

# APES 210 Conformity with Auditing and Assurance Standards

[Supersedes APES 210 Conformity with Auditing and Assurance Standards issued in October 2015]

REVISED: July 2019

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## 1. Scope and application

- 1.1 The objectives of APES 210 *Conformity with Auditing and Assurance Standards* are to specify a **Member's** professional and ethical obligations in respect of:
- fundamental responsibilities when the **Member** performs an **Assurance Assignment** or an **Assurance Engagement**;
  - compliance with applicable independence requirements;
  - compliance with **Auditing and Assurance Standards**; and
  - consideration of relevant **Auditing and Assurance Guidance**.
- 1.2 Accounting Professional & Ethical Standards Board Limited (APESB) has revised professional standard APES 210 *Conformity with Auditing and Assurance Standards* (**the Standard**), which is effective from 1 January 2020 and supersedes APES 210 issued in October 2015. Earlier adoption of this Standard is permitted.
- 1.3 APES 210 sets the standards for **Members** to comply with **Auditing and Assurance Standards** when they conduct **Assurance Assignments** or **Assurance Engagements**. The mandatory requirements of this Standard are in **bold-type**, preceded or followed by discussion or explanations in normal type. APES 210 should be read in conjunction with other professional duties of **Members**, and any legal obligations that may apply.
- 1.4 In undertaking work, including honorary work that is within the scope of an **Assurance Engagement**, a **Member in Business** is a **Member in Public Practice** for the purpose of this Standard.
- 1.5 **Members in Australia shall follow the mandatory requirements of APES 210.**
- 1.6 **Members outside of Australia shall follow the provisions of APES 210 to the extent to which they are not prevented from so doing by specific requirements of local laws and/or regulations.**
- 1.7 **Members shall comply with other applicable Professional Standards and be familiar with relevant guidance notes when performing Professional Activities. All Members shall comply with the fundamental principles outlined in the Code.**
- 1.8 The Standard is not intended to detract from any responsibilities which may be imposed by law or regulation.
- 1.9 All references to **Professional Standards**, guidance notes and legislation are references to those provisions as amended from time to time.
- 1.10 In applying the requirements outlined in APES 210, **Members** should be guided not merely by the words but also by the spirit of this Standard and the **Code**.
- 1.11 In this Standard, unless otherwise specified, words in the singular include the plural and vice versa, words of one gender include another gender, and words referring to persons include corporations or organisations, whether incorporated or not.

## 2. Definitions

Defined terms are shown in the body of the Standard in title case.

For the purpose of this Standard:

**Assignment** means an instruction, whether written or otherwise, by an employer to a [Member in Business](#) relating to the provision of [Professional Activities](#) by a [Member in Business](#). However, consultations with the employer prior to such instruction are not part of an Assignment.

**Assurance Assignment** means an [Assignment](#) in which a conclusion is expressed by a [Member in Business](#) designed to enhance the degree of confidence of the intended users about the outcome of the evaluation or measurement of a subject matter against criteria.

**Assurance Engagement** means an [Engagement](#) in which a [Member in Public Practice](#) aims to obtain sufficient appropriate evidence in order to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party about the subject matter information (that is, the outcome of the measurement or evaluation of an underlying subject matter against criteria).

This includes an [Engagement](#) in accordance with the *Framework for Assurance Engagements* issued by the [AUASB](#) or in accordance with specific relevant standards, such as International Standards on Auditing, for Assurance Engagements.

(For guidance on Assurance Engagements, see the *Framework for Assurance Engagements* issued by the [AUASB](#). The *Framework for Assurance Engagements* describes the elements and objectives of an Assurance Engagement and identifies [Engagements](#) to which *Australian Auditing Standards* (ASAs), *Standards on Review Engagements* (ASREs) and *Standards on Assurance Engagements* (ASAEs) apply.)

**AUASB** means the Australian statutory body called the Auditing and Assurance Standards Board established under section 227A of the *Australian Securities and Investments Commission Act 2001*.

**Auditing and Assurance Guidance** means the guidance statements and other guidance publications, as defined in the *Foreword to AUASB Pronouncements*, issued by the [AUASB](#).

**Auditing and Assurance Standards** means the [AUASB](#) standards, as described in *ASA 100 Preamble to AUASB Standards*, *ASA 101 Preamble to Australian Auditing Standards* and the *Foreword to AUASB Pronouncements*, issued by the [AUASB](#), and operative from the date specified in each standard.

**Client** means an individual, firm, entity or organisation to whom or to which [Professional Activities](#) are provided by a [Member in Public Practice](#) in respect of [Engagements](#) of either a recurring or demand nature.

**Code** means APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

**Engagement** means an agreement, whether written or otherwise, between a [Member in Public Practice](#) and a [Client](#) relating to the provision of [Professional Services](#) by a [Member in Public Practice](#). However, consultations with a prospective [Client](#) prior to such agreement are not part of an Engagement.

**Firm** means:

- (a) A sole practitioner, partnership, corporation or other entity of professional accountants;
- (b) An entity that controls such parties, through ownership, management or other means;
- (c) An entity controlled by such parties, through ownership, management or other means;  
or
- (d) An Auditor-General's office or department.

**Member** means a member of a **Professional Body** that has adopted this Standard as applicable to their membership, as defined by that **Professional Body**.

**Member in Business** means a **Member** working in areas such as commerce, industry, service, the public sector, education, the not-for-profit sector, or in regulatory or professional bodies, who might be an employee, contractor, partner, director (executive or non-executive), owner-manager or volunteer.

**Member in Public Practice** means a **Member**, irrespective of functional classification (for example, audit, tax or consulting) in a **Firm** that provides **Professional Services**. This term is also used to refer to a **Firm** of Members in Public Practice and means a practice entity and a participant in that practice entity as defined by the applicable **Professional Body**.

**Professional Activity** means an activity requiring accountancy or related skills undertaken by a **Member**, including accounting, auditing, tax, management consulting, and financial management.

**Professional Bodies** means Chartered Accountants Australia and New Zealand, CPA Australia and the Institute of Public Accountants.

**Professional Services** means **Professional Activities** performed for **Clients**.

**Professional Standards** means all standards issued by Accounting Professional & Ethical Standards Board Limited and all professional and ethical requirements of the applicable **Professional Body**.

### 3. Fundamental responsibilities of Members

#### Public interest

- 3.1 In accordance with Section 100 *Complying with the Code* of the **Code**, **Members** shall observe and comply with their public interest obligations when they perform an **Assurance Assignment** or an **Assurance Engagement**.

#### Independence

- 3.2 When engaged to perform an **Assurance Engagement**, a **Member in Public Practice** shall comply with Part 4A *Independence for Audit and Review Engagements* or Part 4B *Independence for Assurance Engagements Other than Audit and Review Engagements* of the **Code**, as applicable.

#### Professional competence and due care

- 3.3 In accordance with Subsection 113 *Professional Competence and Due Care* of the **Code**, a **Member in Public Practice** who is performing an **Assurance Engagement** shall ensure that the **Member** or the **Firm** has the requisite professional knowledge and skill or shall engage a suitably qualified external person. If the **Member** is unable to engage a suitably qualified person when required, the **Member** shall decline the **Engagement**.

#### **4. Auditing and Assurance Standards**

4.1 Except for the circumstances described in paragraph 4.2, a **Member** shall comply with **Auditing and Assurance Standards**.

4.2 Where legislation or other government authority requires a departure from **Auditing and Assurance Standards**, a **Member** shall disclose that fact in the **Member's** report. In these circumstances, a **Member** shall not assert compliance with any of those standards in the **Member's** report.

4.3 The limited circumstances in which paragraph 4.2 is likely to have applicability is in respect of **Assurance Engagements** performed by an Auditor-General's office or department.

#### **5. Auditing and Assurance Guidance**

5.1 A **Member** should follow relevant **Auditing and Assurance Guidance**.

#### ***Conformity with International Pronouncements***

The International Ethics Standards Board for Accountants (IESBA) has not issued a pronouncement equivalent to APES 210.

## Appendix 1

### Summary of revisions to the previous APES 210 (Issued in October 2015)

APES 210 *Conformity with Auditing and Assurance Standards* was originally issued in September 2008 and revised in November 2011 and October 2015. APES 210 has been revised by APESB in July 2019. A summary of the revisions is given in the table below.

**Table of revisions\***

Paragraph affected	How affected
1.1	Amended
1.2	Amended
1.6	Amended
1.7	Amended
2 – Introduction	Amended
2 – Definition of Assurance Engagement	Amended
2 – Definition of AuASB	Deleted
2 – Definition of Auditing and Assurance Guidance	Amended
2 – Definition of Auditing and Assurance Standards	Amended
2 – Definition of Code	Amended
2 – Definition of Member in Business	Amended
2 – Definition of Member in Public Practice	Amended
2 – Definition of Professional Activity	Amended
3.1	Amended
3.2	Amended
3.3	Amended
4.3	Added

\* Refer *Technical Update 2019/1*