

Annual Report

for the year ended
30 June 2025





Key Achievements and Highlights for 2024-2025	3
Taskforces for the year ended 30 June 2025	5
Achievements for the 2024-2025 financial year	6
APESB Strategic Pillars 2024-2025	8
Chairman’s Report	16
CEO’s Report	18
Directors’ Report	20
Directors’ Declaration	26
Financial Statements	27

Vision:

We strive to achieve exemplary levels of professionalism and ethical behaviour in the accounting profession.

Statement of Purpose:

We develop and issue, in the public interest, high quality professional and ethical standards.

Values:

We are committed to being consultative and transparent in all our activities and work independently and resourcefully in the public interest.



Key Achievements and Highlights for 2024-2025

In 2024-25, APESB:

- Approved new ethics and independence standards for sustainability, which support the implementation of Australia's mandatory climate-related financial disclosures and sustainability reporting and assurance.
- Issued a new tax planning and related services standard to guide the ethical behaviour of tax practitioners.
- Ensured the currency of the Board's suite of pronouncements through the issue of eight amending standards, two revised guidance notes, two compiled codes, and four exposure drafts.
- Supported the Australian stakeholder outreach activities of the International Ethics Standards Board for Accountants (IESBA) in February and March 2025 in respect of IESBA's global projects on Sustainability and Firm Culture and Governance.
- Provided input to global ethical and independence standards development program of the IESBA through the APESB CEO, Mr Channa Wijesinghe, being a Board Member and Vice Chair (effective 1 January 2025) of the IESBA and serving as a member on the IESBA Planning Committee, Tax Planning and Related Services Taskforce, Sustainability Taskforce, and as Chair of the Firm Culture and Governance Working Group (Lead Board Advisor – January 2025) and the Sustainability Reference Group.
- Promoted professionalism and ethical conduct as the foundation of the public's trust in the accounting profession via outreach activities in collaboration with key stakeholders, such as the APESB CEO, delivering the keynote address "*Ethics and the Accounting Profession: Global and Australian Perspectives on Contemporary Developments*" at the Pacioli Society Dinner Event, held in August 2024 at the University of Sydney.
- Provided multiple opportunities for stakeholders to engage on various topics related to professional and ethical matters.
- Raised awareness of APESB standards through presentations, webinars and outreach activities.

The Board accomplished the following outcomes in each of the four strategic pillars, which contribute to the achievement of its strategic objectives in accordance with its 2021-2025 Strategy, as follows:

Standards

- The approval of a Code-related Amending Standard, which incorporates Sustainability Reporting and Assurance provisions and Using the Work of an External Expert provisions into APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code).
- Issued a Code-related Amending Standard covering Tax Planning and Related Services revisions to the Code.
- Issued two compiled Codes which incorporated the restructured Code and the applicable Amending Standards relating to Part 4B, Role and Mindset, Objectivity of an Engagement Quality Reviewer, Fees, Quality Management-related Conforming Amendments, Non-Assurance Services provisions, the Definition of Engagement Team and Group Audits, the Definitions of Listed Entity and Public Interest Entity, Technology, and Tax Planning and Related Services.
- Issued ten revised standards and guidance notes:
 - APES 210 *Conformity with Auditing and Assurance Standards*;
 - APES 215 *Forensic Accounting Services*;
 - APES 220 *Taxation Services*;
 - APES 225 *Valuation Services*;
 - APES 305 *Terms of Engagement*;
 - APES 310 *Client Monies*;
 - APES 345 *Reporting on Prospective Financial Information in connection with a Public Document*;
 - APES 350 *Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document*;
 - APES GN 20 *Scope and Extent of Work for Valuation Services*; and
 - APES GN 31 *Professional and Ethical Considerations relating to Low Doc Offering Sign-offs*.
- Issued four exposure drafts relating to APESB pronouncements, comprising Exposure Drafts relating to the Tax Planning and Related Services provisions, Sustainability Assurance and Reporting provisions and Using the Work of External Experts provisions in the Code and Exposure Drafts for APES 345 *Reporting on Prospective Financial Information in connection with a Public Document*; APES 350 *Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document*; and APES GN 31 *Professional and Ethical Considerations relating to Low Doc Offering Sign-offs*

Key Achievements and Highlights for 2024-2025

- Revision of the key guidance document APES 110 *Code Prohibitions applicable to Auditors for all Audit and Review Engagements*.
- Continued the project to monitor developments in the financial planning industry that may impact APES 230 *Financial Planning Services*.

Engagement

- During February 2025, IESBA Board Member and FRC UK Executive Director of Regulatory Standards Mark Babington and APESB CEO Channa Wijesinghe undertook a series of stakeholder outreach activities on topics related to Sustainability Reporting and Assurance as well as UK Audit and Regulatory Developments.
- Undertook specific engagement with Australian stakeholders in May and June 2025 on the IESBA's consultation paper on Auditor Independence for Collective Investment Vehicles and Pensions Funds.
- Engaged with regulatory stakeholders, professional bodies, and members on potential reforms to address ethical failings in the accounting profession.
- Presented at 8 conferences and events and 6 webinar events on a range of topics, including the Code, Sustainability Assurance and Reporting, Tax Planning and Related Services, Firm Culture and Governance and other professional standards-related matters.
- In May 2025, APESB CEO Channa Wijesinghe presented at the CA ANZ Audit Conference 2025 on *Ethics and Independence Updates from the Standards Setters*, and APESB Technical Director Jacinta Hanrahan presented at the CA ANZ Accounting Conference 2025 providing an *Ethics Update on Recent Key Changes in the Code*.
- Mini-video clips posted on LinkedIn providing an overview of key decisions and projects discussed at APESB's quarterly board meetings.
- Established and consulted with the Sustainability Taskforce during the year.

Influence

International developments:

- Co-hosted with CPA Australia, one of four in-person IESBA Global Roundtables in Melbourne Australia for their Firm Culture and Governance Project in March 2025.

- APESB CEO, Mr Channa Wijesinghe, was appointed as the Vice Chair of the IESBA from 1 January 2025. In his role as an IESBA Board member, Channa participated in the following for 2024-25:
 - 4 IESBA quarterly Board meetings
 - 13 IESBA planning committee meetings
 - 46 Taskforce/Working Group meetings for the Tax Planning and Related Services Taskforce, Sustainability Taskforce, Sustainability Reference Group and the Firm Culture and Governance Working Group
 - 38 IESBA outreach activities
- Participated in the IESBA's National Standard Setters Group meeting in New York in May 2025.
- Continued engagement with CPA Papua New Guinea on the establishment of professional standards addressing forensic accounting services.
- Continued engagement with NZAuASB on Trans-Tasman matters of mutual interest.

National developments:

- During the reporting period, two national submissions were made to the Tax Practitioners Board (TPB) on proposed Information Sheets on recent changes to the TPB Code of Professional Conduct.
- A national submission was made to the Treasury in response to a consultation paper on Conflicts of Interest and Confidentiality.
- A National submission was made to the Australian Auditing and Assurance Standards Board (AUASB) on its Exposure Draft setting out proposed amendments to ASSA 5000 and ASA 102.

Ethics Outreach

- APESB CEO Channa Wijesinghe delivered a keynote speech to the Pacioli Society of the University of Sydney on the topic of *Ethics and the Accounting Profession: Global and Australian Perspectives on Contemporary Developments* in August 2024.
- APESB CEO Channa Wijesinghe participated in a panel discussing Corporate Culture at the International Corporate Governance Networks (ICGN) Melbourne Conference in November 2024.
- Issued media releases on the importance of professional and ethical standards and key APESB standards development projects.
- Continued publication of our quarterly e-newsletter, Professionalism.
- Regular social media updates on APESB activities via LinkedIn.

Taskforces

for the year ended
30 June 2025

Sustainability

Channa Wijesinghe

APESB (Chairman)

Liz Giust

Qualitas Consultants Pty Ltd

Matt Honey

EY

René Bagley

KPMG

Karen McWilliams

Chartered Accountants Australia
and New Zealand

Daen Soukseun

IPA

Belinda Zohrab-McConnell

CPA Australia

Siobhan Hammond

Mind the GAAP Pty Ltd.

Achievements

Standards

Board Meetings held	5	Exposure Drafts issued	4
Board Committees Meetings held	3	Guidance resources issued	1
Board Members	7	Staff members (FTE)	4
Consultation with Taskforces	4	Board and staff composition	
Compiled Codes issued	2	From a cultural or linguistically diverse background 38.46%	
Pronouncements revised	11	Female..... 71.43%	
		Male..... 28.57%	

Engagement

Consultation to inform Submissions	6	Website hits	179,304
Webinars to stakeholders	6	LinkedIn impressions	192,426
Presentations at national conferences and events	8	LinkedIn followers	3,671
		LinkedIn posts	29
		eNewsletters issued	4
		Active users of Mobile App	526

Influence

National Submissions

4

Hosting International Roundtables

1



Annual IESBA National Standards Setters Meeting

1

Articles

1



APESB CEO participating in IESBA Board meetings

4

APESB CEO participating in IESBA Planning Committee meetings

13

APESB CEO participating in IESBA's Tax Planning Services Taskforce, Sustainability Taskforce, Sustainability Reference Group and Firm Culture and Governance Taskforce

46



APESB CEO participating in other IESBA outreach activities

38

Ethics Outreach

IESBA Australia Outreach



Pacioli Society Key note speech



APESB Strategic Pillars

2024-2025

APESB's 2021-2025 strategic plan has four pillars upon which our activities are focused – Standards, Engagement, Influence and Ethics Outreach.

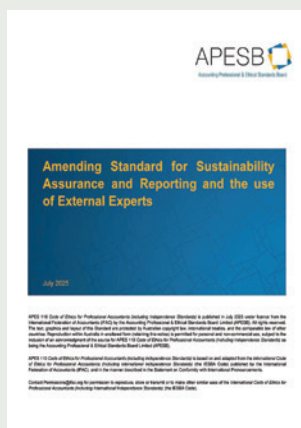
These pages set out key strategic activities undertaken by APESB over the 2024-25 financial year that have contributed to APESB's 2021-25 Strategy, including significant contributions to IESBA's global work program by virtue of APESB's CEO position as an IESBA Board Member and Vice Chair (effective 1 January 2025).

Standards

New Australian Ethics and Independence Standards for Sustainability Assurance and Reporting

At the APESB June 2025 Board Meeting, APESB approved the issue of an Amending Standard to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) for Sustainability Assurance and Reporting and Using the Work of External Experts. These new ethics and independence standards for sustainability reporting and assurance support the implementation of Australia's mandatory climate-related financial disclosures and sustainability assurance, which commenced on 1 January 2025.

The landmark Amending Standard was released on 8 July 2025, making Australia the first jurisdiction in the world to adopt the IESBA's Global Ethics Sustainability Standards issued in January 2025.



“

Australia's leadership has sent a powerful signal: ethics and independence must be at the heart of how sustainability information is developed, assured, and trusted. This is more than a milestone, it's the start of a global movement.”

GABRIELA FIGUEIREDO DIAS
Chair, IESBA

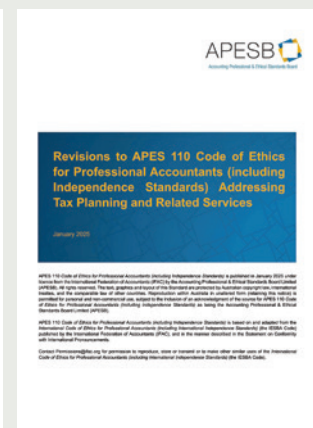


WWW.ETHICSBOARD.ORG



New Ethical Standards for Tax Practitioners

On 31 January 2025, APESB issued the Amending Standard relating to revisions to the Code for Tax Planning and Related Services. The new framework, set out in new sections 280 and 380 of the Code, will equip professional accountants in Australia to address global and local challenges, uphold the integrity of the accounting profession, and provide high-quality tax planning services to their clients or employers. The revisions also resulted in consequential amendments to APES 220 *Taxation Services*.



Tax Planning Standards - Global Adoption

“The adoption of IESBA's new global tax planning standards into the Australian Code constitutes a significant enhancement to the ethical framework governing the behaviour of the accounting profession providing tax services in Australia, and upholds the paramount principle of serving the public interest.”

Nancy Milne OAM | Chair, Accounting Professional & Ethical Standards Board (APESB)

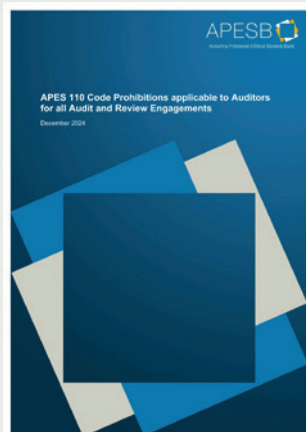


Release of two Compiled Codes

APESB released two compiled Codes in December 2024 and June 2025. The June 2025 version incorporates the restructured Code and ten Amending Standards relating to Part 4B, Role and Mindset, Objectivity of an Engagement Quality Reviewer, Fees, Quality Management-related Conforming Amendments, Non-Assurance Services provisions, the Definition of Engagement Team and Group Audits, the Definitions of Listed Entity and Public Interest Entity, Technology, and Tax Planning and Related Services.

APESB Guidance on APES 110 prohibitions for Audit and Review Engagements

On 20 December 2024, APESB released an updated guidance document, *APES 110 Code Prohibitions applicable to Auditors for all Audit and Review Engagements*. This publication was updated to remain aligned with the compiled Code issued in December 2024.



Revised APES 310 Client Monies

On 21 October 2024, APESB issued the revised standard APES 310 *Client Monies*. The revisions focussed on introducing flexibility to respond to challenges Members were facing when trying to open a trust account that complies with the requirements of APES 310. These options include using an alternative term for the words 'Trust Account' in the name of the bank account and providing guidance on how to avoid situations that might give rise to a right of set-off.

Engagement

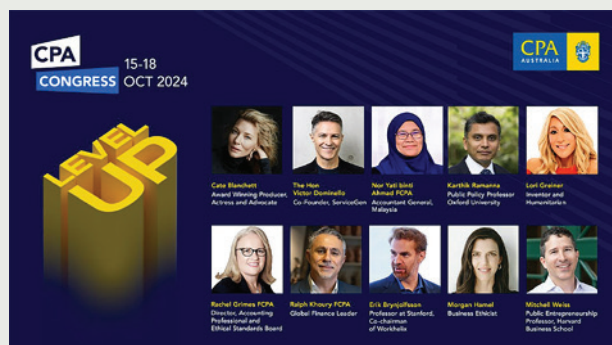
CPA Australia's Forensic Accounting Discussion Group – September 2024

On 25 September 2024, APESB CEO Channa Wijesinghe presented to CPA Australia's Forensic and Financial Investigations Discussion Group. Mr Wijesinghe presented on the recently approved revisions to APES 215 *Forensic Accounting Services* and APES 225 *Valuation Services*. Mr Wijesinghe also provided an overview of the parliamentary inquiries relating to the accounting profession and IESBA's Firm Culture and Governance Project.



CPA Congress 2024 – October 2024

On 17 October 2024, APESB Director Rachel Grimes AM presented at the CPA Congress on the topic of Accountants as Ethical Influencers. Ms Grimes discussed ethical dilemmas within the accounting profession, highlighted the role of ethics as the foundation of a profession, and discussed the role of accountants as ethical influencers.



2024 IPA National Congress – November 2024

On 29 November 2024, APESB Director Rachel Grimes AM was a panellist at the 2024 IPA National Congress on the topic of "Building trust – lessons learned from PwC so far and where to from here." The panel session discussed how the Parliamentary Joint Committee (PJC) Report from the inquiry into Ethics and Professional Accountability would impact trust, governance and accountability of the accounting and auditing profession.



Ms Cheryl Mallett (IPA), Ms Rachel Grimes AM (APESB), Mr Andrew Mills (FRC) and Ms Vicki Stylianou (IPA).

CA ANZ Audit Conference 2025 – May 2025

On 21 May 2025, APESB CEO Channa Wijesinghe presented at the CA ANZ Audit Conference 2025 on *Ethics and Independence Updates from the Standard Setters*. Mr Wijesinghe shared the new Sustainability Ethics and Independence Standards, covering its scope and characteristics, sustainability assurance engagements for groups and value chain components, related non-assurance services provisions, and using the work of an external expert.



CA ANZ Accounting Conference 2025 – May 2025

On 22 May 2025, APESB Technical Director Jacinta Hanrahan and CA ANZ Senior NZ Professional Standards Advisor Tracy Bignell presented at the CA ANZ Accounting Conference 2025 on *Ethics Update – Recent Key Changes in the Code of Ethics*. Ms Hanrahan provided an overview of the Code of Ethics, the Tax Planning and Technology-related revisions to the Code, and updates on the IESBA's ethical standards for Sustainability Reporting.



CPA Australia's Ethics and Professional Standards Centre of Excellence – May 2025

On 2 May 2025, APESB CEO Channa Wijesinghe delivered a Professional Standards Update at CPA Australia's Ethics and Professional Standards Centre of Excellence. Mr Wijesinghe highlighted the IESBA Code, APESB's engagement with the IESBA, APESB's current project on Sustainability Ethics and Independence Standards, the IESBA's Firm Culture and Governance project and the IESBA's consultation paper on CIVs and Pension Funds.

Professional Standards update

CPA Australia Centres of Excellence

2 May 2025



Channa Wijesinghe FCPA, FCA
Chief Executive Officer, APESB
Vice Chair, IESBA

Informative Board Meeting Highlights Video

APESB continued its sharing of the Board meeting highlights in video format. The videos, available on LinkedIn and APESB's YouTube channel, offer visual updates and key information on APESB's developments.



International Engagement with IESBA Activities

APESB CEO Mr Channa Wijesinghe has attended 4 Board meetings and 97 other IESBA-related engagements, including IESBA Planning Committee meetings (13), Taskforce and Working Group meetings (46) for Tax Planning and Related Services, Sustainability, Firm Culture and Governance, the Sustainability Reference Group, and the Firm Culture and Governance Working Group, and IESBA outreach activities (38).

IESBA Board Meeting – New York December 2024



IESBA Members Mr Richard Huesken, Mr Channa Wijesinghe, and IESBA Staff Mr Jon Reid.

IESBA global webinar on Sustainability – Independence Deep Dive – February 2025

In February 2025, APESB CEO and IESBA Vice Chair Channa Wijesinghe and IESBA Principal Szilvia Sramko presented a global webinar on the International Ethics Standards for Sustainability Assurance (IESSA) Independence Standards, with IESBA Principal Laura Leal as the moderator.

The global webinar discussed the IESSA that was issued in January 2025. Mr Wijesinghe presented the background, scope and key characteristics of the IESSA. Mr Wijesinghe also outlined the independence considerations when performing group sustainability assurance engagements and non-assurance services (NAS) provisions for sustainability assurance clients.



IESSA Independence Standards: A Deep Dive

February 20 & 28, 2025



Speakers & Moderator

Speakers		Moderator
		
Channa Wijesinghe IESBA Vice Chair and Sustainability Independence Task Force Member	Szilvia Sramko IESBA Principal	Laura Leal IESBA Principal



IESBA Firm Culture and Governance Global Roundtables – 2025

The IESBA has been conducting global roundtables on their Firm Culture and Governance project to gather views from a broad range of global stakeholders.

Between March 2025 and April 2025, APESB CEO and IESBA Vice Chair Channa Wijesinghe, in his role as Lead Board Advisor for this IESBA project, attended the in-person sessions in New York, Melbourne, Brussels and Kuala Lumpur, as well as a virtual roundtable for Africa.

IESBA Firm Culture and Governance Roundtable – New York, USA March 2025



IESBA Firm Culture and Governance Roundtable – Brussels, Belgium March 2025



IESBA Members Ms Gabriela Figueiredo Dias (IESBA Chair), Mr Channa Wijesinghe (IESBA Vice Chair) and Mr Richard Huesken.

IESBA Firm Culture and Governance Roundtable – Kuala Lumpur April 2025



Influence

IESBA Firm Culture and Governance Roundtable – Melbourne, March 2025

On 20 March 2025, the IESBA held a roundtable in Melbourne, Australia, on its Firm Culture and Governance project. The roundtable was co-hosted by CPA Australia and the APESB, with the IESBA Vice Chair and APESB CEO Channa Wijesinghe, IESBA Board Member Richard Huesken and IESBA Director Geoff Kwan moderating the discussions. The roundtable was attended by a range of stakeholders, including accounting firms, professional accountants in business, professional accounting bodies, national standard setters, regulators, academics, the public sector, investors and the business community.



Ms Nancy Milne OAM (APESB) and Mr Channa Wijesinghe (IESBA and APESB).

IESBA Annual Jurisdictional Standards Setters Meeting, New York, USA – May 2025

APESB Director Damien Moore and Technical Director Jacinta Harahan attended the IESBA Annual Jurisdictional Standards Setters meeting in May 2025 in New York. APESB CEO Channa Wijesinghe attended in his role as IESBA Vice Chair. The meeting discussed the adoption and implementation of Sustainability and the External Expert Standards, updates on the IESBA's work on Tax Planning, Technology, Firm Culture and Governance, and Private Equity Investments in Accounting Firms, and a presentation on mitigating financial crime risks and vulnerabilities in the Accounting Profession.



Mr Channa Wijesinghe (IESBA and APESB), Ms Gabriela Figueiredo Dias (IESBA), Ms Jacinta Hanrahan (APESB), Mr Damien Moore (APESB) and Mr Ken Siong (IESBA).

FRC Board Meeting – December 2024

On 4 December 2024, APESB CEO Channa Wijesinghe and Technical Director Jacinta Hanrahan presented at the FRC Board meeting. The presentation provided an update on APESB's Strategy 2021-2025 and IESBA engagement, as well as technical projects relating to tax planning and related services, Sustainability-related standards and the IESBA's Firm Culture and Governance project.



Ethics Outreach

Pacioli Society Dinner Event at the University of Sydney – August 2024

On 22 August 2024, APESB CEO Channa Wijesinghe provided a keynote address at the Pacioli Society dinner event organised by the Discipline of Accounting, Regulation and Governance and the Accounting Society of the University of Sydney on the topic of *Ethics and the Accounting Profession: Global and Australian Perspectives on Contemporary Developments*. APESB Chairman Nancy Milne OAM and APESB Director Rachael Grimes AM also attended the dinner event.

The keynote speech covered APESB's development since its establishment, recent high-profile scandals and APESB's engagement with the Parliamentary inquiries. The speech also provided updates on the IESBA's global mandate and the challenges facing the accounting profession, such as tax planning, sustainability reporting and assurance, and firm culture and governance.



1. Ms Suzanne Haddan (BFG) and Ms Nancy Milne OAM (APESB) 2. Ms Nancy Milne OAM (APESB), Mr Channa Wijesinghe (APESB), Mr Doug Niven (AUASB) and Ms Rachel Grimes AM (APESB) 3. Mr Channa Wijesinghe (APESB) 4. Dr. Cary DiLernia (The University of Sydney) and Mr Channa Wijesinghe (APESB) 5. Dr. Cary DiLernia (The University of Sydney), Professor Jane Andrew (The University of Sydney) and Mr Channa Wijesinghe (APESB).

ICGN Melbourne Conference – November 2024

On 14 November 2024, APESB CEO Channa Wijesinghe participated in a panel discussion on “Corporate Culture: How can Boards Drive Effective Values and Behaviours in their Organisations?” at the International Corporate Governance Network (ICGN) Melbourne Conference hosted by the Australian Council of Superannuation Investors (ACSI).



IESBA/UK FRC Outreach Activities in Australia – February 2025

From 19 to 26 February 2025, the IESBA Board Member and FRC UK Executive Director of Regulatory Standards, Mark Babington, visited Australia for stakeholder outreach activities. APESB CEO and IESBA Vice Chair Channa Wijesinghe joined Mr Babington in some of his outreach activities.

The professional accounting bodies created a range of opportunities for Australian stakeholders and professional accountants to engage with Mr Babington on topics related to Sustainability Reporting and Assurance, as well as UK Audit and Regulatory Developments.

IPA Sustainability Standards Panel Discussion Lunch Event

IPA hosted a panel discussion event on Sustainability on the 19th of February 2025, which covered local and global perspectives on Sustainability Standards and an update on the IESBA's Firm Culture and Governance project.



Mr Channa Wijesinghe (IESBA and APESB), Mr Mark Babington (IESBA and FRC UK), and Dr Mark Pizzacalla (IPA).

Big 6 Firms Sustainability Meeting

APESB hosted a meeting on Sustainability for the Big 6 firms in Melbourne on the 19th of February 2025, which provided an overview of the Sustainability developments in the UK, the Australian Sustainability Reporting Standards (ASRS), the Australian Sustainability Assurance Standards (ASSA), and the Australian Ethics Standards for Sustainability Assurance (AESSA). The meeting also allowed the firms to discuss adoption and implementation issues for Australian firms.



Mr Channa Wijesinghe (IESBA and APESB), Mr Mark Babington (IESBA and FRC UK), Ms Jacinta Hanrahan (APESB), Mr Geoff Kwan (IESBA), Mr Doug Niven (AUASB), Dr Keith Kendall (AASB), and representatives from Big Six Firms - KPMG, EY, PwC, Deloitte, Grant Thornton and BDO.

CPA Australia Workshop on new obligations for Sustainability Assurance

CPA Australia hosted a workshop on Auditors' Obligations on the 20th of February 2025. The workshop discussed potential new obligations for auditors, including crucial independence standards and the specific ethical obligations of auditors in Australia as they prepare to engage in sustainability assurance.



Mr Doug Niven (AUASB), Mr Patrick Viljoen (CPA Australia), Mr Mark Babington (IESBA and FRC UK), Ms Tiffany Tan (CPA Australia), Ms Elinor Kasapidis (CPA Australia), Mr Andrew Mills (FRC), Mr Keith Kendall (AASB), Mr Channa Wijesinghe (IESBA and APESB), Ms Robyn Erskine AM (Brooke Bird), Mr Brendan O'Connell (CPA Australia) and Mr Ram Subramanian (CPA Australia)

CPA Australia – IESBA Global Ethics Sustainability Standards

CPA Australia hosted an event on Sustainability for Australian stakeholders on the 20th of February 2025 at their Melbourne office.



Mr Channa Wijesinghe (IESBA and APESB), Dr Gary Pflugrath (CPA Australia), Mr Brendan O'Connell (CPA Australia), Mr Mark Babington (IESBA and FRC UK), Mr Wayne Stokes (CPA Australia), Mr Mel Yates (CPA Australia) and Ms Belinda Zohrab-McConnell (CPA Australia).

IESBA/UK FRC Regulatory Developments Meeting

KPMG hosted a Regulatory Developments Meeting for the Big 6 firms in Sydney on 24th of February 2025 to engage with the IESBA Members Mark Babington and Channa Wijesinghe. The meeting discussed recent regulatory and standards developments from the IESBA and UK FRC, including Sustainability reporting, Using the Work of an External Expert, UK audit quality and financial reporting developments.



Directors left to right:

Ms Nancy Milne OAM (Chairman), Ms Claire Mackay (retired 30 June 2025), Mr Brian Morris, Ms Rachel Grimes AM, Mr Colin Murphy PSM, Mr Damien Moore, Ms Dianne Azoor Hughes and Ms Amanda McIntyre (appointed 1 August 2025).



Staff left to right:

Mr Channa Wijesinghe (Chief Executive Officer/Company Secretary), Ms Jacinta Hanrahan (Technical Director), Ms Ann Chang (Technical Manager) and Ms Disna Dharmasekara (Assistant Technical Manager) Absent: Ms Nikole Gyles (Technical Consultant), Ms Rozelle Azad (Accountant) and Ms Dolla Wilkinson (Bookkeeper).

Chairman's Report

I am pleased to share the Board's accomplishments over the last financial year, which was an exceptional year as Australia led the way globally with the new ethics and independence standards for Sustainability.

Sustainability has been the key strategic priority of APESB with mandatory sustainability reporting and assurance for Australian large entities commencing in January 2025. The Board has worked diligently to release these new ethics and independence standards for sustainability, aiming to build public trust in sustainability information. We believe that these new ethical standards provide a strong foundation for Australia's sustainability reporting and assurance framework, enabling the delivery of high-quality sustainability information to facilitate informed decision-making by investors.

APESB has acted promptly and in the public interest to ensure that ethics standards are available in a timely manner, aligned with global best practice promulgated by the International Ethics Standards Board for Accountants (IESBA) and Australian legislative requirements. Due to APESB's actions, Australia became the first jurisdiction in the world to adopt the IESBA's ethics and sustainability standards.

Another highlight of the year has been the appointment of APESB's CEO, Channa Wijesinghe, as Vice Chair of the IESBA, effective 1 January 2025, for a two-year term. This marks the first time an Australian representative has been appointed to the Vice Chair role at IESBA in its two-decade history. This significant achievement strengthens Australia's and APESB's presence and influence in global standard-setting. Channa was also re-appointed as an IESBA member for a second three-year term, 2025 to 2027.

In recent times due to the PwC tax scandal there has been a greater focus on ethics of the accounting profession which has also resulted in parliamentary inquiries. The Parliamentary Joint Committee (PJC) Inquiry's final report

into Ethics and Professional Accountability, along with its recommendations, was released in November 2024; a government response is still pending. We will continue to monitor these developments closely.

APESB's 2021-2025 Strategic Plan

APESB is in its final months of the current Strategic Plan (2021-2025) and has achieved many of its strategic objectives across its strategic pillars over the past financial year. These achievements lay a solid foundation for the next phase of APESB's work. The development of the Strategic Plan for 2026-2030 is underway and will be shared with stakeholders in due course.

As noted above, a significant milestone this year has been the development and release of new ethics and independence standards for sustainability reporting and assurance and tax planning. The Board was able to achieve this outcome due to insights gained internationally from APESB's CEO being a member of both IESBA's Sustainability and Tax Planning Taskforces and bringing that knowledge to bear on the development of the Australian Exposure Drafts, and drawing on domestic insights from APESB's Sustainability Taskforce, Professional Bodies, accounting firms, standard-setters, and regulators.

APESB also became the second jurisdiction in the world to adopt IESBA's Tax Planning and Related Services revisions to strengthen the ethical framework and provide clearer guidance to help professional accountants navigate the complexities and uncertainties associated with tax planning services.

International and National Collaboration

The Board has also been active in international collaboration, including hosting IESBA Board Member and FRC UK Executive Director of Regulatory Standards, Mark Babington, as part of IESBA's outreach activities in Australia in February 2025. Channa joined Mark in undertaking stakeholder outreach activities on behalf of IESBA, including an APESB-hosted meeting with the Big Six firms focused on sustainability standards.

APESB also co-hosted with CPA Australia, one of four in-person IESBA Global Roundtables on Firm Culture and Governance in Melbourne in March 2025. This event was attended by a range of Australian and New Zealand Stakeholders, including accounting firms, professional accounting bodies, national standard setters, regulators, academics, public sector representatives, investors, and the business community.

In May 2025, APESB Director Damien Moore and Technical Director Jacinta Hanrahan attended the IESBA's Annual Jurisdictional Standards Setters Meeting in New York. The meeting focused on the adoption and implementation of IESBA Sustainability Ethics and Independence Standards, and updates on IESBA projects on tax planning, technology, firm culture and governance, and private equity investments in accounting firms.

APESB has also worked closely with the AUASB to develop Australian ethics and independence standards for sustainability assurance. The revisions to the Code for Tax Planning and Related Services was also a key topic for engagement this year, with representatives from the Tax Practitioners Board (TPB) and the Australian Taxation Office (ATO) providing their views and insights to the Board.

The Board is grateful for the valuable contributions made by our Taskforce members and stakeholders, including staff from professional bodies, accounting firms, government, and regulators, who provide important viewpoints and input to our standard-setting process. We especially acknowledge the attendance of representatives from professional bodies, regulators and other stakeholders who attend APESB board meetings throughout the year.

The Board also continues to support APESB's CEO, Channa Wijesinghe, in his work for IESBA. Channa's new role as the IESBA Vice Chair provides vital Australian representation in the ongoing development of global ethics and independence standards.

Board

Several governance changes have occurred at the Board this year. On 30 June 2025, APESB's long-standing Board member, Claire Mackay, retired after providing exemplary service to the Board for nine years. Claire brought valuable insights to the Board through her experience in small and medium-sized practices, as well as her expertise in

financial planning and taxation. On behalf of the Board, I take this opportunity to thank Claire for her contributions, wisdom and counsel and wish her well for the future.

The APESB welcomed a new Director, Amanda McIntyre, who joined the Board on 1 August 2025 for a three-year term. APESB Directors Brian Morris and Rachel Grimes AM were re-appointed for a third three-year term, which commenced on 1 January 2025 and 1 February 2025, respectively.

This will also be my last year as Chairman of APESB. It has been a privilege and honour to lead the Board during the last seven years. In an era when ethics and professionalism are continually being challenged,

I take this opportunity to extend my gratitude to the Board for their support, continued dedication, expertise and input on complex issues facing the accounting profession.

Staff

The APESB Secretariat is led by Channa Wijesinghe (Chief Executive Officer/Company Secretary). Channa is supported by Jacinta Hanrahan (Technical Director), Ann Chang (Technical Manager), Disna Dharmasekara (Assistant Technical Manager), Nikole Gyles (Technical Consultant), Rozelle Azad (Accountant) and Dolla Wilkinson (Bookkeeper).

I want to take this opportunity to thank the Secretariat team for all their hard work to deliver the Board's strategy and Technical Work Program, nationally and internationally, for the benefit of the accounting profession. On behalf of the Board and stakeholders, I acknowledge their commitment and efforts in producing high-quality outputs within the available resources and time constraints.

Future directions

As APESB enters its next strategic period, 2026-2030, with a new Chairman, supported by an experienced Board of Directors, the Board looks forward to supporting the Australian accounting profession to maintain high standards of professionalism and ethical behaviour as it navigates society's expectations in the age of artificial intelligence, building trust in financial and non-financial information, and ensuring the sustainability of business operations.

I wish APESB every success for the years to come.



Nancy Milne OAM
Chairman
28 October 2025

CEO's Report

The APESB Secretariat has delivered a demanding work program, including introducing new ethics and independence standards for Sustainability reporting and assurance in record time, as well as a new standard on tax planning services in Australia, while significantly contributing to and influencing the global work program of the International Ethics Standards Board for Accountants (IESBA).

In November 2024, I was honoured to be appointed Vice Chair of the IESBA for a two-year term, commencing on 1 January 2025. As the Vice Chair, I have the honour of supporting the IESBA Chair in guiding the IESBA's strategic priorities and furthering its mission to serve the global public interest.

Subsequent to chairing IESBA's Working Group on Firm Culture and Governance which issued its final report in January 2025, I was pleased to be appointed as the Lead Board Advisor to the Project as it progresses to the next stage of developing appropriate material to guide the development of a culture and governance framework for accounting firms.

APESB Strategy 2021-2025

Over the 2024-25 year, the APESB Secretariat has had a very productive year in delivering the key objectives in APESB's Strategy and Work Plan.

Standards

A key milestone for the year was the release of the combined Amending Standard to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) for Sustainability Assurance and Reporting, as well as the Use of External Experts, in early July 2025. This project was successfully delivered through an intensive stakeholder engagement process within a few months of the global standards becoming available, primarily due to the Australian legislative timeframe. I extend my sincere appreciation to the APESB Sustainability Taskforce, Professional Bodies, accounting firms, standard setters, regulators and other stakeholders for their support and guidance to Technical Staff throughout the project.

During the period, APESB also released a new Tax Planning Amending Standard, two Compiled Codes in December 2024 and June 2025, and a revised guidance

document, *APES 110 Code Prohibitions applicable to Auditors for all Audit and Review Engagements* in December 2024.

APESB also finalised the due process for revisions to APES 310 *Client Monies*, with the revised standard being issued in October 2024.

Another key project was the completion of code-conforming amendments for other APESB pronouncements, ensuring alignment with the Compiled Code 2023 and revisions to the Definitions of Listed Entity and Public Interest Entity, as well as technology-related revisions. This review process resulted in the issue of eight revised standards, two guidance notes and two exposure drafts.

Engagement

A key focus of our engagement this year has been to promote awareness and understanding of the new Sustainability and Tax Planning Amending Standards. We continued to work closely with the professional accounting bodies and other stakeholders to achieve this through national conferences, webinars, panel discussions, and video clips posted on LinkedIn, where we shared key decisions and projects discussed at APESB's quarterly Board meetings.

In February 2025, Mark Babington, my fellow IESBA Board Member and FRC UK Executive Director of Regulatory Standards, visited Australia. I joined him in various ethics outreach activities organised by professional bodies on topics related to sustainability reporting and assurance. APESB also released five short video interviews featuring Mr Babington, covering key topics related to the Sustainability standards.

The Technical Staff also engaged with Australian stakeholders on matters related to auditor independence for Collective Investment Vehicles and Pension Funds, which helped inform our submission to the IESBA's consultation paper on this topic.

Influence

Internationally, the Board continued to influence the standard-setting projects of the IESBA through my role on the IESBA Board, APESB's membership of the IESBA National Standards Setters Group, and by making submissions on IESBA Exposure Drafts and Consultation Papers.

APESB also made four local submissions during this period. These included two submissions on the TPB's proposed information sheets on its Code of Professional Conduct, one submission to the Treasury's consultation on Conflicts of Interest and Confidentiality, and another to the AUASB's exposure draft on proposed amendments to ASSA 5000 and ASA 102.

My new role as the IESBA Vice Chair enables me to continue representing Australia's interests in the international standard-setting arena. In my IESBA capacity, I have attended four IESBA Board meetings, 13 IESBA Planning Committee meetings, 46 IESBA Taskforce/Working Group meetings, 38 IESBA Outreach activities and the bi-annual IESBA and IAASB Stakeholder Advisory Council meeting.

In March and April 2025, as the Lead Board Advisor on the IESBA Firm Culture and Governance Project, I attended five global roundtables designed to gather views from the perspectives of global stakeholders.

Ethics Outreach

A key theme of outreach this year centred on the ethical culture and professional behaviour of firms, with a particular focus on the role of ethics and independence.

In August 2024, I was pleased to deliver the keynote address at the Pacioli Society Dinner Event, held at the University of Sydney, on the topic of *"Ethics and the Accounting Profession: Global and Australian Perspectives on Contemporary Developments."* In the context of recent global ethics scandals, the address covered the critical role of professional and ethical standards as the cornerstone of the global accounting profession.

In November 2024, I was also invited as a panellist at the International Corporate Governance Network (ICGN) Melbourne Conference, where the discussion centered

on corporate culture and the role Boards play in driving effective values and behaviours within organisations.

Acknowledgements and Future Focus

I want to acknowledge the valuable contributions and continued support of the Professional Bodies, Taskforce members, AUASB, AASB, regulators such as ASIC, ATO, and TPB, as well as other stakeholders, whose input has informed APESB's work.


I also wish to thank the exceptional APESB Secretariat Team, whose dedication and commitment have enabled APESB to achieve its strategic objectives.

I am also grateful for the wise counsel of the Chairman, Nancy Milne OAM, and thank her for her guidance and mentoring during her tenure.

Looking to the future, sustainability adoption and implementation will remain a key focus for APESB as Australia's mandatory climate legislation takes effect in a phased manner from 2025 to 2028 across Groups 1 to 3 Entities. We anticipate undertaking several new projects, including establishing a new standard for conformity with sustainability reporting standards and reviewing the suite of APESB pronouncements to align with the new Sustainability Standards and revising APESB's guidance materials to facilitate the adoption and implementation of Sustainability Standards in Australia.

The Board has also recognised that technology, and particularly artificial intelligence (AI), will continue to shape the accounting profession in the years to come. This proposed work will build on the technology-related revisions already incorporated into the Code and the related application material, designed to help members navigate complex technology-driven circumstances and assess the impact of AI on APESB's specialist pronouncements addressing various services.

I look forward to updating you on APESB's progress and achievements in the coming year.



Channa Wijesinghe
Chief Executive Officer
28 October 2025

Directors' Report

The directors of Accounting Professional & Ethical Standards Board Limited (APESB or the company) present the financial report of the company for the year ended 30 June 2025. In complying with the provisions of the *Australian Charities and Not-for-profits Commission Act 2012*, the directors' report is as follows:

Principal Activities

The principal activities of APESB during the year were the development and issue, in the public interest, of professional and ethical standards that apply to the members of the Professional Accounting Bodies and the provision of a formal and rigorous forum for the consideration, promulgation and approval of professional and ethical standards in an open, timely, independent and proactive manner.

The company's objectives are to monitor and evaluate the robustness of professional and ethical pronouncements for professional accountants in Australia and develop additional pronouncements as required in the public interest. To achieve its objectives, the company has adopted the following strategies:

- Communicating and raising awareness of APESB pronouncements with our constituency;
- Engaging in and keeping up to date with international developments;
- Requesting input in terms of work plan inclusions from Professional Accounting Bodies;
- Maintaining awareness of the business environment and legislative developments to identify opportunities where APESB should develop pronouncements in the public interest; and
- Engaging in stakeholder consultation when developing pronouncements for members.

The Chairman's and CEO's reports include further information on APESB's strategy and key achievements.

Results of Operations

The company's operations for the year ended 30 June 2025 resulted in a deficit of \$187,164 (2024: deficit \$146,862).

Review of Operations

The major focus of the company's operations for the year continued to be the review and maintenance of the APESB suite of pronouncements with appropriate engagement, influence and ethics outreach as well as contributing to the development of IESBA's global ethics and independence standards

Significant Changes in the State of Affairs

There were no significant changes in the company's state of affairs during the financial year.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Future Developments

The company expects to maintain the present status and level of operations and hence, there are no likely developments in the company's operations. The company is continually updating, reviewing, and improving its management and governance practices to ensure that the company's strategic objectives are met.

Dividends

The company is limited by guarantee and its Constitution precludes the payment of dividends.

Events after the Reporting Period

No matters or circumstances have arisen since the end of the financial year that significantly affected or are likely to significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Directors

The names and details of the company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire year unless otherwise stated. None of the directors listed had any special responsibilities during the year other than as noted below.

Nancy Milne OAM (Chairman)

Ms Nancy Milne OAM is an experienced non-executive director. Previously a lawyer, she brings over 30 years of experience as a lawyer working on large commercial cases involving risk and compliance to her role as Chairman at APESB. As a former partner at Clayton Utz, her work in contentious and non-contentious areas provided a strong foundation for her director career. Nancy has also developed an in-depth knowledge of the regulatory environment within the financial services sector.

Nancy holds a Bachelor of Laws from the University of Sydney. She is a Fellow of the Australian Institute of Company Directors. Nancy was awarded the Order of Australia Medal in 2008 for services to the legal sector and the community.

Since 2003, Nancy has taken up a variety of governance roles, focussing on improving business performance.

Nancy was previously Deputy Chair at the State Insurance Regulatory Authority until her retirement from the Board in May 2025.

Date of appointment: 1 January 2019

Claire Mackay

Ms Claire Mackay is a Principal at Quantum Financial, a leading independent financial planning firm. Previously, Claire worked in structured tax at PwC and Macquarie Bank. Claire was an industry nominated Panel Adjudicator for the Financial Ombudsman Service (2010-2014), appointed by the Federal Minister for Revenue and Financial Services as an inaugural Director of the Australian Financial Complaints Authority (2018-2023) and has volunteered on the Finance, Audit and Compliance Committee for Surf Life Saving NSW (2018-2023) and the Professional Standards and Conduct Committee at the Financial Advice Association of Australia (2015-2024).

Claire is admitted to the NSW Supreme Court; she holds a Bachelor of Commerce and a Bachelor of Laws from Macquarie University and a Master of Laws from Sydney University. Claire is a qualified Chartered Accountant (SMSF and Financial Planning Specialist), a Certified Financial Planner, a Certified Practising Accountant, a Chartered Tax Advisor, and a Graduate Member of the Australian Institute of Company Directors. She is also a Fellow of Chartered Accountants Australia and New Zealand.

Claire is a member of APESB's Nominations and Remuneration Committee.

Date of appointment: 1 July 2016

Date of retirement: 30 June 2025

Brian Morris

Mr Brian Morris is the Director of Morris Forensic Pty Ltd, a specialist forensic accounting practice. Over the years, Brian has served on a variety of Board and Committee positions. From 1983 to 2014, he was a partner at Edward Marshall, specialising in audit, forensic accounting, valuations and management consulting services. He was also the firm's managing partner and Chairman of partners at various times.

Brian is a Fellow of both Chartered Accountants Australia and New Zealand and CPA Australia and a Member of the Australian Institute of Company Directors.

Brian is the Chair of the Audit & Risk Committee of the Courts Administrative Authority of South Australia, a member of the State Courts Administration Council of South Australia, a member of the Audit Committee of the Art Gallery of South Australia and a member of the Editorial Committee of the Australian Accounting Review.

Brian is a member of APESB's Audit and Finance Committee.

Date of appointment: 1 January 2019

Rachel Grimes AM

Ms Rachel Grimes AM has more than thirty years of experience in financial services. Rachel is a past President of the International Federation of Accountants (IFAC) (2016-2018) and past President of ICAA (now CA ANZ). Rachel was awarded a Member in the General Division Medal in 2022 for her significant service to business in the field of accountancy and to professional associations.

Rachel is a Fellow of the Institute of Public Accountants, Chartered Accountants Australia and New Zealand and CPA Australia.

Rachel is a director of HUB24, Australian Payments Plus, Angus Knight, Platinum Investment Management Limited, Platinum Capital Limited and DigiCO Infrastructure REIT. Rachel is also a member of the Financial Reporting Council and the Chair of the Finance and Risk Committee of Surfing Australia.

Rachel is the Chair of APESB's Nominations and Remuneration Committee.

Date of appointment: 1 February 2019

Colin Murphy PSM

Mr Colin Murphy is the former Auditor General for Western Australia, where he served the Parliament of Western Australia for more than 11 years. Colin was also formerly President of the Institute of Public Administration Western Australia and a past AUASB Board member.

Colin holds a Bachelor of Commerce degree from the University of Western Australia. Colin is a Fellow, former Board member and Past State President of CPA Australia and a Fellow of Chartered Accountants Australia and New Zealand. He is also a Graduate of the Australian Institute of Company Directors. Colin received CPA Australia's President's Award and a Meritorious Service Award and was also awarded the Public Service Medal (PSM) in the 2010 Australia Day Honours..

Colin is a Director of the Winston Churchill Memorial Trust Australia and a Board member of the South Metropolitan Health Service Board, WA, and ChemCentre, Western Australia. Colin is a Commissioner at the Gaming and Wagering Commission, WA.

Colin is the Chair of the Western Australia Audit and Risk Committees for the Department of Education, Department of Justice, Department of Water and Environmental Regulation and the Department of Training and Workforce Development.

Colin is the Chair of APESB's Audit and Finance Committee.

Date of appointment: 1 May 2020

Damien Moore

Mr Damien Moore has worked in the Accounting and Finance industries for over 30 years and is currently a Manager at Rawson Verco Need in Adelaide. Previously, Damien worked at PwC (from March 2021 to April 2024). He has also operated his own accounting firm along with working for ASX-listed companies such as Bank of South Australia (part of the Westpac Group), and BHP & Elders Ltd.

Damien was a Board Director of the Institute of Public Accountants for 12 years, having held the roles of Vice President, Deputy President and Global Chair/President. During his time on the board, Damien was a member of various committees, including the Board Audit & Risk Committee, Membership Committee, Remuneration Committee, and the Board Executive.

Damien is a Fellow of both the Institute of Public Accountants and the Institute of Financial Accountants (UK) and a Chartered Tax Advisor of The Tax Institute of Australia. He holds a Master of Commerce (Professional Accounting) from the University of New England. He is a Graduate Member of the Australian Institute of Company Directors and a Registered Tax Agent. Damien has volunteered his time as the Treasurer of the Hahndorf Community Hall Committee since 2003.

Damien is a member of APESB's Nominations and Remuneration Committee.

Date of appointment: 17 November 2022

Dianne Azoor Hughes

Dianne has more than 35 years of experience in business, with expertise in governance, risk and audit. She is currently an Independent Non-Executive for the MHA network of independent accountancy firms in the UK (part of the Baker Tilly International network), chairperson of St Kilda Gatehouse (a registered charity), and a board member of Gospel Resource Ltd (a manufacturing social enterprise and registered charity). Dianne is a member of the ASIC Audit Surveillance Reporting Panel.

In addition, her experience includes technical and audit quality leadership in professional practice, technical consulting, and acting as an expert witness. Dianne promotes sustainable business, enhancing financial evaluations by employing both integrated reporting practices and social impact reporting as measures of performance.

Dianne held executive roles in professional practice from 2001-2017. She was formerly the Technical Partner at Pitcher Partners, and an independent consultant to Baker Tilly International (BTI), facilitating global collaboration for audit related projects across the BTI network. Dianne served as a Board Member of the Australian Auditing and Assurance Standards Board (AUASB) from 2004-2012.

Dianne is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand and a member of the Australian Institute of Company Directors. Dianne holds a Master of Business Law and a Post-Graduate Diploma in Advanced Accounting from Monash University.

Dianne is a member of APESB's Audit and Finance Committee.

Date of appointment: 1 February 2023

Amanda McIntyre

Amanda has over 25 years of experience working in large accounting firms and the public sector. She is currently the Canberra Market Managing Partner for O'Connor Marsden (OCM). Previously, Amanda was a partner at EY (2023-2025) and PwC (2017-2023). From May 2012 to June 2016, she was the Chief Financial Officer of the Department of the Prime Minister and Cabinet.

Amanda has served in various Board and Committee positions. She was an Advisory Board Member to the DFAT Australia Awards Women in Leadership Initiative (2017-2020). Amanda also served as a member of the Finance and Audit Committee of the Australian Conservation Foundation (2015-2017) and as a board member of Capital Community Housing ACT (2015-2016).

Amanda is a Fellow of Chartered Accountants Australia and New Zealand (CA ANZ) and a Member of the ACT Regional Council for CA ANZ. Amanda also holds qualifications as an executive coach, in Sustainable Accounting and AI Governance. Amanda is a graduate of the Australian Institute of Company Directors (AICD), a member of the Institute of Internal Auditors Australia and the Risk Management Institute of Australasia. She holds Bachelor's degrees in Laws and Commerce (Honours) from the Australian National University.

Date of appointment: 1 August 2025

Chief Executive Officer & Company Secretary

Channa Wijesinghe

Mr Channa Wijesinghe is the Chief Executive Officer and Company Secretary of APESB. He is a Fellow of Chartered Accountants Australia and New Zealand, CPA Australia, the Governance Institute of Australia and a Graduate member of the Australian Institute of Company Directors. Channa joined the APESB in January 2007. He is the inaugural Technical Director of the APESB and was subsequently appointed as the CEO in 2016. He manages the implementation of the Board's strategy, national and international stakeholder engagement, operations and technical work program.

Directors' Report

Since January 2022, Channa has been a Board Member of the International Ethics Standards Board for Accountants (IESBA) and during the reporting period was reappointed for a second three year term ending on 31 December 2027. In November 2024, the Public Interest Oversight Board (PIOB) which oversees and is responsible for IESBA's governance appointed Channa as the Vice-Chair of the IESBA for a two-year term commencing 1 January 2025.

Indemnification of Officers and Auditors

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary and all executive officers of the company against a liability incurred as such a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the cover and the amount of the premium.

The company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such officer or auditor.

Directors' meetings

The following table sets out the number of directors' meetings, including Board Committee meetings held during the financial reporting year and the number of meetings attended by each director. During the financial reporting year, five directors' meetings, two Audit and Finance Committee meetings and one Remuneration and Nominations Committee meeting were held.

Proceedings on Behalf of the Company

No person has applied for leave of the Court to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

The company was not a party to any such proceedings during the year.

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 30 June 2025, the number of members was 3 (2024: 3 members).

Auditor's Independence Declaration

A copy of the auditor's independence declaration for the year ended 30 June 2025 has been received and can be found in the directors' report on page 25.

Signed in accordance with a resolution of the Board of Directors.



Nancy Milne OAM
Chairman
28 October 2025

Director	Directors' Meetings		Audit and Finance Committee		Nominations and Remuneration Committee	
	Number Eligible to Attend	Number Attended*	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Nancy Milne OAM	5	5	-	-	-	-
Rachel Grimes AM	5	5	-	-	1	1
Claire Mackay	5	5	-	-	1	1
Brian Morris	5	3	2	1	-	-
Colin Murphy PSM	5	5	2	2	-	-
Damien Moore	5	5	-	-	1	1
Dianne Azoor Hughes	5	5	2	2	-	-

**Except for Mr Brian Morris who was an apology for one meeting, the Directors who served during the financial year have attended all 4 Public Meetings held for the period.*

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF THE ACCOUNTING PROFESSIONAL & ETHICAL STANDARDS BOARD LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been:

- i. No contraventions of the auditor independence requirements as set out in *the Australian Charities and Not-for-profits Commission Act 2012*, in relation to the audit, and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.



SW Audit
Chartered Accountants



Trent Godden-Minette
Partner

Melbourne, 28 October 2025

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Directors' Declaration

The directors of the company declare that:

- (1) The financial statements and notes as set out on pages 27 to 42, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) complying with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS) and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the company;
- (2) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*



Nancy Milne OAM
Chairman

28 October 2025

Statement of Comprehensive Income

for the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue	<u>2</u>	1,620,000	1,620,000
Other income	<u>2</u>	43,899	40,178
Employee costs, directors fees and contractors		(1,454,712)	(1,352,763)
Board meeting costs		(26,136)	(28,288)
Conferences and events		(35,872)	(41,024)
Consulting fees		-	(17,250)
Depreciation and amortisation expense		(99,425)	(102,498)
Lease finance charges		(5,988)	(9,471)
Auditing and legal fees		(39,611)	(50,567)
Cleaning and outgoings		(49,497)	(46,448)
Information technology support and development		(47,680)	(45,346)
Marketing		(21,978)	(18,896)
Insurance		(20,840)	(19,758)
Postage, printing and stationery		(8,305)	(10,422)
Communications		(11,492)	(12,029)
IESBA roundtable and events		(3,543)	(20,844)
Other expenses		(25,993)	(31,435)
Deficit before income tax		(187,164)	(146,862)
Income tax expense	<u>1(b)</u>	-	-
Deficit after income tax		(187,164)	(146,862)
Deficit for the financial year		(187,164)	(146,862)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(187,164)	(146,862)

The accompanying notes form part of these financial statements

Statement of Financial Position

as at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current Assets			
Cash	4,16(a)	361,760	358,700
Financial Assets	5	901,065	1,005,229
Other assets	6	33,545	40,532
Total Current Assets		1,296,370	1,404,461
Non-Current Assets			
Financial assets	5	-	65,321
Plant and equipment	7	6,368	6,823
Right-of-use assets	8	103,205	198,471
Total Non-Current Assets		109,573	270,615
Total Assets		1,405,943	1,675,076
Current Liabilities			
Trade and other payables	9	72,427	101,678
Lease liabilities	11	103,629	94,832
Provisions	10	228,770	187,385
Total Current Liabilities		404,826	383,895
Non-Current Liabilities			
Lease liabilities	11	8,851	112,480
Provisions	10	1,736	1,007
Total Non-Current Liabilities		10,587	113,487
Total Liabilities		415,413	497,382
Net Assets		990,530	1,177,694
Accumulated surplus		990,530	1,177,694
Total Equity		990,530	1,177,694

The accompanying notes form part of these financial statements

Statement of Changes in Equity

for the year ended 30 June 2025

	Accumulated Surplus \$
Balance at 1 July 2023	1,324,556
Net deficit for the financial year	(146,862)
Other comprehensive income for the year	-
Balance at 30 June 2024	1,177,694
Balance at 1 July 2024	1,177,694
Net deficit for the financial year	(187,164)
Other comprehensive income for the year	-
Balance at 30 June 2025	990,530

The accompanying notes form part of these financial statements

Statement of Cash Flows

for the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash Flows from Operating Activities			
Receipts from professional bodies		1,782,000	1,782,000
Payments to suppliers and employees		(1,889,773)	(1,825,354)
Interest received		45,872	52,678
Net cash (used in) / generated by operating activities	16(b)	(61,901)	9,324
Cash Flows from Investing Activities			
Proceeds from sale of financial assets		1,207,027	1,967,543
Cash invested in financial assets		(1,037,542)	(1,977,357)
Payments for property, plant and equipment		(3,704)	(3,129)
Net cash generated by / (used in) investing activities		165,781	(12,943)
Cash Flows from Financing Activities			
Repayment of lease liabilities		(100,820)	(96,571)
Net cash used in financing activities	16(c)	(100,820)	(96,571)
Net increase / (decrease) in Cash and Cash Equivalents		3,060	(100,190)
Cash and Cash Equivalents at the Beginning of the Financial Year		358,700	458,890
Cash and Cash Equivalents at the End of the Financial Year	16(a)	361,760	358,700

The accompanying notes form part of these financial statements

Notes to the Financial Statements

Contents

	Note
Accounting Policies	1
Revenue	2
Auditor's Remuneration	3
Cash and Cash Equivalents	4
Financial Assets	5
Other Assets	6
Plant and Equipment	7
Right of Use Assets	8
Trade and Other Payables	9
Provisions	10
Lease Liabilities	11
Contingent Liabilities	12
Events After the Reporting Period	13
Key Management Personnel Compensation	14
Related Party Transactions	15
Cash Flow Information	16
Financial Risk Management	17
Capital Management	18
Members' Guarantee	19
Company Details	20

Accounting Professional & Ethical Standards Board Limited (APESB or the Company) is an individual company, incorporated and domiciled in Australia. APESB is a not-for-profit company limited by guarantee. The address of its registered office and principal place of business is disclosed in note 20. The financial report was authorised for issue on 28 October 2025 by the Board of Directors.

Note 1: Accounting Policies

Basis of Preparation

The financial statements are General Purpose Financial Statements that have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements that contain relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated. The functional and presentation currency of the Company is in Australian dollars.

The financial statements except for cash flow information have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the

measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The amounts presented in the financial statements have been rounded to the nearest Australian dollar.

Ongoing Deficits

APESB has incurred an operating deficit before income tax for the year ended 30 June 2025 of \$187,164 (2024 Deficit: \$146,862).

APESB has established a reserves policy which indicates that, subject to the ongoing funding from Chartered Accountants Australia and New Zealand, CPA Australia Limited and the Institute of Public Accountants (the three professional bodies), the company's cash reserves exceed ongoing requirements. Accordingly, the APESB has programmed deficits that will see a reduction in its reserves. In this manner, APESB's future budgets have been designed to ensure that APESB utilises reserves rather than increase funding contributions from the professional accounting bodies.

APESB holds cash and financial assets totalling \$1,262,825 as at 30 June 2025 (2024: \$1,363,929), which it considers to be adequate to ensure that it continues to be a going concern.

At present there is continued economic dependency on the professional accounting bodies, refer to [Note 1\(e\)](#).

The Directors have prepared the financial statements on a going concern basis which contemplates the continued support of the professional accounting bodies, continuity of normal business activity, realisation of assets and settlement of liabilities at the amounts recorded in the financial statements in the ordinary course of business.

In the course of recent parliamentary inquiries into the accounting profession, legislative backing for APESB's ethical standards, consistent with the other Australian Accounting and Auditing standard setters, has been discussed.

Whilst this proposal has been presented to the government, no decision has been made by the government to date and APESB has no visibility in relation to the likelihood or potential timing of this change. Further, in the event of any change to the existing regulatory framework, APESB has no insight into the manner in which a change might be effected.

The directors of APESB are confident that, should any change occur, the three professional bodies will provide appropriate financial support to ensure that the company's liabilities will be met as and when they fall due.

Material Accounting Policies

(a) Revenue

Revenue primarily consists of contributions from the Professional Accounting Bodies (Chartered Accountants Australia and New Zealand, CPA Australia and the Institute of Public Accountants). These contributions represent transfers of resources to the Company to support its operations.

Revenue primarily consists of subscriptions paid by the Professional Accounting Bodies (Chartered Accountants Australia and New Zealand, CPA Australia and the Institute of Public Accountants) in the form of transfers of resources to the company. Annual contributions are received based on the agreed budgeted activities of the Company for the year. Revenue is therefore recognised over time over any given year. The performance obligations are satisfied within the same period the funding is received resulting in no deferral of revenue.

Revenue is typically remitted on 30-day net terms from the date of invoice

Interest Revenue

Revenue is recognised as interest accrues, using the effective interest rate method.

(b) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(c) Plant and Equipment

Plant and equipment are measured at cost less accumulated depreciation and impairment.

The depreciable amount of all plant and equipment is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of improvements.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation Rate
Leasehold improvements	20%
Lease assets	10%
Furniture	20%
Computer equipment	25% - 50%
Office equipment	25% - 33.3%

(d) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Company.

Estimation of the Incremental Borrowing Rate under AASB 16

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure the lease liability. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs when available.

(e) Economic Dependency

APESB is dependent on the Professional Accounting Bodies (CPA Australia, Chartered Accountants Australia and New Zealand and the Institute of Public Accountants) for the majority of its revenue used to operate the business. As per clause 2.2 of the Memorandum of Agreement between the Chartered Accountants Australia and New Zealand, CPA Australia and APESB, reviewable annually.

At the date of this report the Board of Directors has no reason to believe the Professional Accounting Bodies will not continue to support APESB.

Note 2: Revenue

	2025 \$	2024 \$
Revenue from Professional Bodies		
Operating revenue	1,620,000	1,620,000
Total Revenue	1,620,000	1,620,000
Other Income		
Bank deposits interest revenue	43,899	40,178
Total Other Income	43,899	40,178
Total Revenue and Other Income	1,663,899	1,660,178

Note 3: Auditor's Remuneration

	2025 \$	2024 \$
Auditor's Remuneration		
— Audit services	24,700	23,836
— Other services	-	-
Total Auditor's Remuneration	24,700	23,836

Note 4: Cash and Cash Equivalents

	2025 \$	2024 \$
Current		
Cash at bank	361,699	358,600
Cash on hand	61	100
	361,760	358,700

Note 5: Financial Assets

	2025 \$	2024 \$
Current		
Term deposits at amortised cost	833,132	1,005,229
Security deposits at amortised cost	67,933	-
	901,065	1,005,229
Non-Current		
Security deposits at amortised cost	-	65,321
	901,065	1,070,550

Note 6: Other Assets

	2025 \$	2024 \$
Current		
Accrued interest	5,842	7,815
Prepayments and deposits	27,703	32,717
	33,545	40,532

Note 7: Plant and Equipment

	Leasehold Improvements \$	Furniture \$	Computer Equipment \$	Office Equipment \$	Total \$
Gross Carrying Amount					
Balance at 1 July 2024	147,948	27,080	44,712	9,402	229,142
Additions	-	-	3,704	-	3,704
Balance at 30 June 2025	147,948	27,080	48,416	9,402	232,846
Accumulated Depreciation					
Balance at 1 July 2024	(147,948)	(27,080)	(37,889)	(9,402)	(222,319)
Depreciation expense	-	-	(4,159)	-	(4,159)
Balance at 30 June 2025	(147,948)	(27,080)	(42,048)	(9,402)	(226,478)
Net Book Value As at 30 June 2025	-	-	6,368	-	6,368
Gross Carrying Amount					
Balance at 1 July 2023	147,948	27,080	41,583	9,402	226,013
Additions	-	-	3,129	-	3,129
Balance at 30 June 2024	147,948	27,080	44,712	9,402	229,142
Accumulated Depreciation					
Balance at 1 July 2023	(145,884)	(27,080)	(32,721)	(9,402)	(215,087)
Depreciation expense	(2,064)	-	(5,168)	-	(7,232)
Balance at 30 June 2024	(147,948)	(27,080)	(37,889)	(9,402)	(222,319)
Net Book Value As at 30 June 2024	-	-	6,823	-	6,823

Note 8: Right of Use Assets

The Company has a lease for the office premises for an initial term of 7 years with an option for an additional term of 3 years. The option was exercised in 2023 and the lease will be expiring in July 2026.

Options to extend or terminate

The option to extend or terminate is contained in the office lease of the Company. This clause provided the Company opportunity to manage its lease in order to align with its operations. APESB exercised its option to extend the lease by one further term of 3 years. This term is due to expire on 31 July 2026.

AASB 16 related amounts recognised in the Statement of Financial Position

	2025 \$	2024 \$
Right of use asset		
Leased office	555,829	555,829
Accumulated depreciation	(452,624)	(357,358)
Total right of use asset	103,205	198,471
Right of use asset - accumulated depreciation		
Leased office		
Balance at 1 July	(357,358)	(262,092)
Amortisation expense	(95,266)	(95,266)
Balance at 30 June	(452,624)	(357,358)

Note 9: Trade and Other Payables

	2025 \$	2024 \$
Current		
Trade payables	1,359	9,870
Other payables	767	658
Goods and services tax payable	26,921	29,638
PAYG payable	26,680	28,262
Audit fees payable	16,700	33,250
	72,427	101,678

Note 10: Provisions

	2025 \$	2024 \$
Current		
Annual leave provision	81,863	64,579
Long service leave provision	146,907	122,806
	228,770	187,385
Non-Current		
Long service leave provision	1,736	1,007
	1,736	1,007
	230,506	188,392
Movement in Provisions	Annual Leave Provision \$	Long Service Leave Provision \$
Opening Balance at 1 July 2023	55,135	110,255
Additional provisions recognised	55,082	13,558
Reductions arising from payments	(45,638)	-
Closing Balance at 30 June 2024	64,579	123,813
Opening Balance at 1 July 2024	64,579	123,813
Additional provisions recognised	64,750	34,253
Reductions arising from payments	(47,466)	(9,423)
Closing Balance at 30 June 2025	81,863	148,643

Note 11: Lease Liabilities

	2025 \$	2024 \$
Unsecured		
Current	103,629	94,832
Non-current	8,851	112,480
	112,480	207,312

Significant leasing arrangements

Lease liabilities represent the discounted future rentals payable by the Company for office facilities at Level 11, 99 William Street, Melbourne, Victoria 3000 for an initial term of 7 years which expired on 31 July 2023. The Company has exercised its option to extend the lease for a further period of 3 years which is due to expire on 31 July 2026. The option has been included in the lease period used to determine the associated liability. The liability incorporates fixed annual increases in lease payments with no applicable variable components.

Future minimum lease payments

The future minimum lease payments arising under the Company's lease contract at the end of the reporting period is as follows:

	2025 \$	2024 \$
Not longer than 1 year	105,805	100,820
Longer than 1 year and not longer than 5 years	8,852	114,657
Greater than 5 years	-	-
	114,657	215,477

AASB 16 related amounts recognised in the statement of comprehensive income

	2025 \$	2024 \$
Amortisation expense	95,266	95,266
Interest expense on leases	5,988	9,471
Low-value lease expenses	6,857	9,630
Short-term lease expense	-	-

Cash outflows from leases

	2025 \$	2024 \$
Total cash out flows from leases	107,677	106,201
	107,677	106,201

Total cash out flows from leases includes repayments of lease liabilities and low value leases.

Note 12: Contingent Liabilities

The directors are not aware of any material contingent liabilities as at 30 June 2025 (2024:Nil).

Note 13: Events after the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Note 14: Key Management Personnel Compensation

The aggregate compensation paid to directors and other key management personnel of the Company is set out below:

	2025 \$	2024 \$
Short-term employee benefits ¹	769,233	740,277
Post-employment benefits ²	84,684	81,430
Other long-term benefits ³	12,515	9,522
	866,433	831,229

¹ Includes payments to directors for their services.

² Comprises payments to contributory superannuation funds.

³ Includes long-service leave provided during the year, not paid (inc on costs).

Aggregate compensation paid to directors and other key management personnel of the Company is comprised of the following amounts:

	Number	2025 \$	Number	2024 \$
Chairman	1	120,000	1	110,000
Directors	6	367,500	6	360,000
Chief Executive Officer ⁴	1	378,933	1	361,229
	8	866,433	8	831,229

⁴ Includes the net accrual for annual leave and long-service leave provided during the year, but not paid (inc on costs).

Note 15: Related Party Transactions

(a) Equity Interests in Related Entities

The Company does not have any equity interests in related entities.

(b) Key Management Personnel Compensation

Disclosures relating to key management personnel compensation are set out in note 14.

(c) Key Management Personnel Loans

There are no loans to or from key management personnel.

(d) Transactions with Key Management Personnel

There are no transactions with key management personnel.

(e) Transactions with Members of the Company

All transactions with related parties were carried out on an "arms length" basis. Funding income received from the members of the Company during the year is as follows:

	2025 \$	2024 \$
Chartered Accountants Australia and New Zealand	540,000	540,000
CPA Australia	540,000	540,000
Institute of Public Accountants	540,000	540,000
	1,620,000	1,620,000

Note 16: Cash Flow Information**(a) Reconciliation of Cash and cash equivalents**

	2025 \$	2024 \$
Current		
Cash at bank	361,699	358,600
Cash on hand	61	100
	361,760	358,700
Cash and cash equivalents at the end of the financial year as shown in the Statement of Cashflows is reconciled in the Statement of Financial Position as follows:		
Cash and cash equivalents	361,760	358,700
	361,760	358,700

(b) Reconciliation of Cash Flows from Operations with Deficit for the Reporting Period

	2025 \$	2024 \$
Deficit for the year	(187,164)	(146,862)
<i>Non-Cash Flows:</i>		
Depreciation and amortisation expense	99,425	102,498
Interest expense on lease liability	5,988	9,471
Movement in Working Capital		
Decrease in other assets	6,987	10,354
(Decrease) / increase in trade and other payables	(29,251)	10,861
Increase in provisions	42,114	23,002
Net cash generated by operating activities	(61,901)	9,324

(c) Reconciliation of Financing Cash Flows with Movement in Liabilities for the Reporting Period

	2025 \$	2024 \$
Current lease liabilities	103,629	94,832
Non-current lease liabilities	8,851	112,480
Total lease liabilities	112,480	207,312
Decrease in lease liabilities	(94,832)	(87,100)
Interest expense on lease liability (non-cash)	(5,988)	(9,471)
Net cash used in financing activities	(100,820)	(96,571)

Note 17: Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, accounts payable and lease liabilities.

The Company does not have any derivative instruments as at 30 June 2025 (2024: nil).

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

The Board is responsible for monitoring the Company's compliance with its risk management strategy. The Board's overall risk management strategy is to assist the Company in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board on a regular basis.

(a) Interest Rate Risk

The Company is not exposed to any fluctuations in interest rates, other than interest income earned on bank deposits. The Company monitors interest rate risk by effective oversight of the treasury transactions.

(b) Liquidity Risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised funds are maintained.

Financial liability and financial asset maturity analysis

Fixed Interest Rate Maturing				Non Interest Bearing		Total	
2025		2024		2025	2024	2025	2024
<1 year	>1 year	<1 year	>1 year				
\$	\$	\$	\$	\$	\$	\$	\$

Financial Assets at amortised cost

Cash and cash equivalents	361,760	-	358,700	-	-	361,760	358,700
Term deposits and security deposits	901,065	-	1,005,229	65,321	-	901,065	1,070,550
Other receivables	-	-	-	-	5,842	5,842	7,815
Total Financial Assets at amortised cost	1,262,825	-	1,363,929	65,321	5,842	1,268,667	1,437,065

Financial Liabilities at amortised cost

Trade payables	-	-	-	-	72,427	101,678	72,427	101,678
Lease liabilities	103,629	8,851	94,832	112,480	-	-	112,480	207,312
Total Financial Liabilities at amortised cost	103,629	8,851	94,832	112,480	72,427	101,678	184,907	308,990

(c) Credit Risk

The maximum exposure to credit risk, excluding the value of collateral or other security, at the end of the reporting period to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements. The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Company.

The Company manages credit risk by continuously monitoring its exposure to credit risk by dealing with reputable counter parties.

(d) Sensitivity Analysis

The following table illustrates sensitivities to the Company's exposures to changes in interest rates. The table indicates the impact on how surplus and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in interest rates is independent of other variables.

	Surplus \$	Equity \$
Year Ended 30 June 2025		
+2% in interest rates	24,284	24,284
-2% in interest rates	(18,480)	(18,480)
Year Ended 30 June 2024		
+2% in interest rates	27,222	27,222
-2% in interest rates	(19,613)	(19,613)

No sensitivity analysis has been performed on foreign exchange risk as the company is not exposed to foreign currency fluctuations.

(e) Net Fair Values

For all assets and liabilities the fair value approximates their carrying value.

Note 18: Capital Management

Management manages the capital of the Company to ensure that adequate cash flows are available to fund its activities. The Board ensures that the overall risk management strategy is in line with this objective. Management operates under policies approved and regularly reviewed by the Board of Directors. These include credit risk policies and cash flow policies. The Company's capital consists of an accumulated surplus, represented and supported by total assets, net of total liabilities.

The Company's capital is managed by assessing its financial risks and responding to changes in these risks. Investments are directed at ensuring minimal risk of capital loss on invested funds.

There have been no changes to the strategy adopted by management to manage the capital of the Company since the previous year.

Consistent with the previous financial year, APESB does not have any borrowings and funds its operations utilising subscriptions from its members.

APESB is not subject to any externally imposed capital requirements.

Note 19: Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the Company. At 30 June 2025 the number of members was 3 (2024: 3 members).

Note 20: Company Details

The registered office and principal place of business of the Company is Level 11, 99 William Street, Melbourne, Victoria, 3000.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ACCOUNTING PROFESSIONAL & ETHICAL STANDARDS BOARD LIMITED

Opinion

We have audited the financial report of Accounting Professional & Ethical Standards Board Limited (the Company) which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended, and
- complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*, Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



SW Audit
Chartered Accountants



Trent Godden-Minette
Partner

Melbourne, 28 October 2025

Accounting Professional & Ethical Standards Board

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