

### **Table of concordance**

Throughout the amended draft standard the term "service performance criteria" has been replaced with the term "methods to measure, describe, aggregate, present and disclose the entity's service performance".

<b>Draft Standard</b>	<b>Exposure Draft (ED)</b>	<b>Comment</b>
<b><i>Introduction, Objectives and Definitions</i></b>		
1-4	1-4	No change in substance to the Scope section.
5	5	Align effective date with PBE FRS 48 <i>Service Performance Reporting</i>
6	6	Added an objective for the auditor to understand the process applied by the entity to select what and how to report its service performance.
7	7	Added definitions for: <ul style="list-style-type: none"><li>• "long-form report" and</li><li>• "methods to measure, describe, aggregate, present and disclose the entity's service performance", defined with reference to the "applicable criteria".</li></ul> Removed definition of service performance criteria and moved references to suitability from 7(f) in the ED into the application material.
<b><i>Requirements</i></b>		
8-9	8-9	No change
10	10	No change
Preconditions for an Audit (ED) – moved and merged – refer to section on Understanding the Entity		
11	13 15	Moved and merged requirements for the agreed terms of the audit engagement.

<b>Draft Standard</b>	<b>Exposure Draft (ED)</b>	<b>Comment</b>
12-13	16-17	No substantive change - streamlined to avoid repeating the ISAs (NZ).
14-15	18-19	No substantive change - streamlined to avoid repeating the ISAs (NZ).
16	20	No substantive change
17-20	21-24, 43, 53, 55	<p>Paragraph 17 amended to clarify the correlation between the service performance information (SPI) and the financial statement information.</p> <p>Paragraph 18 clarifies that the auditor shall obtain an understanding of the entity's process for identifying the intended users and the decisions that may be influenced taken on the basis of the SPI.</p> <p>Paragraph 20 merges the requirements of paragraph 24, 43, 53 and 55 of the exposure draft, dealing with group audits, use of a service organisation and work of another practitioner in one requirement with cross references to appropriate ISAs (NZ).</p>
21	29-30	Lift language higher and avoid repetition. Merged para 29 - 30 from ED. Focus on how the auditor obtains an understanding of the entity's process and methods used to implement the accounting requirements.
22-24	11-12, 31-32, A17	Moved and merged. Elevated characteristics of suitable criteria included in application material in the ED.
25-29	14, 33-36	Moved and merged
30	37	No substantive change
31	A34	Elevated application material to a requirement
32-33	25-27	Removed reference to performance materiality and merged requirements

<b>Draft Standard</b>	<b>Exposure Draft (ED)</b>	<b>Comment</b>
34	28 38	Merged. Removed requirement to identify and assess the risk of material misstatement at the general purpose financial report level.
35	39-40	Combined to streamline  Deleted para 41- 42 of ED
36		New paragraph to remind the auditor that irrespective of the assessed risk of material misstatement, the auditor shall perform procedures for all material service performance information
	44-45	Deleted. Considered to be covered by ISAs (NZ), and not sufficiently different for SPI.
37-39	46-49	Moved paragraph 48 of the ED to application material.
40	50	No change.
41	52	Merged with paragraph 51 of the ED.
42	54	Streamlined to avoid repeating ISAs (NZ).
43	56	Included the sub-layer of "criteria" – reference to the methods to measure, describe, aggregate, present and disclose added.
44	58	Streamlined to avoid repetition.
45	57	Re-ordered 57 and 58 of the ED.
46	59	No change.
47-50	60-63	Added identify or <u>refer</u> to the methods used to prepare the service performance information in the opinion section.  Removed wording applicable to the financial statements covered in ISA (NZ) 700 (Revised).

<b>Draft Standard</b>	<b>Exposure Draft (ED)</b>	<b>Comment</b>
51	64	No substantive change
52-55	65-68	Removed reference to the modified opinion that impacts on the general purpose financial report as a whole.
56-57	69-70	No substantive change
58	71-72	Streamlined so as not to repeat ISAs (NZ)
59	73	No substantive change
<b>Application material</b>		
A1-A5	A1-A5 A8	Delete A1 of ED to streamline unnecessary duplication of PBE FRS 48. Included a description of service performance information from PBE IPSAS 48 as requested in feedback. Some rearranging of the paragraphs to streamline.
A6-A8	A6-A7	Amendments as have removed the term "criteria" and focussed on "methods to measure, describe, aggregate, present and disclose". Streamlined application material. Added paragraph A8 to distinguish presentation from disclosure.  Source of the entity's reporting policies and procedures is covered in A33 – delete to avoid repetition.
A9-A12	A9-A12	Removed direct reference to ISAE (NZ) 3000 (Revised), as far as possible, while still retaining relevant requirements, where considered useful in the context of the subject matter. Currently EG Au9 guides the practitioner to apply ISAE (NZ) 3000, and so paragraph A10 makes it explicit that this is not required by this standard.
	A13-A28	Preconditions for an Audit  Moved and merged with application material related to understanding the entity (A19 – A38)

<b>Draft Standard</b>	<b>Exposure Draft (ED)</b>	<b>Comment</b>
		Elevated paragraph A17 of the ED to a requirement in paragraph 22.
A13	A29	No substantive change.
A14	A30	Reference to accumulated misstatements reworded.
A15	A31	No substantive change.
A16-A18	A32-A33, A57	Paragraph A57 of the ED has been moved to A18 of amended draft
A19-A20	A14-A15	Deleted A13 of ED. Additional application material added in A20 to distinguish pre-existing external methods from those developed internally.
A21		Added example to illustrate
A22	A16	Streamlined to avoid repetition.
A23	A43	Additional application material added to clarify that more work effort may be necessary when the methods used to measure, describe, aggregate, present and disclose are developed internally.
A24	A44	Lifted terminology higher and streamlined to avoid repetition. Included examples of stakeholder consultation
A25		New – added to emphasize similarities and differences between the qualitative characteristics in PBE FRS 48 and characteristics of suitable criteria under the assurance framework.
A26-A27	A19-A20	Added new application material to emphasise the auditor's role to evaluate the application of the qualitative characteristics and whether the methods used are suitable.

<b>Draft Standard</b>	<b>Exposure Draft (ED)</b>	<b>Comment</b>
A28	7	Moved from definition of suitable criteria.
A29	A18, A21	Added an example of web and social media searches.
A30		New – added to emphasize the iterative nature of the evaluation
A31-A35	A22- A26	Added an example to relevance factors with reference to information that could significantly affect the reputation of the entity
A36		New application material to expand on how “criteria”/the methods used to measure, describe, aggregate, present or disclose may be made available to users, consistent with assurance concepts.
A37-A38	A27-A28	No substantive change.
A39-A40		New application material added to provide additional guidance for the auditor’s evaluation where the entity’s reporting systems are still developing.
A41-A43	A45-A47	No substantive change.
A44	A48	No substantive change.
A45		New application material to emphasize link between materiality and relevance.
A46	A35	No substantive change.
A47		New application material
A48	A36	No substantive change.
A49	A37-A38	Merged and streamlined.

<b>Draft Standard</b>	<b>Exposure Draft (ED)</b>	<b>Comment</b>
A50	A41	Re-ordered.
A51	A38-A40	Removed distinction between qualitative and quantitative factors to acknowledge that these factors are all relevant in evaluating whether an error in a quantity or description may be tolerated.
A52		Additional emphasis.
A53	A42	No substantive change.
A54-A55		New application material sourced from ISA (NZ) 315 (Revised) to emphasize that the assertions may be expressed differently.
A56	A49	Removed consistency as an assertion.
A57-A59	A50-A52	No substantive change.
A60-A61	A53-A54	No substantive change.
A62	48	Moved to application material rather than a requirement
A63	A55	No substantive change.
A64	A56	Included additional examples of where expertise may be needed.
A65-A67	A58-A60	No substantive change.
A68-A72	A61-A65	No substantive change.
A73-A79	A66-A72	No substantive change.
A80-A81	A73-A74	No substantive change.
Appendix 1	Appendix 1	Reworded for clarity.

<b>Draft Standard</b>	<b>Exposure Draft (ED)</b>	<b>Comment</b>
Appendix 2	Appendix 2	Appendix 2 of the ED provided examples of criteria. Substantively changed the appendix to illustrate the similarities and differences between the qualitative characteristics and characteristics of suitable methods given feedback received.
Appendix3	Appendix 3	Amended flowchart.
Appendix 4	Conforming amendments	The amended standard includes an updated illustrative engagement letter as part of NZ AS 1.
Appendix 5	Conforming amendments	The amended standard includes an updated illustrative representation letter as part of NZ AS 1.
Appendix 6	Conforming amendments	The amended standard includes an updated illustrative auditor's report as part of NZ AS 1.
Appendix 7	Appendix 4	Updated illustrations for changes throughout the standard.  Deleted one illustrative example.