

ACCOUNTING PROFESSIONAL & ETHICAL STANDARDS BOARD



**APES 410
CONFORMITY WITH AUDITING AND
ASSURANCE STANDARDS**

(Effective as at 1 July 2006)

CONTENTS

Part 1 - Introduction

1. Scope and Application
2. Objective
3. Definitions

Part 2 – The Standards

4. Auditing and Assurance Standards
 5. Auditing and Assurance Guidance
-

PART 1 - INTRODUCTION

1. Scope and application

- 1.1 This Standard is operative from 1 July 2006.
- 1.2 Compliance with this Standard is mandatory.

2. Objective

- 2.1 The objective of this Standard is to establish the responsibilities of Members in relation to compliance with the Auditing and Assurance Standards, in the conduct of all Australian audit engagements, review engagements, other assurance engagements, and related services (whether of financial or non-financial information).

3. Definitions

- 3.1 For the purposes of this Standard:

Auditing and Assurance Standards mean:

- In relation to reports for reporting periods commencing on or after 1 July 2006:
 - the AUASB Standards, as defined in the *Foreword to AUASB Pronouncements*, issued by the AUASB, and operative from the date specified in each standard; and
 - those standards issued by the AuASB which have not yet been revised and reissued (whether as standards or as guidance) by the AUASB, to the extent that they are not inconsistent with the AUASB standards.
- In relation to reports for reporting periods commencing prior to 1 July 2006, the Auditing and Assurance Standards issued by the AuASB on behalf of CPA Australia and the Institute of Chartered Accountants in Australia.

Auditing and Assurance Guidance means:

- The Guidance Statements and other guidance publications, as defined in the *Foreword to AUASB Pronouncements*, issued by the AUASB.
- The Auditing and Assurance Guidance Statements and other guidance publications issued by the AuASB on behalf of CPA Australia and the Institute of Chartered Accountants in Australia.

AuASB means the Auditing and Assurance Standards Board which issued Australian Auditing and Assurance Standards up to 30 June 2004, under the auspices of the Australian Accounting Research Foundation, a joint venture of CPA Australia and the Institute of Chartered Accountants in Australia.

AUASB means the Australian statutory body called the Auditing and Assurance Standards Board that commenced operations on 1 July 2004.

Member means:

A member of a professional body that has adopted this Standard as applicable to their membership, as defined by that professional body.

PART 2 – THE STANDARDS

4. Auditing and Assurance Standards

- 4.1 Auditing and Assurance Standards contain basic principles and essential procedures, together with related guidance. Auditing and Assurance Standards apply in addition to ethical or legal requirements relevant to a particular engagement. Auditing and Assurance Standards are to be applied to all Australian financial report audits and are also to be applied, adapted where permitted and as necessary, to all other Australian audit engagements, review engagements, other assurance engagements, and related services engagements (whether of financial or non-financial information).
- 4.2 In Auditing and Assurance Standards, the basic principles and essential procedures identified in bold-type (black lettering) are mandatory. They are to be complied with in the planning, conduct and reporting of audits, other assurance engagements and related services except where otherwise stated in the Auditing and Assurance Standard concerned. They need not be applied in relation to a matter forming part of the information subject to audit, other assurance engagement, or related service if that matter is not material. The basic principles and essential procedures are to be interpreted in the context of the explanatory text and other information contained in or appended to Auditing and Assurance Standards and Auditing and Assurance Guidance. The explanatory text and other information provide guidance and practical examples to assist the auditor in the application of the basic principles and essential procedures.

5. Auditing and Assurance Guidance

- 5.1 Auditing and Assurance Guidance does not establish new Auditing and Assurance Standards and does not amend existing Auditing and Assurance Standards. Auditing and Assurance Guidance is not mandatory.