

Frequently Asked Questions

NOVEMBER 2016

1. What is the APESB?

The Accounting Professional & Ethical Standards Board (APESB) is an independent, national body that sets the code of ethics and professional standards with which accounting professionals who are members of CPA Australia, CA ANZ or IPA must comply.

CPA Australia and Chartered Accountants Australia and New Zealand (CA ANZ) established the APESB in February 2006. The Institute of Public Accountants (formerly the National Institute of Accountants) became the third member of the APESB later that year. The APESB is equally funded by the three Australian accounting professional bodies: CPA Australia, CA ANZ and IPA.

2. Who is the APESB chairperson?

The Hon. Nicola Roxon was appointed chairperson of the APESB on 1 June 2014 for a three year period. As the independent chairperson required under the APESB constitution, Nicola Roxon brings extensive experience in the public service to her role.

She was a senior cabinet minister and held the complex portfolio of Minister for Health and Ageing for four years, overseeing major reforms to the public hospital, primary care and preventative health systems. She became Australia's first female Attorney-General in 2011 and as the nation's First Law Officer she oversaw all Commonwealth laws, counter terrorism measures and ASIO, and later gained the added responsibility of Minister for Emergency Management.

Nicola Roxon retired from politics in 2013 and is now an Adjunct Professor within the College of Law and Justice at Victoria University and a non-executive Director of BUPA ANZ.

3. Who are the directors of the APESB?

There are six directors of the APESB. Five directors are drawn from across the three professional accounting bodies. The sixth director is the chairperson. The APESB constitution requires the chairperson be an independent person who is not a member of one of the professional accounting bodies.

4. Who is the APESB media spokesperson?

The APESB chairperson, The Hon. Nicola Roxon, is the spokesperson for all media enquires. Enquires should be directed in the first instance to Channa Wijesinghe, Chief Executive Officer, 03 9642 4372 / 0418 175 758 or email channa.wijesinghe@apesb.org.au.

5. What is a ‘standard’?

A standard outlines the fundamental responsibilities of professional accountants when they are performing their role. Each standard contains information on the scope and application of the standard, definitions and the date the standard takes effect. Failure to comply with standards issued by the APESB may lead to disciplinary proceedings being initiated by the professional accounting body to which the member belongs.

6. What is a ‘guidance note’?

Guidance notes provide additional explanatory information on the mandatory requirements established by the standard to which they refer. A guidance note never provides new information or alters the requirements of a standard.

7. What is a ‘pronouncement’?

An APESB pronouncement is a general term, and can be either an APESB standard or APESB guidance note.

8. What is The Code of Ethics for Professional Accountants (The Code)?

The Code establishes a ‘principles based’ standard of professional ethics for members of the professional accounting bodies and provides a framework for applying these principles.

The Code is based on the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA).

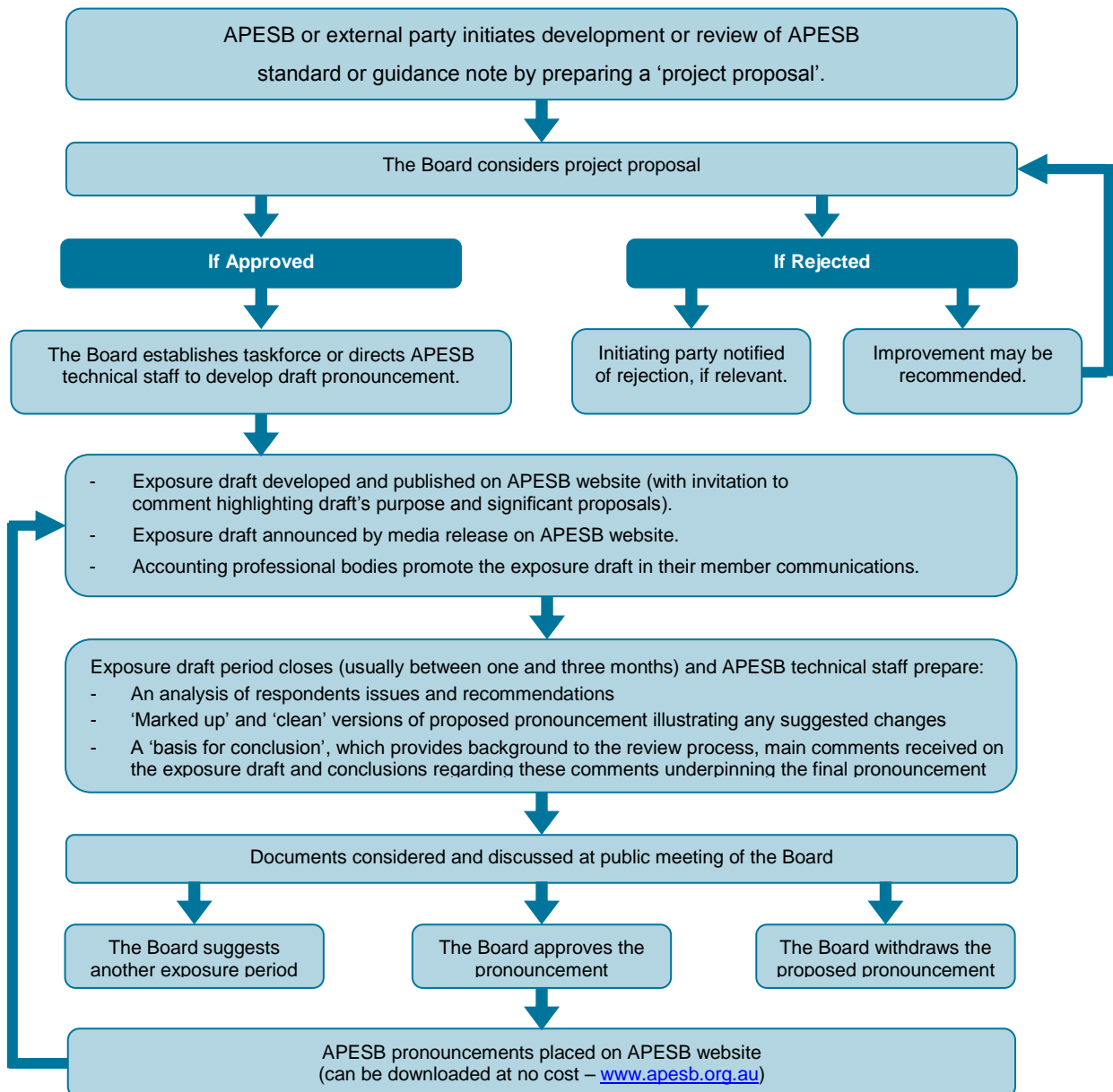
9. Why are professional and ethical standards for accountants important?

Professional and ethical standards are fundamental to the reputation of the accountancy profession and to ensuring consistency of practice and confidence in Australia’s capital markets.

All Australian professional accountants have a responsibility to act in the public interest and are expected to act with objectivity and integrity by a range of different audiences such as investors, governments, clients, employers and employees when undertaking work or providing advice.

10. How does the APESB develop or review standards or guidance notes?

The APESB standard setting process is rigorous and transparent. The typical process for developing or reviewing an APESB standard or guidance note is:



11. Can I view other submissions to the standard setting process?

Yes. All submissions are a matter of public record and are placed on the APESB website when the exposure draft period has closed. Submissions remain on the website until the final pronouncement is issued.

12. Are APESB standards legally binding? Who enforces the APESB standards and what penalties exist for non-compliance?

APESB standards are applicable to all members of the Australian professional accounting bodies. Failure to comply with standards issued by the APESB may lead to disciplinary proceedings being initiated by the professional accounting body to which the member belongs.

There are also a number of APESB standards that carry the force of law by virtue of being referenced in auditing standards that are legally enforceable. The Australian Securities and Investments Commission (ASIC) is responsible for monitoring compliance with auditing standards.

13. Does the APESB play a role in international standard setting?

Working in today's globalised economy, the APESB understands the importance of developing Australian standards that are consistent with those issued by the International Federation of Accountants (IFAC).

Relevant professional and ethical standards issued by IFAC are used as the basis for the development of APESB standards and tailored where required to the Australian business environment.

The APESB also contributes to international standard setting by developing submissions to the International Ethics Standards Board for Accountants (IESBA), a board of the IFAC, and to other relevant international standard setting boards.

For more information about IFAC visit www.ifac.org.

14. What is the best way to keep up to date with activities of the APESB?

The APESB issues media releases on important changes in standards and other topics of interest to the accounting and wider business community. If you would like to be added to the media list, please contact Channa Wijesinghe, Technical Director, 03 9642 4372 / 0418 175 758 or email channa.wijesinghe@apesb.org.au.

Highlights of the APESB meetings are published on the APESB website approximately two weeks after the meeting - <http://www.apesb.org.au/meetings.php?id=20>.

15. How can I learn about new or amended standards or those open for comment?

The APESB posts information about new or amended standards and those under review on its website – www.apesb.org.au.