amended to 12 November 2025)

The amendments arise from a new standard issued by the Australian Accounting Standards Board (AASB) *AASB 18 Presentation and Disclosure in Financial Statements* which supersedes *AASB 101 Presentation of Financial Statements*.

Human Rights Implications

AUASB Standards are issued by the AUASB in furtherance of the objective of facilitating the Australian economy. The standards do not diminish or limit any of the applicable human rights or freedoms, and thus do not raise any human rights issues.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.



AUASB Agenda Paper

Title: GS 021 *Engagements under the National Greenhouse and Energy Reporting Scheme, Carbon Pricing Mechanism and Related Schemes*

Date: 12 Nov 2025

Office of AUASB: See Wen Ewe

Agenda Item: 5.0

Objective of Agenda Item

1. The objective of this Agenda Item is to seek AUASB's approval to withdraw GS 021 *Engagements under the National Greenhouse and Energy Reporting Scheme, Carbon Pricing Mechanism and Related Schemes*.

Question for AUASB members

No.	Question
1	Do the AUASB members approve the withdrawal of GS 021?

Background and Previous Discussions on Topic

2. GS 021 was issued in 2012 after the Clean Energy Regulator (CER) was formed in 2007. The purpose of GS 021 was to provide guidance to assurance practitioners in applying the relevant AUASB Standards when conducting assurance and agreed-upon procedures engagements on regulatory reporting of greenhouse gas emissions, energy production, energy consumption or offsets, applications for assistance with carbon liabilities or compliance with related legislative requirements in Australia.
3. GS 021 is significantly outdated because there have been considerable changes to the National Greenhouse and Energy Reporting (NGER) schemes with some schemes no longer existing, new schemes created and others changed. The removal of GS 021 was approved by the AUASB a number of years ago however this was not actioned (see [Agenda Item 5 of the September 2020 meeting pack](#)).
4. According to paragraph 265(b) of the [AUASB Due Process Framework for Developing, Issuing and Maintaining AUASB Pronouncements and Other Publications](#), a formal process to withdraw or repeal GSs is not required. However, the AUASB must first publicise the intention to withdraw the GS on the AUASB website and through standard AUASB communication channels, to elicit any objections from stakeholders.
5. At its November 2024 meeting, AUASB members agreed to publicise our intention to withdraw GS 021 while retaining the example engagement letter on the AUASB website (see [Agenda Item 6.2 of the November 2024 meeting pack](#) and [Agenda Item 6 of the November 2024 meeting minutes](#)). While the CER website includes example audit reports, there are no example engagement letters.
6. The Office of the AUASB publicised the proposal to withdraw GS 021 on the AUASB website and AUASB LinkedIn on 1 August 2025. No comments were received and the matter was removed from the AUASB website in September 2025.
7. The example engagement letter in Appendix 4 of GS 021 is outdated. The CER also has a number of different schemes which would require more tailored engagement letters specific to the particular circumstances, and we have not received requests from auditors for such example engagement letters.
8. The Office of the AUASB recommends that GS 021 be withdrawn and moved to the website archive.



AUASB Agenda Paper

Title:	Project plan - Revised GS 015 <i>Audit Implications of Accounting for Investments in Associates</i>	Date:	12 November 2025
Office of the AUASB:	Jeff Muir	Agenda Item:	6.0

Objective of this Agenda Paper

1. The objective of this Agenda Paper is to seek feedback and approval of the Project Plan for updating [GS 015 *Audit Implications of Accounting for Investments in Associates*](#) (GS 015) (see fs

Questions for the AUASB members

No.	Questions for AUASB members
1	Do AUASB members have any feedback on the GS 015 Project Plan?
2	Do AUASB members approve the GS 015 Project Plan?

Background

2. GS 015 is used by stakeholders when auditing investments in associates and joint ventures. GS 015 requires updating for many changes in accounting and auditing standards since GS 015 was issued in November 2009.
3. Under the [Due Process Framework for Developing, Issuing and Maintaining AUASB Pronouncements and Other Publications](#) (AUASB Due Process framework), AUASB Guidance Statements should be assessed for currency and relevance, and to ensure they remain consistent with other AUASB pronouncements and fit for purpose, at least once every three years (see subparagraph 265(a) of the AUASB Due Process Framework).
4. Based on initial feedback received from stakeholders, the Office of the AUASB recommends amending GS 015 to address for changes in standards and to serve the public interest. The Due Process Framework requires a Project Plan for comprehensive revisions of Guidance Statements and for these plans to be approved by the Board.

Collaboration with NZAuASB

5. There is no New Zealand equivalent to GS 015.

Materials presented

Agenda paper	Description
6.1	Draft Project Plan for updating GS 015



AUASB Project Plan

Project Title:	Revision of GS 015 <i>Audit Implications of Accounting for Investments in Associates</i>
Date:	12 November 2025
AUASB Staff	Jeff Muir

Overview of Project

Information Gathering / Background

[GS 015 *Audit Implications of Accounting for Investments in Associates*](#) (GS 015) was issued on 24 November 2009 and provides guidance to auditors on the audit implications and audit responses that may apply to obtaining audit evidence over investments in associates and joint ventures under AASB 128 *Investments in Associates and Joint Ventures*.

The Office of the AUASB received informal feedback that GS 015 is being used by auditors and should be revised for:

- (a) the new [ASA 600 *Special Considerations-Audits of a Group Financial Report \(Including the Work of Component Auditors\)*](#);
- (b) relevant changes in AASB 128 since extant GS 015. (link to current [AASB 128 *Investments in Associates and Joint Ventures*](#)); and
- (c) multiple references to previous versions of other auditing standards that have been revised since November 2009.

Responses to a survey conducted by the Office of the AUASB (*Guidance Statement Revision Discussion Paper 2019*) indicated guidance statements should be updated where they are being used and remain relevant.

While no changes to the existing audit principles are proposed, GS 015 needs a ‘refresh’.

What information gathering has been completed to date?

When the Office of the AUASB met with representatives from the Big 6 audit firms and the Large National Networks Discussion Group on revising GS 011, stakeholders provided feedback that GS 015 is being used and should be updated, particularly for standards revised post November 2009.

We have met with staff from the NZAuASB who have confirmed they do not have an equivalent to GS 015 and will not participate in this project.

The Office of the AUASB is not aware of an international equivalent to GS 015.

Project Objective and Scope

Project Objective

The objective of this project is to update and revise the existing guidance statement to ensure its continued relevance, clarity, and effectiveness in addressing current industry practices, and stakeholder expectations.

Project Scope

The scope of this project is to update GS 015 to align with ASA 600 and current practice, and to address issues arising from practice as appropriate.

Output of this project

Revised GS 015.

Project Governance

Why is this in the public interest?

GS 015 is widely used and helps ensure audit quality is at a high standard.

Board approval

Guidance Statements are authoritative pronouncements and require AUASB approval (refer to the [AUASB's Due Process Framework](#)). Refer to the indicative timeline below.

How feedback will be sought from auditors

The Office of the AUASB does not consider it necessary to form a formal Project Advisory Group and will seek feedback from representatives of the firms informally.

Activities undertaken by the Office of the AUASB to date

The Office of the AUASB performed a review of extant GS 015 to identify key areas requiring revision.

Action plan

The following table sets out an indicative timeline, key dates, approvals and stakeholder consultation for revising GS 015.

Date	Description
March 2025	Informal meetings with each of the Big 6 audit firms
12 November 2025	Present Project Plan to AUASB Board for approval
November – December 2025	Office of the AUASB to draft a revised GS 015 for informal consultation with the largest 6 audit firms and mid-tier firms through the Large National Networks Discussion Group.
25 February 2025	Present revised GS 015 to AUASB Board for approval.
2 March 2025	Issue revised GS 015.



AUASB WORK PLAN - GENERAL

AREA	DETAILS	TIMING
SUSTAINABILITY ASSURANCE	Amendments to 5000/5010	ED 02/25 & ED 03/25
	Guidance & monitoring	FAQs to address identified areas. Guidance for each disclosure area. Guidance for financed emissions. Collaboration with IAASB and other standard setters (e.g. illustrative audit reports).
	Implementation support & education	Work with AASB, ASIC, accounting bodies & others
FINANCIAL REPORT AND OTHER ASSURANCE	PIE Track 2, etc	Update standards for 'Public Interest Entity', etc
	AASB 18	Update AUASB standards
	Going Concern & Fraud	Implementation support for new standards
	Audit Evidence, Risk Response, etc	IAASB project at early stage
	Inventories, Confirmations, etc	IAASB project at early stage
	Technology	IAASB project at early stage. IAASB QM Roundtable in Sydney on 11/11/25.
	ISRE 2410 <i>Interim reviews</i>	IAASB project with NZAuASB
	Support for other IAASB projects	To be determined
	GS 002 <i>Registrable Superannuation Entities</i>	Update for new APRA prudential requirements.
	GS 007 <i>Investment service orgs</i>	Revision. PAG meeting regularly.
	GS 010 <i>Questions at AGMs</i>	Update
	GS 011 <i>Access to working papers</i>	Update
	GS 013 & GS 014 <i>Managed Schemes</i>	Update
	GS 015 <i>Associates</i>	Update
	GS 018 <i>Franchisor Solvency</i>	Update
	GS 023 <i>Public Sector</i>	Update for revised ASA 570
	Cybersecurity	Simplified information sheet
	FRC Audit Review Working Group	Use of RCAs in State legislation
BOTH	IAASB work plan and projects	Influence (e.g. through IAASB & IESBA Stakeholder Advisory Council)
	Website refresh	Sustainability pages, accessing standards by reporting period, web design software, etc.
	Stakeholder engagement	Review plan
	Legislation and reform	Enforceability of firm quality management standards and relevant ethical requirements. FRC/AASB/AUASB merger; Treasury consultation on ethics, consulting and audit.

SUSTAINABILITY ASSURANCE
AUASB IMPLEMENTATION SUPPORT, GUIDANCE AND EDUCATION

