

The Chairman  
Auditing and Assurance Standards Board  
PO Box 204  
Collins Street West  
MELBOURNE VIC 8007

17 July 2017

Dear Professor Simnett

Exposure Draft ED 01/17 Proposed Standard on Assurance Engagements ASAE 3500  
*Performance Engagements*

Ernst & Young Australia welcomes the opportunity to offer its views on the exposure draft Proposed Standard on Assurance Engagements ASAE 3500 *Performance Engagements*, issued by the Auditing and Assurance Standards Board (AUASB). We support the approach the AUASB has taken in updating this standard which was last revised and issued by the AUASB in 2008.

Our views on the AUASB's Specific Questions in relation to ED 01/17

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 public sector arising from compliance with the main changes to the requirements of this proposed standard? If there are significant costs, do these outweigh the benefits to the users of performance engagements?*
5. *Will there be any difficulties in implementing the requirements?*
6. *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 standard. We are not aware of any omitted references. Furthermore, we are not aware of any laws or regulations that may, or do, prevent or impede the application of the proposed standard, or may conflict with the proposed standard. In our view, there are no additional significant costs to/ benefits arising from compliance with the requirements of the proposed standard. We foresee no difficulties in implementing the requirements and believe there are no other significant public interest matters to raise.

We welcome the opportunity to contribute to the improvement of Auditing and Assurance Standards that will continue to drive the quality and consistency of such services in Australia. We would be pleased to discuss our comments with members of the Auditing and Assurance Standards Board and its staff. Should you wish to do so, please contact myself on 02 8295 6882.

Yours sincerely



Kathy Parsons  
Oceania Professional Practice Director - Assurance  
Ernst & Young