



Australian Government
Clean Energy Regulator

OFFICIAL

ASSA 5000 for NGER framework audits

13 and 20 November 2025



Recent *National Greenhouse and Energy Reporting (Audit) Determination 2009* amendment

‘2.5 The audit team leader must ensure that the audit is carried out and reported on in compliance with: ...

(c) the auditing and assurance standards (as in force on 1 July 2025) formulated by the Auditing and Assurance Standards Board under paragraph 227B(1)(b) of the *Australian Securities and Investments Commission Act 2001*, including:

- (i) the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*; and
- (ii) the Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements*.’

Amended NGER audit determination and ASSA 5000

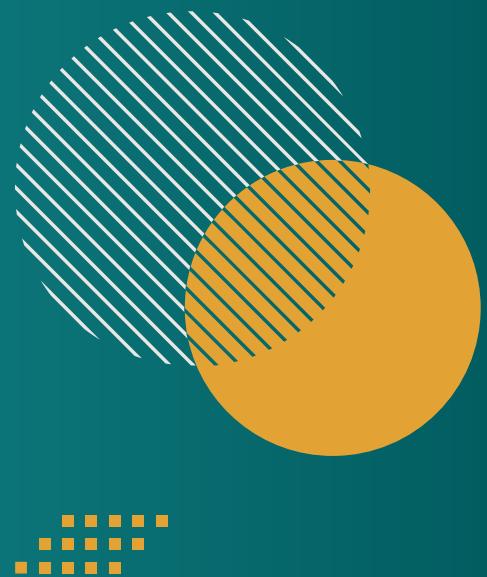
- The amended NGER audit determination does not:
 - mandate the exclusive use of ASSA 5000; or
 - prohibit the use of 5000.
- Early adoption of ASSA 5000 is permitted.
- Auditors are to assess the application of the relevant standards in the context of the specific engagements.
- This afternoon's presentations from AUASB and Julian Bishop will provide you with an understanding of the differences between ASAE 3000 and ASSA 5000.



ASAE 3000 and ASSA 5000

Similarities and Differences

Doug Niven – Chair & CEO
Marina Michaelides – Senior Project Manager





Agenda

- Introduction - ASSA 5000
- Similarities and differences between ASAE 3000 and ASSA 5000
- Key differences that impact assurance practitioners work effort
- Q&A



ASSA 5000 *General Requirements for Sustainability Assurance Engagements*

- Based on ISSA 5000
- Covers all phases of engagements
- Limited and reasonable assurance
- Practitioner neutral
- Reporting framework neutral
- Not climate specific

ASSA 5000
(January 2025)

Standard on Sustainability Assurance
ASSA 5000
General Requirements for Sustainability Assurance Engagements

Issued by the Auditing and Assurance Standards Board





ASSA 5000

Corporations Act

Info for **years commencing 1/1/25** & as at end of period

CER reporting

Not ASSA 5000 unless required by Determination

Other

Info **as at 31/12/25** and periods then ending (unless commenced before 1/1/25)





Developing ISSA 5000/ASSA 5000

Previously

International:

- ASAE 3000 *Other than Financial Reports*
- ASAE 3410 *GHG*
- EER guidance

Australian:

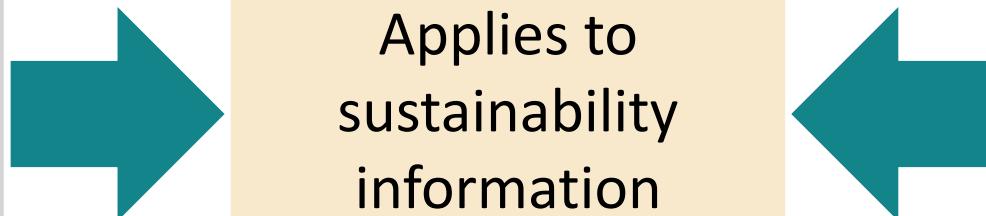
- ASAE 3100 *Compliance*
- ASAE 3150 *Controls*

ASSA 5000

Applies to sustainability information

Other sources

- Auditing Standards
- Quality Management
- Part 5 of APES 110
- Using Work of External Experts (APES 110)
- ISSA 5000 ED Feedback





ASSA 5000 – Defines sustainability matters as:

- **Environmental, social, governance or other sustainability-related matters** as defined or described in law or regulation or relevant sustainability reporting frameworks, or as determined by the entity for purposes of preparing or presenting sustainability information
- **Very broad definition**
- **Encapsulates all CER Schemes**



Similarities and Differences

ASAE 3000

Broader range of assurance engagements

ASAE 3000

- ✓ Use consistently defined terms
- ✓ Cover limited and reasonable assurance engagements
- ✓ Require the application of quality management and ethical requirements
- ✓ Cover all phases of an assurance engagement from planning to reporting
- ✓ Available for use by all assurance practitioners
- ✓ Reporting framework neutral
- ✓ Prohibits direct assistance provided by internal auditors

ASSA 5000

ASSA 5000

Only for assurance engagements on sustainability information

Additional requirements and guidance based on the ASAs, ASAE 3000 and EER guidance



Key differences, that impact the assurance practitioners work effort:

- Quality Management & Ethical Requirements
- Fraud, NOCLAR and Pre-acceptance
- Materiality
- System of Internal Control
- Identifying and Assessing Risks of Material Misstatement
- Substantive Procedures
- Estimates and Forward-Looking Information



Quality Management

Subject to ASQM 1 or other requirements that are at least as demanding as ASQM 1



Ethical Requirements

Compliance with APES 110 or other requirements that are at least as demanding as APES 110



ASAE 3000

ASQM 1 or another quality management system

APES 110 or other ethical requirements

ASSA 5000

The determination needs to be made by an appropriate authority and this authority must be identified in the practitioner's report.

Practitioners must comply with ASQM 1

Practitioners must comply with APES 110



Fraud and Non-Compliance with Laws and Regulations (NOCLAR)

ASAE 3000

No specific requirements related to fraud.
NOCLAR dealt with in understanding the underlying subject matter.

ASSA 5000

Specific requirements on fraud and NOCLAR.
Fraud, for example: practitioners apply scepticism to address the increased risk of management override of controls for reasonable assurance engagements.

Engagement pre-acceptance

ASAE 3000

Pre-conditions in ASAE 3000



ASSA 5000

- Preliminary understanding
- If there is a rational purpose for the engagement and evaluating whether it is appropriate
- Consider if the entity has a process to identify material information to be reported



Using the Work of the Practitioner's Expert

Using the Work of Another Practitioner

ASAE 3000

High level requirement

Broad requirements

High level requirement

Evaluate whether the work of another practitioner is adequate for the practitioner's purposes



ASSA 5000

Extensive requirements

Agree on the respective roles and responsibilities of the practitioner and that expert.

Requirements if the practitioner determines the expert's work is not adequate

Extensive requirements

Defines 'another practitioner'

Requirements for obtaining evidence from using the work of another practitioner

Introduces the concept of one-to-many reports across the value-chain



Group Engagements

ASAE 3000

- No specific requirements
- Doesn't address group engagements

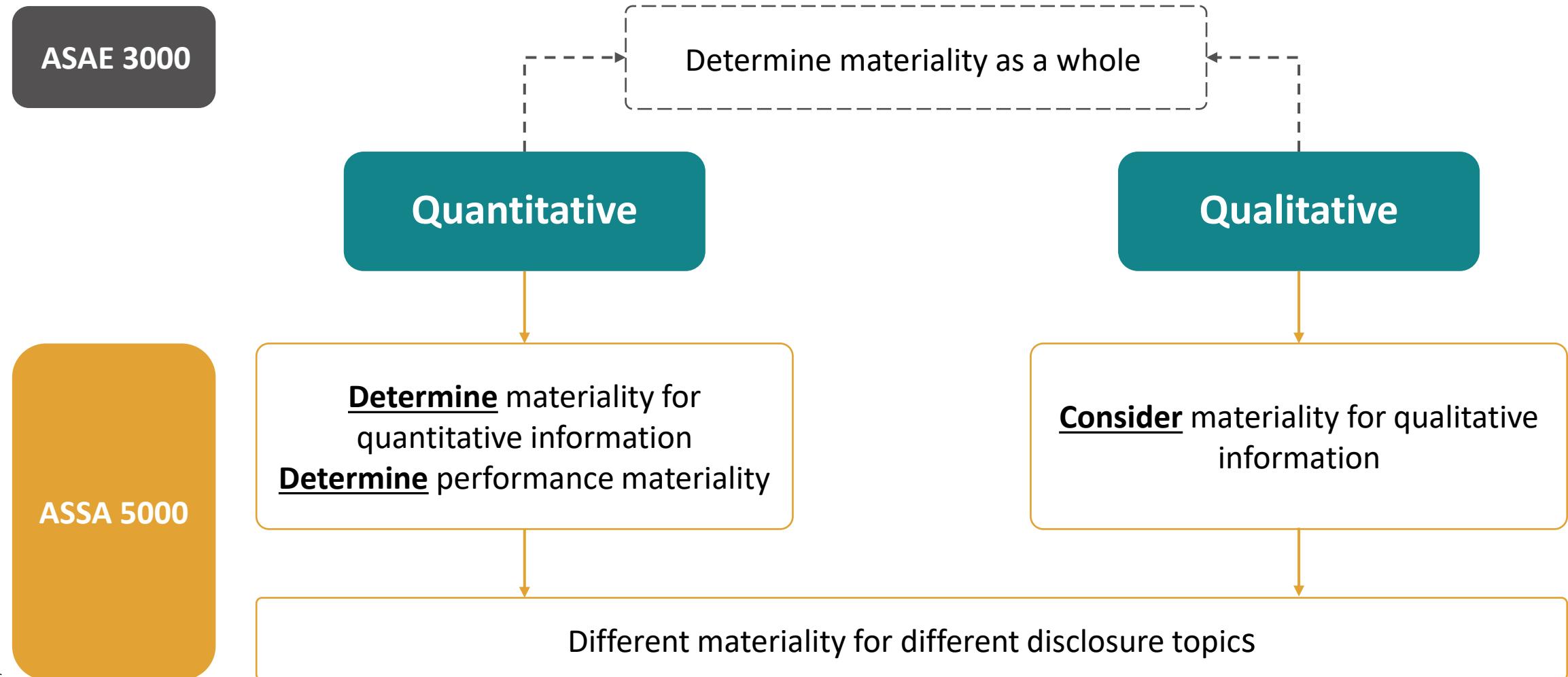


ASSA 5000

- Define component practitioners
- Include component practitioners as part of the engagement team
- Principles from ASA 600
- Value-chain concepts brought into ASSA 5000



Materiality





Identifying and Assessing Risks of Material Misstatement

ASAE 3000

Broad understanding

The underlying subject matter sufficiently to identify where a material misstatement is likely to arise.



ASSA 5000

Explicit requirements

Identify and assess the risk of material misstatement at the disclosure or assertion level (dependent on the level of assurance)

As a basis for the risk assessment, obtain an understanding of:

- sustainability matters and information
- suitability of the reporting criteria
- entity's reporting policies and the reason for any changes
- entity and its environment
- legal and regulatory framework applicable to the entity and the industry or sector in which the entity operates and how the entity is complying with that framework
- entity's system of internal control



Internal Controls

ASAE 3000

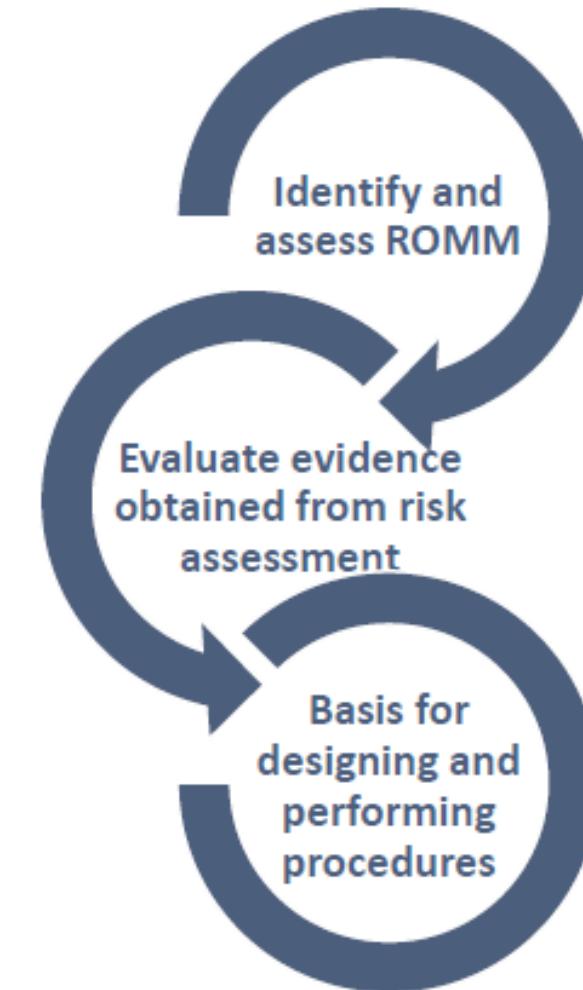
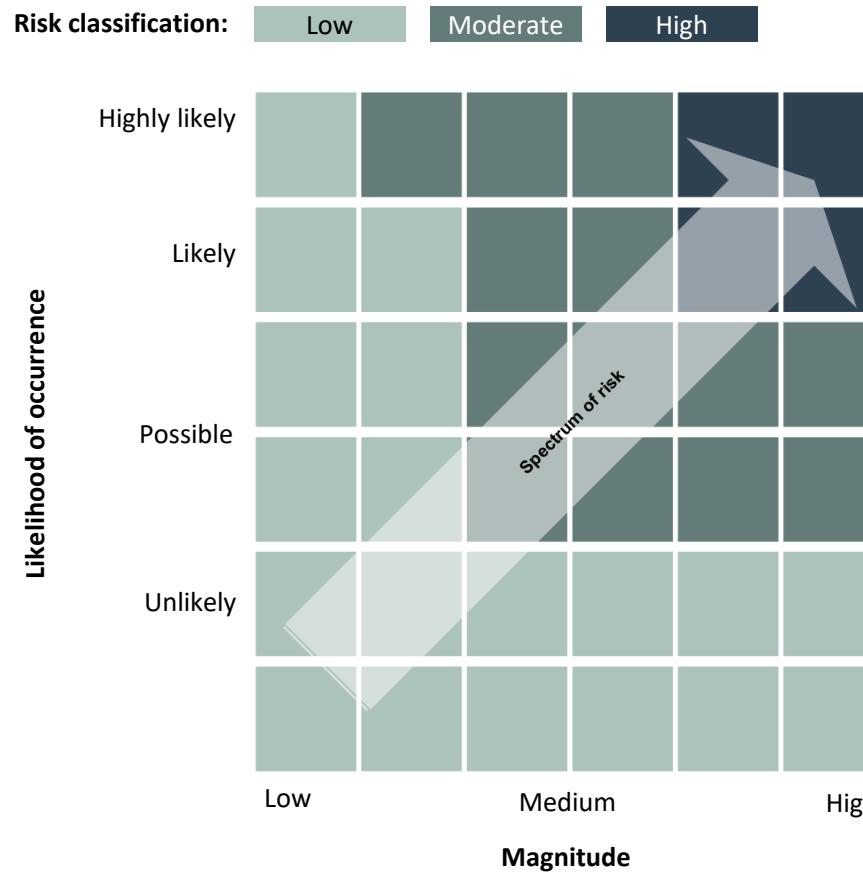
Specific procedures and responses	Limited Assurance	Reasonable Assurance
Understand the internal control over the preparation of the subject matter information	Consider	<input checked="" type="checkbox"/>

ASSA 5000

Specific procedures and responses	Limited Assurance	Reasonable Assurance
The components of the entity's system of internal control relevant to the sustainability matters and the preparation of the sustainability information.	Understand	<input checked="" type="checkbox"/>
Understand the control activities for which they plan to obtain evidence and test their operating effectiveness.	Conditionally required	<input checked="" type="checkbox"/>



Identifying and Assessing Risks of Material Misstatement





Substantive Procedures

ASAE 3000

Design and perform procedures to respond to assessed risk

ASSA 5000

Specific procedures and responses	Limited Assurance	Reasonable Assurance
The response to risk of material misstatement needs to be addressed at:	Disclosure level	Assertion level
When the assessed risk is at the upper end of the spectrum of risk, <u>further substantive</u> procedures are required	N/A	<input checked="" type="checkbox"/>
Design and perform <u>substantive</u> procedures on disclosures that in the practitioner's judgement are material.	N/A	Consider

Estimates and Forward-Looking Information

ASAE 3000

No specific requirement

ASSA 5000

Specific procedures and responses

Evaluate whether criteria are appropriately applied

Assessing management's methods for developing estimates and forward-looking information

Changes to methods are justified

Test management's process and information on which it is based

Evidence from subsequent events

Testing or developing a point estimate or range

Limited
Assurance



Consider



Consider



Reasonab
le
Assurance



Consider



Documentation

ASAE 3000

High level documentation requirements



ASSA 5000

- Quality management
- Materiality
- Risk assessment
- Overall responses to risk assessment
- Misstatements
- Stand back
- Subsequent events



Reporting

ASAE 3000

- No illustrative assurance reports
- Must include minimum basic elements



ASSA 5000

- Includes illustrative assurance reports
- Expecting further illustrative reports

Other Information

- Consistent with requirements in ASSA 5000 but less rigorous



- Identify, obtaining, reading and considering other information
- Responding when a material inconsistency appears to exist or exists
- Similar to financial reporting audit approach
- Principles from ASA 720
- Connectivity with the financial statement auditor



Q & A

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