

8 February 2012

The Chairman
Auditing and Assurance Standards Board
PO Box 204
Collins Street West
MELBOURNE VIC 8007
edcomments@auasb.gov.au

Dear Ms Kelsall

Exposure Draft ED 02/12 Proposed Standard on Review Engagements ASRE 2400 *Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Entity* and ED 03/12 Proposed Standard on Review Engagements ASRE 2415 *Review of a Financial Report - Company Limited by Guarantee*

Ernst & Young Australia welcomes the opportunity to offer its views on the two AUASB Exposure Drafts ED 02/12 Proposed Standard on Review Engagements ASRE 2400 *Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Entity* and ED 03/12 Proposed Standard on Review Engagements ASRE 2415 *Review of a Financial Report - Company Limited by Guarantee*.

On the whole, we are supportive of the reissue of these Proposed Standards on Review engagements and provide our responses to the below specific questions that the AUASB has raised. We do not have any additional comments for the Board's consideration.

Questions

- 1. Have applicable laws and regulations been appropriately addressed in the Proposed Standard?**
- 2. Are there any references to relevant laws or regulations that have been omitted?**
- 3. Are there any laws or regulations that may, or do, prevent or impede the application of the proposed standard, or may conflict with the proposed standard?**
- 4. What, if any, are the additional significant costs to/benefits for assurance practitioners and the business community arising from compliance with the main changes to the requirements of this proposed Standard on Review Engagements? If there are significant costs, do these outweigh the benefits to the users of assurance services?**
- 5. Are there any other significant public interest matters that constituents wish to raise?**

We believe that all applicable laws and regulations have been appropriately addressed in the Proposed Standards and we are not aware of any omitted references. In our view, there are no additional significant costs to/ benefits arising from compliance with the requirements of the Proposed Standards and there are no other significant public interest matters to raise.

We welcome the opportunity to contribute to the improvement of Auditing Standards on Review Engagements that will continue to drive the quality and consistency on such services in Australia. We would be pleased to discuss our comments with members of the Australian Auditing Standards Board and its staff. Should you wish to do so, please contact either Denis Thorn (03 8650 7637) or myself on (03 9288 8647).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'AJ Johnson', written in a cursive style.

AJ (Tony) Johnson
Oceania Managing Partner - Assurance
Ernst & Young