

OUTLINE OF AUDITOR’S REPORTING REQUIREMENTS, LEVELS OF ASSURANCE, SUBJECT MATTER, EVALUATION CRITERIA AND APPLICABLE AUASB STANDARDS

The following table outlines the relevant reporting requirements applicable to the appointed auditor of an ADI and/or ADI group reporting pursuant to APRA’s Prudential Standards APS 310 and 3PS 310 *Audit and Related Matters* and APS 910 *Financial Claims Scheme*, the level of assurance required, subject matter, evaluation criteria and relevant AUASB Standards. The table is not intended to be an exhaustive summary of an appointed auditor’s obligations and requirements which are found in the *Banking Act 1959* (Banking Act), the *Financial Sector (Collection of Data) Act 2001* (FSCODA), APRA Prudential and Reporting Standards, other relevant APRA Prudential Requirements and applicable AUASB Standards.

APS 310/3PS 310 Annual Prudential Reporting Engagements (Routine Reporting)

| Scope of Engagement | Levels of Assurance | Subject Matter | Criteria for Evaluating Subject Matter | Applicable AUASB Standards |
|--|----------------------------|---|---|---|
| PART A – Assurance on Specified ¹¹⁷ ADI Reporting Forms (APS 310, para 36(a)(c)) (3PS 310, para 27(a)(c)) | Reasonable assurance | Information included in Specified ¹¹⁷ ADI Reporting Forms at the financial year-end of the ADI and/or Level 2 and/or Level 3 group, sourced from <i>accounting records</i> – historical financial information. | Information is reliable and in accordance with relevant APRA Prudential and Reporting Standards. ¹¹⁸ | ASA 805 (and other ASAs to the extent applicable, in accordance with ASA 805) |

¹¹⁷ For a listing of ADI Reporting Forms to be subjected to the assurance engagement, refer to APRA Prudential Standard APS 310 *Attachment A – Data Collections subject to reasonable and/or limited assurance*. The requirements are different for Standardised, Advanced and Foreign ADIs.

¹¹⁸ Including relevant APRA Guidance materials (for example: Prudential and Reporting Practice Guides) and Reporting Form Instructions issued by APRA.

Guidance Statement GS 012 Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions (ADIs) and ADI Groups

| Scope of Engagement | Levels of Assurance | Subject Matter | Criteria for Evaluating Subject Matter | Applicable AUASB Standards |
|---|---------------------|---|---|---|
| PART B – Assurance on Specified ¹¹⁷ ADI Reporting Forms (APS 310, para 36(b)(c)) (3PS 310, para 27(b)(c)) | Limited assurance | Information included in Specified ¹¹⁷ ADI Reporting Forms at the financial year-end of the ADI and/or Level 2 and/or Level 3 group, sourced from <i>non-accounting records</i> : <ul style="list-style-type: none"> • historical financial information • information other than historical financial information • prospective financial information.¹¹⁹ | <ul style="list-style-type: none"> • Information is reliable and in accordance with relevant APRA Prudential and Reporting Standards.¹¹⁸ • Reasonableness of assumptions and calculation methodology used (for prospective financial information). | As applicable: ASAE 3000 ASRE 2405 ASAE 3450 |
| PART C (i) – Assurance on Internal Controls to ensure Compliance with Prudential Requirements: <ul style="list-style-type: none"> • suitability of design of controls to achieve identified control objectives • implementation of controls as designed • operating effectiveness of controls as designed (APS 310, para 36(d)(i)) (3PS 310, para 27(d)(i)) | Limited assurance | Internal Controls as designed, implemented and in operation. | To ensure: <ul style="list-style-type: none"> • Compliance with all applicable APRA Prudential Requirements • Applicable controls operated effectively throughout the financial year | ASAE 3150 |

¹¹⁹ For example, refer to APRA ADI Reporting Forms 210.1A and 210.1B *Liquidity Coverage Ratio*, listed in APRA Prudential Standard APS 310 *Attachment A – Data Collections subject to reasonable and/or limited assurance*

Guidance Statement GS 012 Prudential Reporting Requirements for Auditors of Authorised Deposit-taking Institutions (ADIs) and ADI Groups

| Scope of Engagement | Levels of Assurance | Subject Matter | Criteria for Evaluating Subject Matter | Applicable AUASB Standards |
|--|--------------------------|---|---|--|
| <p>PART C (ii) – Assurance on Internal Controls to ensure Reliability of Data in Reporting Forms:</p> <ul style="list-style-type: none"> • suitability of design of controls to achieve identified control objectives • implementation of controls as designed • operating effectiveness of controls as designed <p>(APS 310, para 36(d)(ii)) (3PS 310, para 27(d)(ii))</p> | <p>Limited assurance</p> | <p>Internal Controls as designed, implemented and in operation.</p> | <p>To ensure:</p> <ul style="list-style-type: none"> • Data provided to APRA in <i>all</i> Reporting Forms prepared under the FSCODA are reliable and in accordance with relevant APRA Prudential and Reporting Standards. • Applicable controls operated effectively throughout the financial year | <p>ASAE 3150</p> |
| <p>PART D – Reporting on Compliance with Prudential Requirements</p> <p>(APS 310, para 36) (3PS 310, para 27(e))</p> | <p>Limited assurance</p> | <p>All of the above.</p> | <p>Compliance with all relevant Prudential Requirements under the Banking Act and the FSCODA.</p> | <p>No requirement for auditor to carry out additional assurance engagement procedures. Auditor may consider principles and guidance provided in ASAE 3100.</p> |

APS 910 Annual Prudential Reporting Assurance Engagements (Routine Reporting)

| Scope of Engagement | Level of Assurance | Subject Matter | Criteria for Evaluating Subject Matter | Applicable AUASB Standards |
|---|--------------------------|---|---|----------------------------|
| <p>Assurance on Internal Controls addressing generation of Single Customer View Data (SCV), as set out in APS 910 Attachment A, and Financial Claims Scheme (FCS) Payment Instruction and Reporting Information:</p> <ul style="list-style-type: none"> • suitability of design of controls to achieve identified control objectives • implementation of controls as designed • operating effectiveness of controls as designed <p>(APS 910, paragraph 27)</p> | <p>Limited Assurance</p> | <p>Internal Controls as designed, implemented and in operation.</p> | <p>To ensure:</p> <ul style="list-style-type: none"> • SCV data as set out in APS 910 Attachment A, to the extent practicable, and FCS payment instruction and reporting information can be relied upon as being complete and accurate and in accordance with APS 910. • Applicable controls operated effectively throughout the financial year. <p>(Also see Appendix 5 (Attachment 3) of this Guidance Statement)</p> | <p>ASAE 3150</p> |

Special Purpose Engagements under APS 310/3PS 310 and APS 910

| Level of Assurance | Subject Matter | Criteria for Evaluating Subject Matter | Applicable AUASB Standards |
|-------------------------------------|---|---|--|
| Reasonable and/or Limited assurance | <ul style="list-style-type: none"> Particular aspect of an ADI’s and/or Level 2 and/or Level 3 group’s operations, prudential reporting, risk management systems or financial position, as determined by APRA (APS 310/3PS 310). SCV systems and data, and the systems used to generate and transmit FCS payment and reporting information (APS 910). | As determined by APRA. | ASAE 3000 and relevant topic specific ASAEs, for example ASAE 3100 and/or ASAE 3150. |

Additional Reporting Requirements under the Banking Act¹²⁰

| Section of Banking Act | Statutory Reporting Requirement | Applicable AUASB Standards |
|-------------------------------|---|--|
| Section 16B | Duty to provide information to APRA on request. | No requirement for an auditor to carry out additional assurance engagement procedures. |
| Section 16BA | Requirement to provide information to APRA where the auditor possesses specified reportable information. Section 16BA identifies matters of which APRA needs to be notified of: (a) immediately; and (b) as soon as is practicable (no longer than 10 business days). | |
| Section 16C | Auditor may provide information to APRA where the auditor considers that the provision of such information would assist APRA in performing its functions under the Banking Act or FSCODA. | |

¹²⁰ Sections 16B, 16BA and 16C of the Banking Act is applicable to *all* auditors of ADIs, authorised NOHCs, or their subsidiaries, not only to auditors appointed by an ADI to meet the prudential reporting requirements under APS 310, 3PS 310 and APS 910.