

The Chairman
Australian Auditing and Assurance Standards Board
PO Box 204, Collins Street West
Melbourne, VIC 8009

28 February 2017

Dear Chairman

Re: Exposure Draft ED 05/16 – Proposed Auditing Standard ASA 250 *Consideration of Laws and Regulations in an Audit of a Financial Report*

Deloitte Touche Tohmatsu (Deloitte) is pleased to respond to the Australian Auditing and Assurance Standards Board's (AUASB) Exposure Draft ED 05/16 – Proposed Auditing Standard ASA 250 *Consideration of Laws and Regulations in an Audit of a Financial Report* ("ED 05/16").

We support having one set of international standards on auditing that are used by practitioners worldwide in the audit of a financial report (although we also acknowledge that there may be certain circumstances where compelling reasons exist for the inclusion of Australian specific requirements and guidance). Accordingly, we support the issuance of the proposed revised and amending standards.

Please refer to Appendix 1 for our responses to the specific questions posed by the AUASB within ED 05/16.

In addition, we have included specific comments relating to the wording of the proposed standards within ED 05/16 in Appendix 2.

If you have any queries in relation to this response please do not hesitate to contact me on 02 9322 3434.

Yours sincerely



Gareth Bird
Partner
Deloitte Touche Tohmatsu

Appendix 1 – Response to specific questions posed within ED 05/16

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

Yes.

2. *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?*

Nothing noted.

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

None noted.

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

Nothing further of significance noted.

Appendix 2 – Other specific comments relating to proposed changes within ED 05/16

ED 05/16 Paragraph	Comment
5 (page 8)	We note that within the second sentence of this paragraph, the word “the” should be included before the reference to “financial report”. Thus, the sentence would read as follows: <i>“In conducting an audit of the financial report, the auditor takes into account the applicable legal and regulatory framework.”</i>
Aus 29.1 (page 20)	The Australian paragraph should be referenced as “Aus A29.1” as it is supplementing International guidance paragraph A29.
Paragraph A30 (page 20)	We note that reference has been made to the <i>“Proposed Amendments to APES 110 Code of Ethics for Professional Accountants exposure draft issued by the Accounting Professional and Ethical Standards Board on December 16 2016”</i> . Given that this wording will quickly become outdated, we are assuming that the intention of the AUASB is to update this reference as appropriate, prior to the issuance of the amended auditing standard.