



***Annual Review of APES 350 Participation by  
Members in Public Practice in Due Diligence  
Committees in Connection with a Public Document  
issued in December 2009***

Prepared by APESB Technical Staff and APES 350 Taskforce

19 January 2011

## **1. Executive Summary**

### **1.1. Background**

APESB issued APES 350 *Participation by Members in Public Practice in Due Diligence Committees in Connection with a Public Document* issued in December 2009 with an effective date of 1 February 2010.

### **1.2. Reason for this report**

In accordance with the constitution of the APESB, an Annual Review needs to be performed of each Standard. This report presents a review of issues reported to the APESB by stakeholders such as investment banks, law firms, professional accounting bodies and firms, and proposed recommendations thereon for the consideration of the APES Board.

### **1.3. General Comment**

Subsequent to the six monthly review process, there has been no new issues reported to the APESB. However, we need to incorporate the Board approved recommendations from the Six Monthly Review Report. A marked up version of the Standard which incorporate the Board approved recommendations from the Six Monthly Review Report is presented for the Board's consideration. The amendments made in respect of the relevant issues in the Six Monthly Review Report are summarized below:

- Issue: 2.2
  - Changes made to the definition of 'Other Specific Information';
  - Changes made to paragraph 2 and 5 in Appendix 1 relating to 'Other Specific Information';
  - Amendments to paragraphs 5.12 and 5.13 to deal with tax Engagements.
- Issue 2.3
  - Paragraph 5.9 is reworded to clarify that the relevant obligation also applies to DDC Observers.

- Issue 2.5
  - The taskforce has prepared a Materiality Letter for the Board’s consideration.
- Issue 2.6
  - The second paragraph in Appendix 1 revised to reflect compliance with paragraph 7.3(f).
- Issue 2.7
  - The word “Review” is inserted into paragraph 4 of Appendix 1.
- Issue 2.8
  - Rewording of sub paragraph (c) of paragraph 7 of Appendix 1 to reflect that documents or information may be provided by or on behalf of a Client.

For further details on the issues and recommendations refer to the APES 350 Six Monthly Review Report.