

Auditing Standard ASA 102

Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements

This compilation was prepared on 18 July 2025 taking into account amendments made by AUASB 2025-5 and AUASB 2025-7.

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



Australian Government

Auditing and Assurance Standards Board

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COMPILATION DETAILS

Auditing Standard ASA 102 Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements (as Amended)

This compilation takes into account amendments made up to and including 9 July 2025 and was prepared on 18 July 2025 by the Auditing and Assurance Standards Board (AUASB).

This compilation is not a separate Auditing Standard made by the AUASB. Instead, it is a representation of ASA 102 (December 2024) as amended by another Auditing Standard which is listed in the Table below.

Table of Standards

| Standard | Date made | Operative Date |
|--------------|------------------|--|
| ASA 102 | 16 December 2024 | financial reporting periods commencing on or after 1 January 2025 |
| AUASB 2025-5 | 9 July 2025 | financial reporting periods commencing on or after 1 January 2025, except that any later effective dates and any transitional provisions in APES 110 (as defined in paragraph 5(d) of this Standard) apply |
| AUASB 2025-7 | 9 July 2025 | financial reporting periods commencing on or after 1 January 2025, except that any later effective dates and any transitional provisions in APES 110 (as defined in paragraph 5(d) of this Standard) apply |

Legislation History

| Standard | Registration Number | Registration Date | Commencement Date |
|--------------|---------------------|-------------------|-------------------|
| ASA 102 | F2024L01719 | 20 December 2024 | 21 December 2024 |
| AUASB 2025-5 | F2025L00852 | 17 July 2025 | 18 July 2025 |
| AUASB 2025-7 | F2025L00853 | 17 July 2025 | 18 July 2025 |

Auditing Standard ASA 102***Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements***

Table of Amendments

| Paragraph affected | How affected | By ... [paragraph] |
|--------------------|--------------|--------------------|
| 2 | Amended | AUASB 2025-5 [6] |
| 5(d) | Amended | AUASB 2025-5 [7] |
| 5(d) | Amended | AUASB 2025-7 [14] |

AUTHORITY STATEMENT

Auditing Standard ASA 102 *Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements (December 2024)* (as amended to 9 July 2025) is set out in paragraphs 1 to A6.

This Auditing Standard is to be read in conjunction with ASA 101 *Preamble to AUASB Standards*, which sets out how AUASB Standards are to be understood, interpreted and applied. This Auditing Standard is to be read also in conjunction with ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards*.

Auditing Standard ASA 102

Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements

Conformity with International Standards on Auditing

This Auditing Standard has been made for Australian legislative purposes and accordingly there is no equivalent International Standard on Auditing (ISA) issued by the International Auditing and Assurance Standards Board (IAASB), an independent standard-setting board of the International Federation of Accountants (IFAC).

However, the requirement and application and other explanatory material in this Auditing Standard have been drawn from ISQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, ISQM 2 *Engagement Quality Reviews*, ISA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing* and ISA 220 *Quality Management for an Audit of Financial Statements*, issued by the IAASB, as listed in the following table:

| ASA 102 | International Standards |
|---------------------------|---|
| Paragraph 6 (requirement) | ISA 200 paragraph 14 ISQM 1 paragraph 29 ISQM 2 paragraphs 2, 18-20 |
| Paragraph A1 | ISA 200 paragraph A17 |
| Paragraph A2 | ISA 200 paragraph A18 |
| Paragraph A3 | ISA 200 paragraph A18 |
| Paragraph A4 | ISA 200 paragraph A18 |
| Paragraph A5 | ISA 200 paragraph A19 |
| Paragraph A6 | ISQM 1 paragraph A18 ISA 220 paragraph A26-A27 |

Compliance with this Auditing Standard, together with other Australian Auditing Standards, enables compliance with the ISAs and ISQMs.

AUDITING STANDARD ASA 102

The Auditing and Assurance Standards Board (AUASB) made Auditing Standard ASA 102 *Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements* pursuant to section 227B of the *Australian Securities and Investments Commission Act 2001* and section 336 of the *Corporations Act 2001*, on 16 December 2024.

This compiled version of ASA 102 incorporates subsequent amendments contained in another Auditing Standard made by the AUASB up to and including 9 July 2025 (see Compilation Details).

AUDITING STANDARD ASA 102

Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements

Application

1. This Auditing Standard applies to:
 - (a) an audit of a financial report for a financial year, or an audit or review of a financial report for a half-year, in accordance with the *Corporations Act 2001*;
 - (b) an audit or review of a financial report, or a complete set of financial statements, for any other purpose;
 - (c) an audit or review of other financial information;
 - (d) other assurance engagements excluding sustainability assurance engagements; and
 - (e) a firm required to comply with 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*.

Operative Date

2. This Auditing Standard is operative for financial reporting periods commencing on or after 1 January 2025, except that any later effective dates and any transitional provisions in APES 110 (as defined in paragraph 5(d) of this Standard) apply. [Note: For operative dates of paragraphs changed or added by an Amending Standard, see Compilation Details.]

Introduction

Scope of this Auditing Standard

3. This Auditing Standard includes a requirement for auditors, assurance practitioners, engagement quality reviewers and firms to comply with relevant ethical requirements, including those pertaining to independence, relating to audits, reviews and other assurance engagements.

Objective

4. The objective of the auditor, assurance practitioner, engagement quality reviewer and firm is to comply with relevant ethical requirements, including those pertaining to independence, relating to audits, reviews and other assurance engagements.

Definitions

5. For the purposes of this Auditing Standard, the following terms have the meanings attributed below:
- (a) Assurance practitioner means assurance practitioner as defined in ASQM 1.
 - (b) Auditor means auditor as defined in ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards*.
 - (c) Engagement quality reviewer means engagement quality reviewer as defined in ASQM 1.
 - (d) Relevant ethical requirements means ethical requirements that apply to the auditor, assurance practitioner, engagement quality reviewer and firm. In Australia, these include the applicable requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, issued by the Accounting Professional & Ethical Standards Board Limited (APESB) (November 2018 incorporating all amendments to July 2025) (APES 110), the applicable provisions of the *Corporations Act 2001* and other applicable law or regulation.

Requirements

Compliance with Relevant Ethical Requirements (Ref: Para. A1-A6)

6. The auditor, assurance practitioner, engagement quality reviewer and firm shall comply with relevant ethical requirements, including those pertaining to independence, when performing audits, reviews and other assurance engagements.

* * *

Application and Other Explanatory Material

Compliance with Relevant Ethical Requirements (Ref: Para. 6)

- A1. The auditor, assurance practitioner, engagement quality reviewer and firm are to have regard to the applicable requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, issued by the APESB, which are to be taken into account in determining whether relevant ethical requirements referred to in paragraph 6 of this Auditing Standard have been met. In relation to audits and reviews undertaken in accordance with the *Corporations Act 2001*, the provisions of Division 3 Part 2M.4 of the Act may also apply.
- A2. APES 110 establishes the fundamental principles of ethics which are:
- (a) Integrity;
 - (b) Objectivity;
 - (c) Professional competence and due care;
 - (d) Confidentiality; and
 - (e) Professional behaviour.
- The fundamental principles of ethics establish the standard of behaviour expected of the auditor, assurance practitioner, engagement quality reviewer, and firm, when performing audits, reviews and other assurance engagements.
- A3. APES 110 provides a conceptual framework that establishes the approach which the auditor, assurance practitioner, engagement quality reviewer and firm are required to apply when identifying, evaluating and addressing threats to compliance with the fundamental principles.
- A4. In the case of audits, reviews and other assurance engagements, APES 110 sets out *Independence Standards*, established by the application of the conceptual framework to threats to independence in relation to those engagements.
- A5. APES 110 describes independence as comprising both independence of mind and independence in appearance. Independence safeguards the ability to form an assurance conclusion without being affected by influences that might compromise that conclusion. Independence enhances the ability to act with integrity, to be objective and to maintain an attitude of professional scepticism.
- A6. The definition of terms in APES 110 may differ from the definitions of those terms in AUASB Standards. In complying with the requirements of this Auditing Standard, the definitions used in APES 110 apply in so far as is necessary to interpret the ethical requirements of AUASB Standards.