

10 July 2017

The Hon. Nicola Roxon
Chairman
Accounting Professional & Ethical Standards Board Limited
Level 11, 99 William Street
Melbourne Vic 3000

Dear Nicola,

Re: International Ethical Standards Board (IESBA) Exposure Draft - *Proposed Application Material Relating to Professional Skepticism and Professional Judgement*

As discussed with Channa Wijesinghe at a meeting held between the APESB staff and the AUASB staff on 5 July 2017, the AUASB will not be making a formal submission to the IESBA in relation to the exposure draft above, and have instead opted to provide comments directly to the APESB.

The AUASB make the following comments in relation to the exposure draft:

- The AUASB is supportive of the proposed amendments to APES 110 *Code of Ethics for Professional Accountants*, as they provide additional clarity as to how APES 110 supports the application of professional scepticism and professional judgement.
- The AUASB also supports the work in relation to this exposure draft that was conducted by the tripartite Professional Scepticism Working Group that was established by the IESBA, the International Auditing and Assurance Standards Board (IAASB), and the International Accounting Education Standards Board (IAESB).

We look forward to the ongoing engagement between the Boards in relation to matters of mutual interest.

Please do not hesitate to contact me at rsimnett@auasb.gov.au or Matthew Zappulla, Technical Director at mzappulla@auasb.gov.au if there are any matters you would like to bring to our attention.

Yours sincerely,

Roger Simnett
Chairman