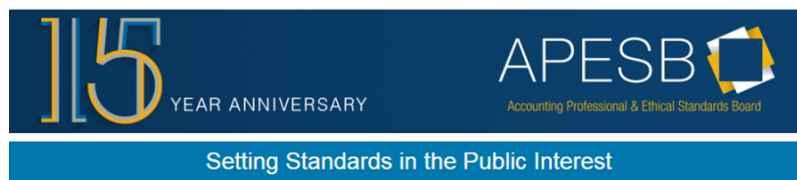




Welcome to *Professionalism*

Issue 30

In this issue we provide updates on our activities and technical projects for April - June 2021.



APESB celebrates 15 years of operations

Over the last 15 years, APESB has delivered a world-class suite of professional pronouncements, including the Code of Ethics and other robust pronouncements addressing non-assurance services, quality control and risk management. These pronouncements are fundamental to the ethical standing of Australian professional accountants, whether the accountants are in public practice, commerce or business, government or academia.

APESB acknowledges these achievements were possible due to the invaluable support provided by all stakeholders involved in standard setting activities, and

in particular the Professional Accounting Bodies. APESB also thanks the 107 volunteer taskforce members who have given their time generously to set best practice standards for the Australian accounting profession.

On the 21st of May 2021, APESB held an online event to mark its 15-year anniversary. This event was moderated by the APESB Chairman, Ms Nancy Milne OAM. Our panellists included:

- Dr Stavros Thomadakis, IESBA Chairman,
- Mr Kevin Dancey CM, IFAC CEO,
- Dr Attracta Lagan, Principal of Managing Values and
- Ms Ming Long AM, Deputy Chair of Diversity Council.



The panellists covered a broad range of issues facing accountants and society today, such as climate change, digital disruption, slavery, diversity, sustainability and mental health. Some of the insights from the panellists included:

- Ethics is our 'north star', and the mechanism of the Code creates and maintains trust in the work accountants do.

- Digital technologies have made us all global citizens and therefore we should ensure technologies remain human focussed.
- The COVID-19 pandemic has provided an opportunity to refocus our attention on wellbeing and discover new ways to work.
- Accountants must utilise their positions to create ethical leadership which in turn ensures inclusivity and fairness.
- The need to aggressively tackle climate change and the accountants' role.
- The broadening of scope from public interest to common good.
- The complexity of digital solutions to the current environment and the need to balance technology use with professional judgment.
- Accountants are in a unique position to make meaningful change and to challenge decisions on supply chains, alternative energy sources and inclusivity.

The virtual nature of the event meant that over 200 people in 26 countries globally were able to participate. We would like to extend our sincere thanks to the panel for their engaging discussion and to everyone who attended the event.

If you missed this webinar event, it will be available to view shortly on our website.



APESB 15 year Anniversary Booklet

APESB has released a 15-year Anniversary Booklet which commemorates APESB's significant milestones and achievements in setting the professional and ethical standards for Australia's accounting professionals.

The 15 year Booklet primarily covers operations for the last five years (2016 to 2021). Details for the first ten years of operation are set out in the 10-year anniversary booklet available on our website.

[APESB 15 year Anniversary Booklet.](#)

APESB issues revised APES GN 30 *Outsourced Services*

APESB has released the revised guidance note APES GN 30 *Outsourced Services*, which is effective from the date of issue. APES GN 30 has been updated to align with the revised APES 305 *Terms of Engagement* (Issued December 2020) and includes amendments to the definitions of cloud computing and material business activity.

The guidance note also includes new examples to assist professional accountants identify material business activities and cloud computing activities.

Read the [Guidance Note](#)

Read the [Technical Update](#)

APESB announces proposals to strengthen the fees provisions of the Code

In May 2021 APESB released proposed revisions to strengthen the fees provisions in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

The proposed amendments to the Code are necessary in response to changes made by the International Ethics Standards Board for Accountants (IESBA) to the *International Code of Ethics for Professional Accountants*

(including *International Independence Standards*) as well as incorporating recommendations from the Parliamentary Joint Committee (PJC) on the Regulation of Auditing in Australia.

The key revisions include provisions to remove potential conflicts of interest, achieve transparency on all fees paid to the entity's external auditor, and the importance of audit committees and Boards on approving the audit and non-audit services.

APESB is seeking feedback on these proposals, with any comments to be provided by **31 August 2021**.

Read the [Media Release](#)

Read the [Exposure Draft](#)

APESB submissions on international developments

APESB has recently made two submissions to the International Ethics Standards Board for Accountants (IESBA) on the following topics:

Proposed revisions to the definition of listed entity and public listed entity

In May 2021, APESB made a submission to the IESBA on the Exposure Draft *Proposed Revisions to the Definition of Listed Entity and Public Interest Entity in the Code*.

APESB is supportive of the IESBA's project to revise these definitions in the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code). However, APESB raised concerns in its submission that the integrity of the IESBA Code could be impacted if requirements can be amended to a lower level by relevant local bodies (such as national standard setters or local regulators). Accordingly, in the submission, APESB encourages the IESBA to clarify the proposals, particularly by revising the proposed objective of the provisions to enhance its clarity and application.

In developing APESB's response to the IESBA exposure draft, APESB held a roundtable on 14 April 2021. The

roundtable was led by APESB CEO, Mr Channa Wijesinghe and IESBA Board member Mr Ian McPhee AO PSM. APESB Chair Nancy Milne, Board member Brian Morris and IESBA Principal Mr Geoff Kwan were also in attendance. The stakeholders who attended the roundtables included standard setters, regulators, professional accounting bodies, accounting firms, investors and academics.

Read the [submission](#)

Read the [roundtable presentation](#)

Post implementation review of Long Association provisions

In June 2021, APESB lodged a submission on an IESBA stakeholder questionnaire to inform a post implementation review of the Long Association provisions in the IESBA Code. APESB raised stakeholder concerns in this submission about the impact of the end of the transitional period for jurisdictional relief, especially in light of the current impact of COVID-19 on the ability to resource audit engagements in Australia. Under these extenuating circumstances, APESB suggested that the IESBA should consider extending the transitional relief period.

Read the [submission](#)

Ethical considerations for professional accountants amidst the COVID-19 pandemic recovery

The [International Ethics Standards Board for Accountants \(IESBA\)](#) COVID-19 National Standard Setters Working Group, of which APESB is a participant, has produced an article exploring key ethical considerations for professional accountants as jurisdictions recover from the COVID-19 pandemic.

Read the article '5 Ethical Challenges that Will Intensify as the Pandemic Wanes' [here](#).



International News

IESBA Board Meetings

View the Board meeting papers and recordings of the recent IESBA meeting: [June 9-11, 14 & 25, 2021](#).

The next IESBA Board Meeting will be held via a series of video conferences on September 13-27, 2021.



If you have a current issue you think the APESB pronouncements should address, please let us know via our issues register page on the website. APESB's Issues Register log matters which provide the basis for project proposals and capture matters to be considered in APESB's regular review of pronouncements.

[Register to attend the next APESB Meeting](#)

**6 September 2021
(Zoom meeting)**



APESB is governed by an independent board of directors whose primary objective is to develop and issue, in the public interest, high-quality professional and ethical pronouncements. These pronouncements apply to the membership of the three major Australian professional accounting bodies (CPA Australia, CA ANZ and the IPA).

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