

29 August 2014

Dear Claire

As assurance practitioners who regularly undertake engagements on controls please find EY's comments to be considered in conjunction with verbal comments raised during the participant discussion roundtable held 31 July 2014.

EY agrees that the standard adequately addresses the questions 2,4 -10. EY recommend the following be considered for the remaining questions 1 and 3:

1. The standard addresses the scope of all common engagements where assurance practitioners are requested to provide assurance on controls (however, would recommend that the standard clearly state that it does not include financial statement controls, this would be more beneficial if included in the heading eg. 'controls other than those relevant for financial statement purposes').

3. It is appropriate that the standard includes the scope of controls may cover either a specified date or throughout a specified period (however, would recommend a minimum period of operating effectiveness be considered for Type II reporting, such as 6 months. This will provide sufficient data for auditors to make a valid assessment).

Kind regards

Jennifer Arnold