



EXTERNAL REPORTING BOARD STANDARD Au1

Application of Auditing and Assurance Standards (Legislative Update)

Effective for assurance engagements or related services beginning on or after 1 October 2020.

This Standard was issued on 23 July 2020 by the External Reporting Board pursuant to section 12(b) of the Financial Reporting Act 2013.

This Standard is a disallowable instrument for the purposes of the Legislation Act 2012, and pursuant to section 27(1) of the Financial Reporting Act 2013 takes effect on 20 August.

In finalising this Standard, the External Reporting Board has carried out appropriate consultation in accordance with section 22(1) of the Financial Reporting Act 2013.

This Standard has been issued to reflect amendments made to the Financial Reporting Act 2013, to include standards for related services within the mandate of the External Reporting Board.

This Standard, when effective, will supersede XRB Au1 *Application of Auditing and Assurance Standards*.

This compilation was prepared in November 2025 and incorporates amendments up to and including June 2025.

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EXTERNAL REPORTING BOARD STANDARD Au1

APPLICATION OF AUDITING AND ASSURANCE STANDARDS*Issued by the External Reporting Board***CONTENTS**

	Paragraph
History of Amendments	
Introduction.....	IN 1 – IN 2
Objective	1
Scope	2-3
Definitions.....	4
Application of Standards.....	5-10
Effective Date	11
Appendix 1: Professional and Ethical Standards	
Appendix 2: International Standards on Auditing (New Zealand)	
Appendix 2A: New Zealand Auditing Standards	
Appendix 2 B: International Standards on Auditing (New Zealand) for Audits of Financial Statements of Less Complex Entities (ISA (NZ) for LCE)	
Appendix 3: Review Engagement Standards	
Appendix 4: Other Assurance Engagement Standards	
Appendix 5: Related Services Standards	
Appendix 6: Overview of the Auditing and Assurance Standards of the XRB, and the Engagements Governed by the Standards	
Basis for Conclusions on XRB Au1	

HISTORY OF AMENDMENTS

Table of Pronouncements – XRB Au1 *Application of Auditing and Assurance Standards*

This table lists the pronouncements establishing and amending XRB Au1.

Pronouncements	Date approved	Effective date
External Reporting Board Standard Au1 <i>Application of Auditing and Assurance Standards (Legislative Update)</i>	July 2020	Assurance engagements or related services beginning on or after 1 October 2020.
<u>Conforming and Consequential Amendments to International Standards on Auditing (New Zealand) Arising from ISA (NZ) 315 (Revised 2019)</u>	February 2020	Effective for audits of financial statements for periods beginning on or after 15 December 2021.
<u>Conforming Amendments to International Standards on Auditing (New Zealand) and Other Pronouncements Arising from the Quality Management Projects</u>	July 2021	Effective for audits of financial statements for periods beginning on or after 15 December 2022.
<u>Conforming and Consequential Amendments to ISAs (NZ) and Other Pronouncements arising from ISA (NZ) 600 (Revised)</u>	June 2022	Effective for audits of group financial statements for periods beginning on or after 15 December 2023.
<u>NZ AS 1 (Revised) The Audit of Service Performance Information</u>	July 2023	Mandatory date of 1 January 2024.
<u>NZ SRE 1 Review of Service Performance Information</u>	February 2025	Applicable for periods beginning on or after 1 January 2026
<u>International Standard on Auditing (New Zealand) for Audits of Financial Statements of Less Complex Entities (ISA (NZ) for LCE)</u>	June 2025	Applicable for periods beginning on or after 15 December 2025.

Table of Amended Paragraphs in XRB Au1		
Paragraph affected	How affected	By...[date]
Appendix 2	Amended	Conforming and Consequential Amendments to International Standards on Auditing (New Zealand) Arising from ISA (NZ) 315 (Revised 2019) [Feb 2020]
Appendix 1, 2, 5	Amended	Conforming Amendments to International Standards on Auditing (New Zealand) and Other Pronouncements Arising from the Quality Management Projects [July 2021]
Appendix 2	Amended	Conforming and Consequential Amendments to ISAs (NZ) and Other Pronouncements arising from ISA (NZ) 600 (Revised) [June 2022]

Appendix 2A	Amended	NZ AS 1 (Revised) <i>The Audit of Service Performance Information</i> [July 2023]
Appendix 3	Amended	NZ SRE 1 <i>Review of Service Performance Information</i> [February 2025]
Appendix 2B Appendix 6	Added Amended	<i>International Standard on Auditing (New Zealand) for Audits of Financial Statements of Less Complex Entities (ISA (NZ) for LCE)</i> [June 2025]

Introduction

Reasons for issuing the Standard

- IN 1 This Standard codifies the standards that assurance practitioners are to apply when conducting an assurance engagement or related service in accordance with standards issued by the External Reporting Board or the New Zealand Auditing and Assurance Standards Board.
- IN 2 The appendices to this Standard list the auditing and assurance, or related services, standards applicable to different engagements.

Objective

1. The objective of this Standard is to codify the standards that assurance practitioners are to apply when conducting an assurance engagement or related service in accordance with standards issued by the External Reporting Board or the New Zealand Auditing and Assurance Standards Board.

Scope

2. This Standard identifies the auditing and assurance standards that shall be applied when conducting different types of assurance engagements or related services in accordance with standards issued by the External Reporting Board or the New Zealand Auditing and Assurance Standards Board.
3. Standards issued by the External Reporting Board or the New Zealand Auditing and Assurance Standards Board may be applied by an assurance practitioner even if there is no statutory requirement to do so. Even when applied voluntarily, all of the applicable standards should be applied to ensure that the assurance engagement or related service is of appropriate quality.

Definitions

4. For the purposes of this Standard the following term has the meaning attributed below:
 - (a) Assurance Practitioner – a person or an organisation, whether in public practice, industry, commerce or the public sector, appointed or engaged to undertake assurance engagements or related services.
 - (b) Related services – services to perform agreed-upon procedures or other non-assurance work that may ordinarily be carried out by an audit or assurance practitioner.

Application of Standards

5. Assurance practitioners shall apply the professional and ethical standards listed in Appendix 1 in preparing for and conducting all assurance engagements or related services.
6. Assurance practitioners shall apply International Standards on Auditing (New Zealand) listed in Appendix 2 in conducting audits of historical financial information.
7. Assurance practitioners shall apply Review Engagement Standards listed in Appendix 3 in conducting review engagements.
8. Assurance practitioners shall apply Other Assurance Engagement Standards listed in Appendix 4 in conducting other assurance engagements.
9. Assurance practitioners shall apply Related Services Standards listed in Appendix 5 in conducting agreed upon procedures to information and other related services engagements as specified by the New Zealand Auditing and Assurance Standards Board.
10. A diagrammatic overview of the auditing and assurance standards and the engagements governed by the standards is included in Appendix 6.

Effective Date

11. This Standard is effective for assurance engagements or related services beginning on or after 1 October 2020. *[Note: For the effective dates of paragraphs changed or added by an Amending Standard see the History of Amendments]*

Appendix 1**Professional and Ethical Standards**

This appendix is an integral part of the Standard.

This appendix lists the Professional and Ethical Standards to be applied in preparing for and conducting all assurance engagements or related services.

PES 1	International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)
PES 3	Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements
PES 4	Engagement Quality Reviews

Appendix 2**International Standards on Auditing (New Zealand)**

This appendix is an integral part of the Standard.

This appendix lists the International Standards on Auditing (New Zealand) to be applied in conducting audits of historical financial information.

ISA (NZ) 200	Overall Objective of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing (New Zealand)
ISA (NZ) 210	Agreeing the Terms of Audit Engagements
ISA (NZ) 220 (Revised)	Quality Management for an Audit of Financial Statements
ISA (NZ) 230	Audit Documentation
ISA (NZ) 240	The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements
ISA (NZ) 250 (Revised)	Consideration of Laws and Regulations in an Audit of Financial Statements
ISA (NZ) 260 (Revised)	Communication with Those Charged with Governance
ISA (NZ) 265	Communicating Deficiencies in Internal Control to those Charged with Governance and Management
ISA (NZ) 300	Planning an Audit of Financial Statements
ISA (NZ) 315 (Revised 2019)	Identifying and Assessing the Risks of Material Misstatement
ISA (NZ) 320	Materiality in Planning and Performing an Audit
ISA (NZ) 330	The Auditor's Responses to Assessed Risks
ISA (NZ) 402	Audit Considerations Relating to an Entity Using a Service Organisation
ISA (NZ) 450	Evaluation of Misstatements Identified During the Audit
ISA (NZ) 500	Audit Evidence
ISA (NZ) 501	Audit Evidence – Specific Considerations for Selected Items
ISA (NZ) 505	External Confirmations
ISA (NZ) 510	Initial Audit Engagements – Opening Balances
ISA (NZ) 520	Analytical Procedures
ISA (NZ) 530	Audit Sampling
ISA (NZ) 540 (Revised)	Auditing Accounting Estimates and Related Disclosures
ISA (NZ) 550	Related Parties
ISA (NZ) 560	Subsequent events

ISA (NZ) 570 (Revised)	Going Concern
ISA (NZ) 580	Written Representations
ISA (NZ) 600 (Revised)	Special Considerations – Audits of Group Financial Statements (including the Work of Component Auditors)
ISA (NZ) 610 (Revised 2013)	Using the Work of Internal Auditors
ISA (NZ) 620	Using the Work of an Auditor’s Expert
ISA (NZ) 700 (Revised)	Forming an Opinion and Reporting on Financial Statements
ISA (NZ) 701	Communicating Key Audit Matters in the Independent Auditor’s Report
ISA (NZ) 705 (Revised)	Modifications to the Opinion in the Independent Auditor’s Report
ISA (NZ) 706 (Revised)	Emphasis of Matter Paragraphs and Other Matters Paragraphs in the Independent Auditor’s Report
ISA (NZ) 710	Comparative Information – Corresponding Figures and Comparative Financial Statements
ISA (NZ) 720 (Revised)	The Auditor’s Responsibilities Relating to Other Information
ISA (NZ) 800 (Revised)	Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks
ISA (NZ) 805 (Revised)	Special Considerations – Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement
ISA (NZ) 810 (Revised)	Engagements to Report on Summary Financial Statements

Appendix 2A**New Zealand Auditing Standards**

This appendix is an integral part of the Standard

This appendix lists the New Zealand Auditing Standards to be applied in conjunction with the International Standards on Auditing (New Zealand) in conducting an audit of general purpose financial reports which comprise the financial statements and service performance information.

NZ AS 1 (Revised) The Audit of Service Performance Information

Appendix 2B**International Standard on Auditing (New Zealand) for Audits of Financial Statements of Less Complex Entities (ISA (NZ) for LCE)**

This appendix is an integral part of the Standard

This appendix lists the standard to be applied in conducting an audit of historical financial information of a Less Complex Entity,

The XRB permits the application of the ISA (NZ) for LCE in specific circumstances. The auditor may adopt this standard:

- (a) On or after the mandatory date, or early adoption accounting period, as defined in the Commencement and Application section of the ISA (NZ) for LCE standard; and*
- (b) If the auditor determines that the audit engagement can be undertaken using the ISA (NZ) for LCE in accordance with Part A of the ISA (NZ) for LCE.*

ISA (NZ) for LCE

International Standard on Auditing (New Zealand) for Audits of Financial Statements of Less Complex Entities

Appendix 3**Review Engagement Standards**

This appendix is an integral part of the Standard.

This appendix lists the Review Engagement Standards to be applied in conducting review engagements.

ISRE (NZ) 2400	Review of Historical Financial Statements Performed by an Assurance Practitioner who is Not the Auditor of the Entity
NZ SRE 2410 (Revised)	Review of Financial Statements Performed by the Independent Auditor of the Entity
NZ SRE 1	Review of Service Performance Information

Appendix 4**Other Assurance Engagement Standards**

This appendix is an integral part of the Standard.

This appendix lists the Other Engagement Standards to be applied in conducting other assurance engagements.

ISAE (NZ) 3000 (Revised)	Assurance Engagements other than Audits or Review of Historical Financial Information
ISAE (NZ) 3402	Assurance Reports on Controls at a Service Organisation
ISAE (NZ) 3410	Assurance Engagements on Greenhouse Gas Statements
ISAE (NZ) 3420	Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus
SAE 3100 (Revised)	Compliance Engagements
SAE 3150	Assurance Engagements on Controls

Appendix 5**Related Services Standards**

This appendix is an integral part of the Standard.

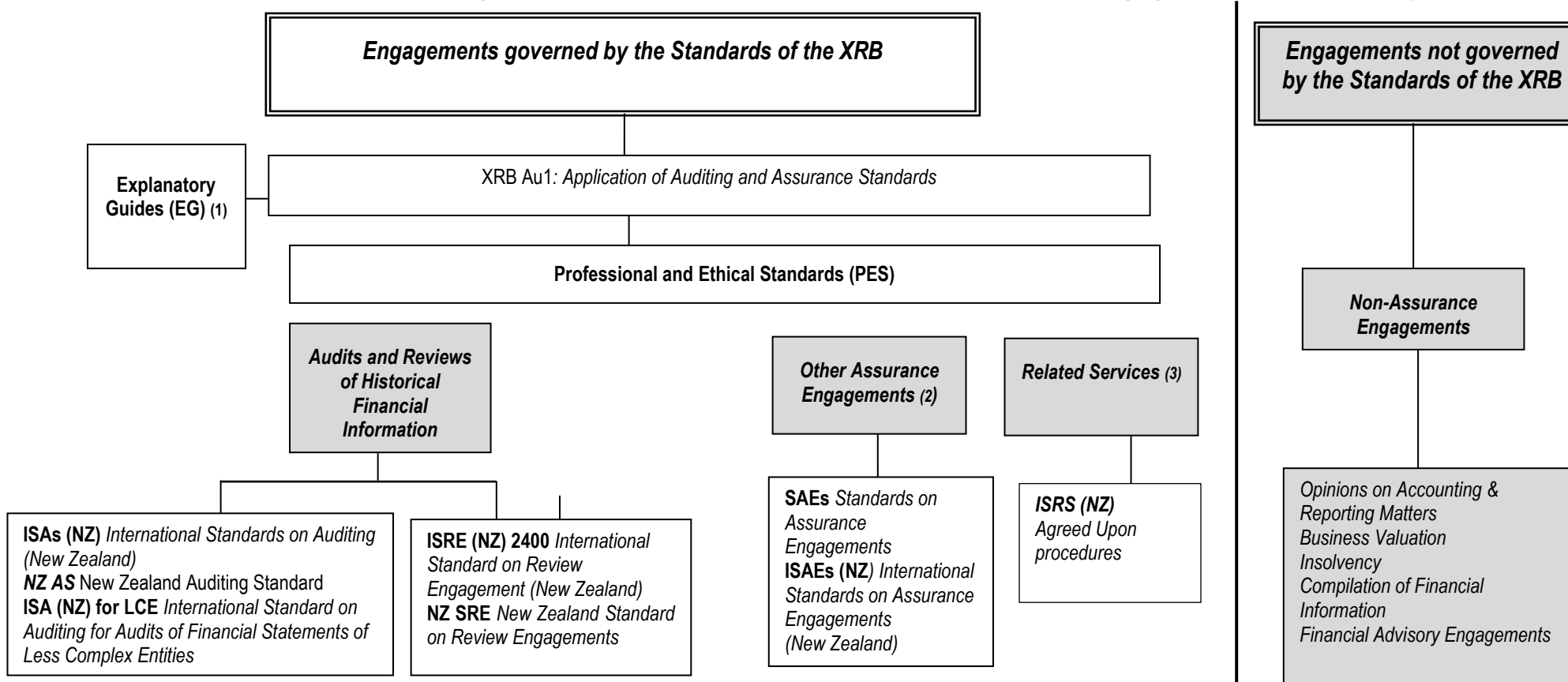
This appendix lists the Related Services Standards to be applied in conducting agreed upon procedures to information and other related services as specified by the New Zealand Auditing and Assurance Standards Board.

ISRS (NZ) 4400

Agreed-Upon Procedures Engagements

Appendix 6

Overview of the Auditing and Assurance Standards of the XRB, and the Engagements Governed by the Standards



Note (1): The Explanatory Guides are explanatory documents and have no legal status.

Note (2): The XRB's legislative mandate is restricted to standards relating for use in assurance engagements required by statute. The Board may also issue standards relating to Other Assurance Engagements where there is no statutory requirement for assurance, provided the Minister of Commerce authorises the XRB to do so.

Note (3): The XRB's legislative mandate includes related services, meaning services to perform agreed-upon procedures or other non-assurance work that may ordinarily be carried out by an audit or assurance practitioner.

Basis for Conclusions on XRB Au1

This Basis for Conclusions accompanies, but is not part of, XRB Au1.

Introduction

BC1 This Basis for Conclusions outlines the rationale for the requirements in this Standard.

Auditing and assurance standards

BC2 This Standard is issued to assist assurance practitioners in identifying the relevant auditing and assurance standards to be used in specific circumstances. It was issued to provide a comprehensive list of the auditing and assurance standards that are to be applied by assurance practitioners when conducting an assurance engagement or related services in accordance with standards issued by the External Reporting Board or the New Zealand Auditing and Assurance Standards Board.