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AUASB announces progression of project to redraft Australian auditing standards

Australian auditors will need to comply with a revised set of Auditing Standards in *Clarity* format, which will become operative on 1 January 2010.

In line with the strategic direction provided by the Financial Reporting Council, the Auditing and Assurance Standards Board (AUASB) will redraft and issue its legally enforceable Australian Auditing Standards (ASAs). The revised ASAs will conform to the revised International Standards on Auditing (ISAs) to be issued by the International Auditing and Assurance Board (IAASB).

Clarity format is the title given to the IAASB project, initiated in 2004, which involves a new format for the ISAs, which aims to improve the consistent application of international auditing standards worldwide.

The ASAs will be redrafted progressively in groups of standards and released for exposure. The final, approved ASAs will not be issued until all the redrafted standards have been approved, which is expected to occur in October 2009. The revised ASAs will be operative for audits of financial reports beginning on or after 1 January 2010.

Merran Kelsall, Chairman of the AUASB, said the AUASB welcomes both critical and supportive comments from constituents to ensure a balanced review of each standard is conducted as part of the due process.

"Timely input from constituents to answer five specific questions about each proposed Auditing Standard is vital to the success of this process. The exposure period for each redrafted standard will be limited to 30 days to meet the introduction deadline and to ensure harmonisation with international standards.

"The AUASB encourages interested constituents to contribute their comments as part of the ASA redrafting process," Ms Kelsall said.

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