



30 September 2013

Ms Merran Kelsall
Chairman
Auditing and Assurance Standards Board
PO Box 204
Collins Street West
MELBOURNE VIC 8007

Email: edcomments@auasb.gov.au

Dear Ms Kelsall

**RE: Comments on proposed Standards on Auditing ASA610 (Revised)
"Exposure Draft ED02/13, using the work of Internal Auditors"**

Hayes Knight is pleased to be given the opportunity to provide comments in relation to the above.

We are responding on behalf of the Hayes Knight Australian Network of firms, each of which is a separate and legal entity, and who are a member firm of Morison International, the winners of the 2012 International Accounting Bulletin Awards for "Association of the year" and "Rising Star Association".

We support, as a whole, the proposed standard (revised) which has ruled out the direct use of internal audit as members of the audit engagement, with the principle objective being to preserve auditor independence.

We have responded to the specific questions included in the Request for Comments in Appendix 1 of this letter.

We would be pleased to discuss any comments further.

Please contact me on (02) 9221 6666 if you require any further information.

Yours faithfully,
Hayes Knight (NSW) Pty Ltd

Pran Rathod - Director Audit Services
Registered Company Auditor



Request for Specific Comments

1. Have applicable laws and regulations been appropriately addressed in the proposed standard?

We believe that all applicable laws and regulations have been appropriately addressed in the proposed standard.

2. Are there any references to relevant laws or regulations that have been omitted?

We are not aware of any omitted references to laws and regulations.

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?

We are not aware of any laws or regulations that may prevent application of this standard or those that may cause a conflict. .

4. What, if any, are the additional significant costs to/benefits for auditors and the business community arising from compliance with the main changes to the requirements of this proposed Auditing Standard? If there are significant costs, do these outweigh the benefits to the users of audit services?

In our view, there are no additional significant costs to/benefits arising from compliance with the requirements of the Proposed Standard (revised).

5. Are there any other significant public interest matters that constituents wish to raise?

There are no other significant public interest matters to raise.