

Friday 4 March 2022

Jeremy Richardson
Reserve Bank of New Zealand
Financial System Policy and Analysis – Dynamic Policy

Dear Mr Richardson,

RE: Assurance Reports on Bank Disclosure Statements Consultation

This document sets out MUFG Bank, Ltd.'s response to the RBNZ's Assurance Reports on Bank Disclosure Statements Consultation Paper published on 18 January 2022.

Overall, we are supportive of the proposed changes to the assurance reports required on registered banks' disclosure statements. This change will simplify the content of the audit report to reduce the burden for auditors and make the report easier to read. Since there is no proposed change to the Audit Standard, MUFG expects that there should be no significant impact in preparing the disclosure statements.

In regards to the Impact of Changes questions posed in the Consultation Paper, we have set out responses below:

- 1. Do you agree that changes will make assurance reports on disclosure statements easier to navigate and more readable? What types of reader do you expect to consider these reports?**
MUFG agrees that the changes will simplify the audit report so that it will be easier to read and be better understood by the reader given majority of the readers are professional investors and researchers.
- 2. Do you agree that the changes will reduce the cost of complying with the assurance requirements, for banks and their auditors?**
MUFG agrees that there will be a reduced cost in the long run, however the reduction is not material for banks and their auditors. The change will overall benefit the auditor more than the bank from a cost perspective.
- 3. Do you agree that any transitional costs will be outweighed by the ongoing benefits thereafter?**
MUFG believes there will only be a small transition cost, however the changes will have a long-term benefit for banks, auditors and readers.

Please let us know if you have any questions in regards to our response.

Kind Regards,

s9(2)(a) - protect individual privacy

