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## AUASB issues new assurance standard on performance engagements

The Auditing and Assurance Standards Board (AUASB) today released a new Standard on Assurance Engagements, ASAE 3500 *Performance Engagements*, which will primarily be used on public sector assurance engagements where the performance of an entity's activities is examined.

Performance engagements assess the activities of entities in terms of their performance against established benchmarks: that is, the adequacy of internal controls, the extent to which resources have been managed economically or efficiently, and the extent to which the activities have been effective.

Merran Kelsall, AUASB Chairman, said that the new ASAE 3500 will ensure a high quality, consistent approach to performance engagements throughout Australia.

"The AUASB is confident that performance engagements undertaken in accordance with ASAE 3500 will enhance the level of confidence users can have in the information reported by entities about their activities," Ms Kelsall said.

ASAE 3500 replaces two existing auditing standards: AUAS 806 *Performance Auditing* and AUS 808 *Planning Performance Audits*.

This Standard will be operative for performance engagements commencing on or after 1 January 2009.

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***The Auditing and Assurance Standards Board (AUASB) is an independent statutory agency of the Australian Government, responsible for developing standards and related guidance for auditors and providers of other assurance services.***