

27 July 2020

Chief Executive Officer  
Accounting Professional & Ethical Standards Board Limited  
Level 11  
99 William Street  
Melbourne Victoria 3000  
Australia

Dear Mr. Wijesinghe

Exposure Draft 01/20 - Proposed Amendments to Part 4B of APES 110 Code of Ethics for Professional Accountants (including Independence Standards)

Ernst & Young welcomes the opportunity to offer its views on the APESB's Exposure Draft 01/20 issued in June 2020.

We are supportive of the Board's efforts to align Part 4B of the Code with the revised assurance terms and concepts in ASAE 3000 (Revised) and believe the Board's proposed revisions to Part 4B substantially accomplish this objective.

We believe the proposed changes in the key terminology used in Part 4B will substantially align the Code with ASAE 3000 (Revised) and will thereby improve the clarity and application of Part 4B. We agree with the change to the definition of "Assurance client," considering the addition of the definition of "Attestation engagement," "Direct engagement" and "Responsible party."

Regarding the split of assurance engagement between Parts 4A and 4B, we agree that it is appropriate for purposes of the Code to separate the requirements for audits of financial statements and those for assurance engagements in Parts 4A and 4B, respectively. In our view, including the additional wording in the definition of "Financial statements" that this definition does not refer to specific elements, accounts or items of a financial statement will make it clear that Part 4A does not cover engagements such as those conducted under ASA 805 (Revised).

We would be pleased to discuss our comments with members of Accounting Professional & Ethical Standards Board Limited or its staff. Should you wish to do so, please contact Chris George ([christopher.george@au.ey.com](mailto:christopher.george@au.ey.com) or on (02) 8295 6051).

Yours sincerely



Chris George  
Partner  
Oceania Assurance Professional Practice Director