

**UNDERSTANDING A MSE**

<b>Mandate or Requirement</b>	<b>Level of Assurance</b>	<b>Subject Matter</b>	<b>Criteria</b>	<b>Subject Matter Information (Outcome)</b>	<b>AUASB Standards</b>
Assurance on a financial report or financial statement	Reasonable (R) [audits] or Limited (L) [reviews]	Financial performance and financial position	Applicable financial reporting framework (e.g. Accounting Standards)	A financial report or financial statement	All relevant Auditing and Review Standards. Audit reporting under relevant ASA 700 series or ASA 800 series. Review reporting under relevant ASRE series.
Compliance with laws, regulations or contracts	R or L	Entity’s activities	Requirements stipulated in laws, regulations or contractual arrangements	Attestation or declaration as to compliance; or the auditor’s opinion or conclusion in a direct engagement	ASAE 3000 and ASAE 3100
Design and operation of internal controls	R or L	Controls within an entity or a service organisation or a shared services centre	A documented controls framework or specified control objectives	Attestation or declaration as to the suitability of the design and operating effectiveness of controls; or the auditor’s opinion or conclusion in a direct engagement	ASAE 3000, ASAE 3150 or ASAE 3402
Prospective financial information	R or L	Assumptions and methodology used as basis for prospective financial information (forecasts)	Reasonableness of assumptions and calculation methodology used. Reasonableness of reporting disclosures	Forecasts, projections	ASAE 3000 and ASAE 3450
Contractual arrangement	No assurance, agreed-upon procedures only	According to the agreement	n/a	Report of factual findings	ASRS 4400