

(July 2007)

Regulation Impact Statement

**Standard on Assurance
Engagements ASAE 3000 Assurance
*Engagements Other than Audits or
Reviews of Historical Financial
Information***

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

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1 Background

- 1.1 The Auditing and Assurance Standards Board (AUASB) issues Auditing Standards under section 336 of the *Corporations Act 2001* for the purposes of the corporation's legislation and formulates auditing and assurance standards for other purposes.
- 1.2 The AUASB issues Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, pursuant to the requirements of the legislative provisions explained below.
- 1.3 The *Corporate Law Economic Reform Program (Audit Reform and Corporate Disclosure) Act 2004* (the CLERP 9 Act) established the AUASB as an independent statutory body under section 227A of the *Australian Securities and Investments Commission Act 2001* (ASIC Act), as from 1 July 2004. Under section 227B (1) of the ASIC Act, the functions of the AUASB are:
 - (a) *to make Auditing Standards under section 336 of the Corporations Act for the purposes of the corporations legislation; and*
 - (b) *to formulate Auditing and Assurance Standards for other purposes; and*
 - (c) *to formulate guidance on audits and assurance matters; and*
 - (d) *to participate in and contribute to the development of a single set of auditing standards for world-wide use; and*
 - (e) *to advance and promote the main objects of this Part.*

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1.4 The Financial Reporting Council (FRC) has issued a broad Strategic Direction to the AUASB as follows:

1. *The AUASB should develop Australian Auditing Standards that have a clear public interest focus and are of the highest quality.*
2. *The AUASB should use, as appropriate, International Standards on Auditing (ISAs) of the International Auditing and Assurance Standards Board (IAASB) as a base from which to develop Australian Auditing Standards.*
3. *The AUASB should make such amendments to ISAs as necessary to accommodate and ensure that Australian Auditing Standards both exhibit and conform with the Australian regulatory environment and statutory requirements, including amendments as necessary for Australian Auditing Standards to have the force of law and be capable of enforcement under the requirements of the Corporations Act 2001 by 30 June 2006.*
4. *The AUASB should continue to develop auditing and assurance standards other than for historical financial information as well as developing and issuing other guidance on auditing and assurance matters, and may participate in audit research that is conducive to, and which significantly benefits, the standard-setting activities of the AUASB.*

In addition, the AUASB should have regard to any programme initiated by the IAASB for the revision and enhancement of ISAs and make appropriate consequential amendments to the AUSSs. The FRC strongly encourages participation by the AUASB in the work of international bodies such as the IAASB.

1.5 The effect of CLERP 9 and the FRC Strategic Direction is that the AUASB is required to issue Auditing and Assurance Standards based on International Standards on Auditing (ISAs), International Standards on Assurance Engagements (ISAE) and International Standards on Review Engagements (ISRE), and amended, as appropriate, to exhibit and conform with the Australian regulatory environment and statutory requirements.

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2 Problem

- 2.1 Auditing Standard AUS 110 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, had been issued in June 2004 by the AUASB's predecessor body, the Auditing & Assurance Standards Board of the Australian Accounting Research Foundation.
- 2.2 Under the ASIC Act and the FRC Strategic Direction, the AUASB is required to revise and reissue AUS 110 in the light of Australian regulatory and international developments.
- 2.3 There are two reasons why the AUASB needs to revise and reissue AUS 110:
 - (a) the existing AUS 110 was issued by the predecessor body in June 2004 and does not comply with the current AUASB Drafting Rules and terminology; and
 - (b) to review and reconsider any amendments made to ISAE 3000 when AUS 110 was issued in June 2004.

3 Government's objectives

- 3.1 The main objectives of CLERP 9 and the FRC Strategic Direction are for the AUASB to formulate auditing and assurance standards and guidance on auditing and assurance standards that meet the following criteria:
 - A clear public interest focus.
 - Be of the highest quality.
 - Comparable with and conform with the International Standards – ISAs, ISAEs and ISREs.
- 3.2 The FRC Strategic Direction is based on the government's overall objective of ensuring that Australia provides investors with assurance reports that are comparable with its international counterparts.

4 Options

The AUASB considered the following options to comply with the Government's requirements:

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4.1 Option 1: Status Quo – Based on AUS 110 with minimal amendments

Maintain the status quo and use AUS 110 (issued by the Australian Accounting Research Foundation) with minimal amendments. This option would involve:

- Inserting AUASB drafting clauses (revised preface, application clauses, conformity statement etc).
- A review to ensure that ASAE 3000 would not conflict with regulatory or statutory requirements.
- Further changes to adopt any new ISAEs produced by the IAASB.

Option 1 is not a feasible option given that it does not achieve the Government’s objectives in implementing CLERP 9 and the FRC’s Strategic Direction and will not be given any further consideration.

4.2 Option 2: Based on ISAE 3000 with amendments for the Australian regulatory environment

Under this option, the AUASB would use *ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* as a base and make amendments where deemed necessary. This option would entail:

- Inserting of AUASB drafting clauses (revised preface, application clauses, conformity statement etc).
- A review to ensure the standard does not conflict with regulatory requirements.
- Not including presumptive requirements.¹
- Any additional amendments to improve the format, specificity, and application of ASAE 3000. This would involve a two-tiered approach whereby mandatory

¹ The definition of a presumptive requirement is where the assurance practitioner should follow the requirement, however, in some cases, the assurance practitioner may depart from a presumptive requirement provided there is documentation of the justification for departure and how alternative procedures performed in the circumstances were sufficient and appropriate to replace the presumptive requirement.

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requirements are depicted in bold type and explanatory guidance in normal type; the bold type and normal type do not have equal authority. Consistent with AUASB drafting rules, implied obligations² in the explanatory guidance would be removed.

The proposed changes to ISAE 3000 under Option 2 are detailed on *Table 1 Changes to ISAE 3000*. Under this option, at least nine explanatory guidance paragraphs would be elevated to mandatory requirements.

4.3 Option 3: Extensive revision to the current AUS 110

Under this option, the AUASB would have to make extensive revision to AUS 110 including:

- Making the changes described in Option 1 above, but also incorporating presumptive requirements where appropriate.
- Implied obligations in the explanatory guidance would have been removed.
- Making changes to reflect the IAASB's 'clarity' redrafting conventions which would result in an assurance standard that significantly differs in form from the existing ISAE 3000.

This is potentially a route that the AUASB may be required to take, possibly in three to five years time, should the IAASB decide to extend the clarity project from the ISAs to the ISAEs. At this stage, the IAASB has not stated its intention in this area.

5 Impact Analysis

5.1 The four main groups who are affected by the AUASB's decision are:

- Assurance Practitioners.

² An implied obligation may exist, for example, where the explanatory guidance contains an expression such as "The assurance practitioner considers...". In this example, it can be difficult to determine if this represents an obligation (as indicated by the use of the present tense) or guidance only (as indicated by the presence of the statement in the explanatory guidance). Such implied obligations can be removed by (i) elevating the passage to a mandatory requirement; (ii) inserting a qualifier such as "ordinarily"; or (iii) rewriting the sentence to avoid the use of the present tense.

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- Entities requiring assurance, other than audits or reviews of historical financial information.
 - Professional Bodies, including professional accounting bodies.
 - Users of assurance reports.
- 5.2 The AUASB assesses from a public interest perspective whether the costs exceed the benefits to be derived from a revised AUASB Pronouncement. There is no universally accepted methodology for quantitatively measuring costs and benefits of assurance services. The costs of providing assurance services are incurred, in the main, by entities, but extend in various direct and indirect ways to the users of assurance reports.
- 5.3 Given the nature of assurance engagements other than audits and reviews of historical financial information, it is difficult to quantify, with any degree of precision, the incremental costs, the number of businesses and individuals affected by this standard. Potentially, incremental costs may be incurred by assurance practitioners in updating their assurance methodology and assurance procedures for the additional requirements resulting from elevation of explanatory guidance to mandatory requirements. At the same time, assurance practitioners may benefit from the certainty created by the removal of implied obligations. Some portion of these costs/benefits may be passed on to users of assurance reports, especially where the user requests for an assurance engagement of this nature to be conducted. Also, users may benefit from:
- increased consistency in assurance reports;
 - a higher acceptable level of documentation; and
 - an overall higher quality of assurance engagements within Australia and internationally.
- 5.4 To assist with quantification of costs/benefits and the impact on small and medium sized entities, the AUASB requested constituents to respond to the following specific questions in the exposure draft process:
- (a) What, if any, are the additional costs to/benefits for assurance practitioners and the business community for compliance with this proposed ASAE?

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- (b) Are there any issues that impact on small to medium sized entities (SMEs) or small to medium practices (SMPs) that need to be included in this proposed ASAE?
- (c) Are there any public interest concerns that constituents wish to raise?

Responses to these three questions are summarised in item 6.7 below.

- 5.5 The costs and benefits under Options 2 and 3 are detailed on *Table 2 Costs and Benefits of Feasible Options*. Analysis of these costs and benefits indicate that Option 2 achieves the Government's objectives in implementing CLERP 9 and the FRC Strategic Direction without imposing significant compliance costs. With the wider application of ASAE 3000 by other professional, however, the net benefits to assurance practitioners and users of assurance reports will outweigh any additional costs incurred.
- 5.6 Option 3 would result in significant costs to the AUASB in redrafting the assurance standard using the IAASB's 'clarity' rules and result in an assurance standard that looks very different from the ISAE 3000. In addition, early consideration of this option has the potential to impose significant compliance costs on the business community. It would be more appropriate for the AUASB to consider this option once the IAASB formally extends the 'clarity' project to the ISAEs and revises ISAE 3000.

6 Consultation

- 6.1 In accordance with the AUASB due process:
 - The AUASB Technical Group compiled detailed submissions on the proposed ASAE 3000 for consideration by AUASB members at public meetings over a ten-month period between 4 September 2006 and 27 June 2007.
 - Prior to each public meeting of the AUASB, proposed ASAE 3000 to be tabled were posted on the AUASB website for the benefit of interested constituents.
 - After each public meeting of the AUASB, meeting highlights were posted on the AUASB website for public viewing.

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- A media release accompanied the release of the exposure draft of proposed ASAE 3000.
 - The AUASB Update Notification Service provided subscribers with a notification in the form of an email, alerting interested parties of all important updates to the web site on the release of exposure drafts of proposed ASAE 3000 and media releases.
 - Constituents were given 45 days to comment on the exposure draft of the proposed ASAE 3000.
- 6.2 Following the public exposure of proposed ASAE 3000, a total of 28 comments were received from 5 different respondents. All public comments are available on the AUASB web site (www.auasb.gov.au).
- 6.3 The 5 respondents were:
- Professional Accounting Bodies (CPAA, ICAA and NIA) – combined submission;
 - Australasian Council of Auditors-General (ACAG);
 - Ernst & Young;
 - KPMG; and
 - Grant Thornton.
- 6.4 These respondents represented the majority of the key groups affected by the proposed ASAE 3000: assurance practitioners, Professional Accounting Bodies and Auditors-General. All constituents supported the proposed ASAE 3000.
- 6.5 All constituents' comments have been posted on the AUASB website for public viewing.
- 6.6 In accordance with the AUASB Due Process, each constituent's comments on the proposed ASAE 3000 were analysed, amendments were recommended, as appropriate, and tabled for Board review and approval at the 4-5 June 2007 and the 27 June 2007 public meetings of the AUASB.

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- 6.7 In terms of the comments received on the specific questions on costs of implementation, three of the five respondents indicated that:
- there were no additional costs to assurance practitioners and the business community for compliance with the proposed ASAE 3000;
 - there were no public interest matters that they wished to raise; and
 - there were no significant impacts on small and medium sized entities as assurance engagements using the proposed ASAE 3000 would mainly be conducted for large and medium sized entities by the large and medium sized practices.
- 6.8 One respondent indicated concerns that the structure of ASAE 3000 may not conform with the ‘clarity’ principles that the IAASB is following in reissuing ISAs and that this may contribute to significant costs once the IAASB issues a clarified ISAE 3000.
- 6.9 The AUASB has had and continues to have significant involvement in the IAASB’s ‘clarity’ project and has planned to commence clarifying the Auditing Standards during 2008. At this stage, the IAASB has not communicated its intention to clarify the ISAEs. Until such time as the ISAEs are clarified, it would be inappropriate for the AUASB to clarify ASAE 3000.
- 6.10 The AUASB members discussed the comments and the resultant impact on the proposed ASAE 3000, then resolved whether to make recommended or other amendments. All important issues that required further consideration were brought back to the 27 June 2007 AUASB meeting for additional discussion and final approval out of session by 9 July 2007.

7 Conclusions and recommended option

- 7.1 The options given above show the broad strategic direction that the AUASB needs to consider in formulating Assurance and Auditing Standards for other purposes. In considering the options, the AUASB decided that Option 2 is the preferred option as:
- (a) it best meets the requirements of the ASIC Act and the FRC Strategic Direction; and

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- (b) the qualitative cost/benefit analysis undertaken for each option (see 7.2 below) indicate that Option 2 has a better ratio of costs to benefits than the other options considered.
- 7.2 As detailed at *Table 2: Costs and Benefits of Feasible Options*, Option 2 balanced the Government's legislative objectives with the costs and benefits of the issuance of proposed ASAE 3000. This course of action was the only one that met the criteria of upholding the public interest and conformity with ISAE 3000. Option 2 also provides greater certainty to assurance practitioners and users of assurance reports by avoiding the creation of a set of requirements that are radically different from ISAE 3000. Further, this option creates minimal disruption to pre-existing assurance processes and thus minimise compliance costs.
- 8 Implementation and review - Informing stakeholders**
- 8.1 Those affected by the changes will be notified in a variety of ways. Consultation meetings are planned to inform key stakeholders about the decisions of the AUASB in December 2007. There may be a number of formal sessions being offered by the professional bodies with assistance from the AUASB. The AUASB also issues media releases at each stage of the process, and writes articles for professional magazines when appropriate. Members of the public can also subscribe to an update service for the AUASB's web site.
- 8.2 The AUASB will monitor the implementation of ASAE 3000 by:
- Liaison with the professional accounting bodies.
 - Regular consultative meetings with key stakeholders.
 - Assessing the nature of issues faced by stakeholder by monitoring direct enquiries made to the AUASB.
- 8.3 The AUASB will continue to work closely with the IAASB to ensure that proposed ASAE 3000 continues to conform with any amendments to ISAE 3000.

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Table: 1 Changes from AUS 110

<i>Main Changes from AUS 110</i>	<i>Explanation and impact of Change</i>
1. The word ‘shall’, in the bold-type paragraphs, is the terminology used to describe an assurance practitioner’s mandatory requirements, whereas an assurance practitioner’s degree of responsibility was described in AUS 110 by the word ‘should’;	This is part of the application of the AUASB Drafting Rules to ensure consistency with AUASB Standards. Impact of this change is to distinguish mandatory requirements from explanatory guidance.
2. The explanatory paragraphs provide guidance and illustrative examples to assist the assurance practitioner in fulfilling the mandatory requirements, whereas in AUS 110 some obligations were implied within certain explanatory paragraphs;	This is part of the application of the AUASB Drafting Rules to ensure consistency with AUASB Standards. Impact of this change is to remove uncertainty about the assurance practitioner’s obligations due to the existence of implied obligations in the explanatory guidance.
3. The term ‘practitioner’ has been replaced with ‘assurance practitioner’ to extend the application of the ASAE to other professionals. Assurance practitioner has been defined as follows: (a) for the purpose of this ASAE, an “assurance practitioner” means a person or an organisation, whether in public practice, industry, commerce or the public sector, involved in the provision of	As indicated in the proposal, this amendment extends the application of the ASAE 3000 to other professionals (i.e. professionals other than professional accountants). The anticipated impact of this change is to avail ASAE 3000 to other professionals, who may provide assurance services,

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	assurance services (paragraph 4). in an effort to standardise the quality of assurance services and reports held out to be provided by “assurance practitioner”.
4. The definition of reasonable assurance has been expanded to include: (a) reasonable assurance means a high, but not absolute, level of assurance (paragraph 5(a)).	This amendment seeks to remove any uncertainties about the level of assurance provided by a “reasonable assurance” engagement. The impact of this amendment is to make explicit the meaning of reasonable assurance under ASAE 3000.
5. The following implied obligation in AUS 110 has been elevated and re-stated as a specific mandatory requirement: (a) the assurance practitioner shall comply with this ASAE and other relevant ASAEs when performing an assurance engagement other than an audit or review of historical financial information covered by ASAs or ASREs (paragraph 6).	This is part of the application of the AUASB Drafting Rules to ensure consistency with AUASB Standards. Impact of this change is to remove uncertainty about the assurance practitioner’s obligations due to the existence of implied obligations in the explanatory guidance.
6. The following additional and/or extended mandatory requirements to all assurance practitioners, not in AUS 110, have been included: (a) this Standard on Assurance Engagements (ASAE) applies to assurance engagements other than audits or reviews of historical financial information (paragraph 1);	This is part of the application of the AUASB Drafting Rules to ensure consistency with AUASB Standards. Impact of this change is to remove uncertainty about the assurance practitioner’s obligations due to the existence of implied

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<p>(b) where in rare and exceptional circumstances, factors outside the assurance practitioner's control prevent the assurance practitioner from complying with a relevant mandatory requirement in this ASAE, the assurance practitioner shall:</p> <p>(i) if possible, perform appropriate alternative procedures; and</p> <p>(ii) document in the working papers:</p> <ul style="list-style-type: none">○ the circumstances surrounding the inability to comply;○ the reasons for the inability to comply; and○ justification of how alternative procedures achieve the objectives of the mandatory requirement. <p>When the assurance practitioner is unable to perform appropriate alternative procedures, the assurance practitioner shall consider the implications for the assurance practitioner's report (paragraph 8);</p> <p>(c) the assurance practitioner shall comply with the requirements of the fundamental ethical principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour (paragraph 9);</p> <p>(d) the assurance practitioner shall implement procedures to address the following elements of a quality</p>	obligations in the explanatory guidance.
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<p>control system that are applicable to the individual assurance engagement:</p> <ul style="list-style-type: none">(i) leadership responsibilities for quality on the assurance engagement;(ii) ethical requirements;(iii) acceptance and continuance of client relationships and specific assurance engagements;(iv) assignment of assurance engagement teams;(v) assurance engagement performance; and(vi) monitoring (paragraph 12); <p>(e) the assurance practitioner shall accept (or continue where applicable) an assurance engagement only if, on the basis of a preliminary knowledge of the assurance engagement circumstances, nothing comes to the attention of the assurance practitioner to indicate that the requirements of the fundamental ethical principles or of the ASAEs will not be satisfied (paragraph 16);</p> <p>(f) the assurance practitioner shall agree on the terms of the assurance engagement with the engaging party, which shall be recorded in writing by the assurance practitioner and forwarded to the engaging party. When the assurance engagement is undertaken pursuant to legislation, the minimum applicable assurance engagement</p>	
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<p>terms shall be those contained in the legislation (paragraph 20);</p> <p>(g) when the terms of an assurance engagement are changed, the assurance practitioner shall agree on the new terms with the engaging party and confirm them in writing (paragraph 23);</p> <p>(h) the assurance practitioner shall prepare, on a timely basis, documentation that is sufficient and appropriate to provide:</p> <ul style="list-style-type: none">(i) a basis for the assurance practitioner's conclusion; and(ii) evidence that the assurance engagement was performed in accordance with ASAEs (paragraph 70); <p>(i) an assurance practitioner shall modify the assurance report by adding an emphasis of matter paragraph to highlight a matter that is fundamental to the users understanding of the subject matter information. The addition of an emphasis of matter paragraph does not affect the assurance practitioner's conclusion (paragraph 82); and</p> <p>(j) in some cases the assurance practitioner shall consider withdrawing from the assurance engagement (paragraph 83).</p>	
7. Footnote references have been made to ASAs that provide helpful guidance to assurance practitioners (paragraphs 13,	This is part of the application of the AUASB Drafting Rules to ensure consistency with AUASB

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21, 26, 48, 57, 65, 66, 71 and 81).	Standards. Impact of this change is to provide appropriate references to assist assurance practitioner's guidance in conducting assurance engagements.
8. Explanatory guidance on the level of documentation has been enhanced at paragraph 72 and explanatory guidance on modifications has been included at paragraph 81.	The impact of these changes are to: (a) clarify the need for a higher acceptable level of documentation; and (b) provide guidance on modifications.
9. References to paragraphs in the <i>Framework for Assurance Engagements</i> have been replaced with the following explanatory guidance paragraphs: (a) preliminary knowledge of the assurance engagement circumstances prior to acceptance of an assurance engagement (paragraph 17); (b) characteristics of an appropriate subject matter (paragraph 34); and (c) characteristics of suitable criteria (paragraph 36).	This is part of the application of the AUASB Drafting Rules to ensure consistency with AUASB Standards. Impact of this change is to corporate as guidance, matters previously included in a conceptual pronouncement, AUS 108 <i>Framework for Assurance Engagements</i> , issued by the Auditing & Assurance Standards Board of the Australian Accounting Research Foundation in June 2004.
10. The Public Sector Perspective section is not included as this ASAE is sector neutral.	Unless otherwise specified, the standards issued by the AUASB are sector-neutral.

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Table: 2 Costs and Benefits of Feasible Options

	<i>Option 2</i>	<i>Option 3</i>	<i>Comments</i>
<i>Details of Options</i>	Based on ISAE 3000 with amendments for the Australian regulatory environment.	Extensive revision to the current AUS 110 including clarity changes that may be proposed by the IAASB in the next 3 to 5 years.	Option 3 would go beyond option 2 to improve the format, specificity and application of the standard.
<i>Benefits</i>	<ul style="list-style-type: none"> • Consistency with structure of ASAs (no presumptive requirements). • Some changes to existing requirements to avoid uncertainty over the assurance practitioner's obligations. • Conformity with ISAEs, except where conformity would create uncertainty. This will demonstrate that ASAE 3000 comparable to the most widely-used international standards, and therefore follow international best- 	<ul style="list-style-type: none"> • Some changes to existing requirements to avoid uncertainty over the assurance practitioner's obligations. • Removal of implied obligations • Revised format ahead of the IAASB extending the 'clarity' project to ISAEs. 	At this stage, the cost of option 3 would be higher than that under option 2 with few benefits to business and individuals. Once the IAASB embarks on extending the 'clarity' project to ISAEs, and revises the ISAEs, there will be a significant reduction in the costs of this option (this is a few

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	practice.		years away). In addition, Australia needs to maintain international relevance and comparability in assurance practices, in order to provide useful information to investors.
<i>Costs</i>	<ul style="list-style-type: none">• Assurance practitioners may have to revise assurance programs where changes are made to mandatory requirements and explanatory guidance. Assurance practitioners are familiar with the need for regular changes to the Assurance Standards and these changes are unlikely to be any more significant than a normal update.• Assurance practitioners who	<ul style="list-style-type: none">• Assurance practitioners would have to develop and undergo training in the new assurance standard, which would be significantly different to the old standard (AUS 110).• Businesses would have to incur additional compliance costs as the cost of training may be passed on to businesses via increased assurance fees.	Option 3 would have resulted in increased costs for assurance practitioners and businesses.

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	<p>are members of the professional accounting bodies will already comply with AUS 110 and consequently this proposal will give rise to little, if any, compliance costs for these parties.</p> <ul style="list-style-type: none"> • Generally, costs incurred should be short-run and relate mostly to the initial year of application. 	<ul style="list-style-type: none"> • Any costs incurred would be short-run and related mostly to the initial year of application. • There is a risk that new assurance standard may contain very different requirements to those of ISAE 3000, which would increase costs for assurance practitioners who may have to report both locally and internationally. • Option 3 would require the AUASB to hire more staff to complete the project. 	
<i>Incremental cost of applying standard – assurance practitioners and users</i>	<p>While it is anticipated that the cost of applying this ASAE are low, the AUASB maintains the view that:</p> <ul style="list-style-type: none"> (i) an estimate of such costs cannot be determined with any degree of precision; and (ii) it would be inappropriate for the AUASB to 	<ul style="list-style-type: none"> • Methodology cost would be significantly increased under Option 3. • Application of the revised standard to an assurance assignment would increase significantly under option 3 on the basis that there could be a substantive 	At this stage the incremental cost of applying the proposed standard by assurance practitioner as well as the costs passed on to users is low under Option 2.

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	<p>quantify any costs.</p> <p>This difficulty to assess costs is demonstrated in responses received from constituents on “additional costs for compliance”. In the comments received from constituents, two of the five constituents made no comments, three constituents made specific comments as follows:</p> <ul style="list-style-type: none">• we do not envisage there will be any additional significant costs to assurance practitioners and the business community for compliance with this proposed ASAE;• we have no comments in addition to the general issues raised;• the only significant cost is likely to be when the IAASB issues its ‘clarified’ ISAE 3000 Standard.	<p>increase in mandatory requirements that affect all assurance practitioners.</p>	<p>These costs would increase significantly under Option 3.</p>
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	In addition, an estimate of costs to users cannot be determined with any degree of precision.		
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