

6 October 2009

The Chairman  
Auditing and Assurance Standards Board  
PO Box 204  
Collins Street West  
MELBOURNE VIC 8007  
[edcomments@auasb.gov.au](mailto:edcomments@auasb.gov.au)

Dear Ms Kelsall

**Exposure Draft ED 21/09 Proposed Auditing Standard ASA 102 Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements**

Ernst & Young Australia is pleased to comment on the above proposed standard. We welcome the opportunity to continue contributing to the improvement of the Australian Auditing Standards, which will in turn continue to drive the quality and consistency of audits in Australia. We are supportive of the above referenced Proposed Standard.

In response to the exposure draft, we would like to make the following observations.

ASA 102 provides references to applicable ethical requirements of APES 110. We believe that this is beneficial to the audit profession as it clarifies and provides consistency.

We concur with the Board that references to relevant ethical requirements in other AUASB Standards will remain current, as a result of the introduction of ASA 102. As noted by the Board, requirements and other explanatory material in the proposed ASA 102 have been drawn from several standards issued by the IAASB. It is our understanding that these requirements, and other explanatory material, will be included in the Australian Auditing Standards in due course, per the instructions captured in the AUASB Strategic Direction. However, inevitably, there may be delays. As such, ASA 102 will serve to ensure that relevant ethical requirements are current.

We also believe that the relevant ethical requirements from the relevant ISA standards and ISQC1 have been captured in ASA 102 appropriately.

We support the proposed Auditing Standard ASA 102 as currently drafted.

Should you require our more detailed comments, please contact Chris Westworth (02 9248 4816) or Stuart Robertson (02 8295 6912).

Yours sincerely

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Ernst & Young

A handwritten signature in black ink, appearing to read 'Chris Westworth'.

Chris Westworth  
Professional Practice Director - Oceania Region