

# APESB Professional Standards

**Chinese Certified Tax Agents Association**

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# Overview

- History and structure of the APESB
- APESB pronouncements to date
- Standards issued by APESB that impact Tax Agents
- APES 110 *Code of Ethics for Professional Accountants*
- APES 320 *Quality Control for Firms*
- APES 220 *Taxation Services*

# APESB History

- Established in February 2006 as an initiative of ICAA & CPA Australia
- IPA (formerly NIA) became a Member in December 2006
- Previously professional and ethical pronouncements were developed by the professional bodies
- Members of the three bodies are required to comply and subject to disciplinary procedures of the relevant professional body

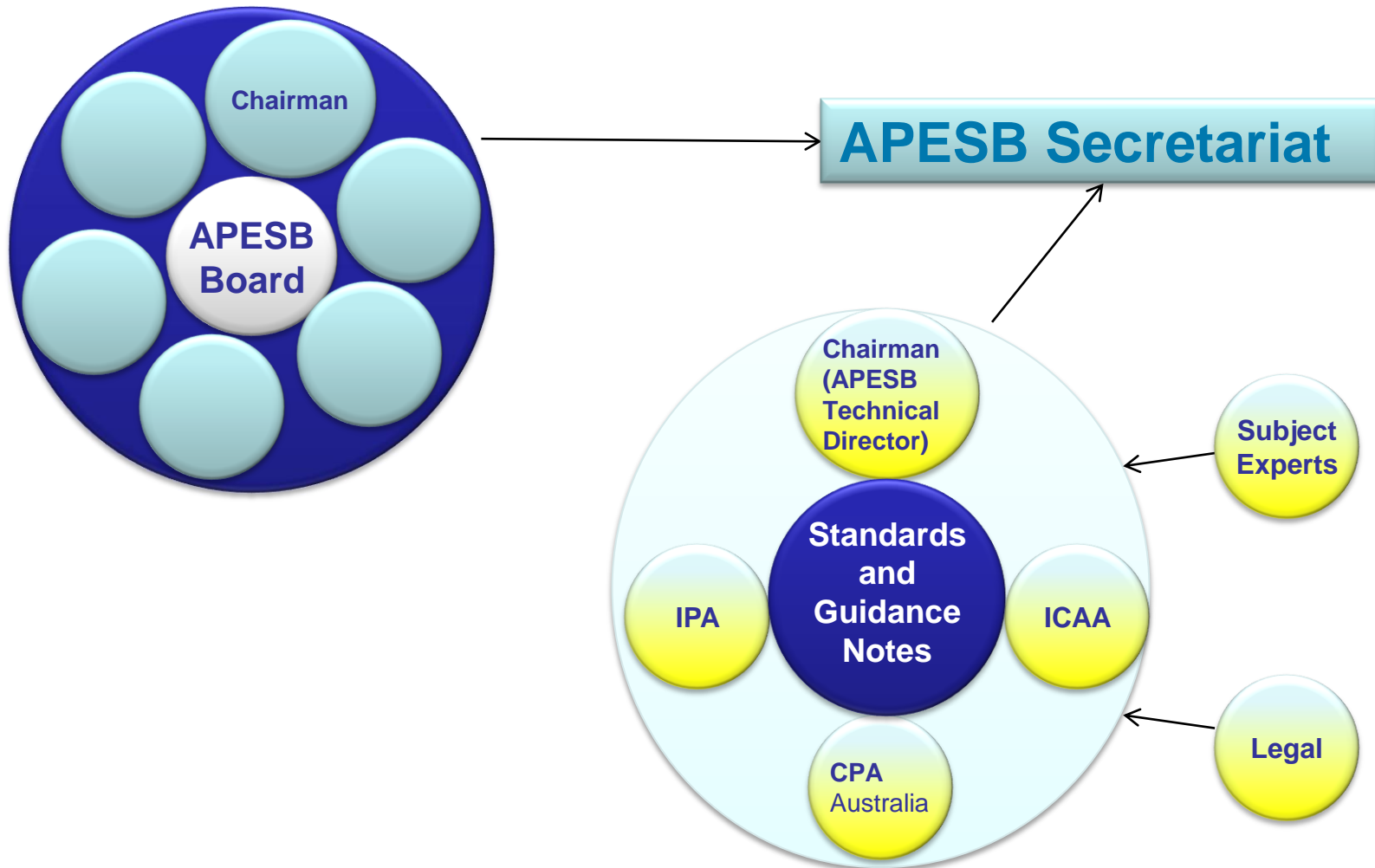
# APESB Vision

*“To be recognised by our stakeholders for our leading contribution in achieving the highest level of professional and ethical behaviour in the accounting profession”*

# Board Composition

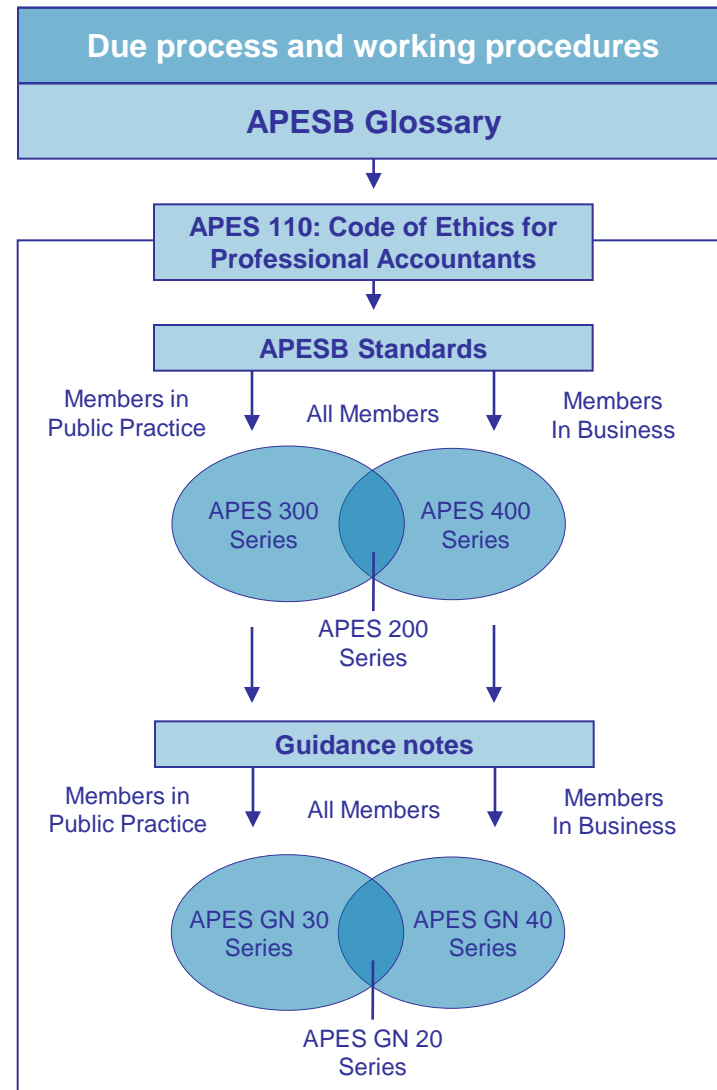
- Independent Chair
- Two Directors CPA Australia
- Two Directors ICAA
- One Director IPA

# APESB Functional Structure



# Structure of APESB pronouncements

- **Conceptual Framework**
  - Principles based
  - Mandatory for professional accountants
  
- **Standard**
  - Introduces principles
  - Mandatory requirements in black letter
  - Guidance and/or explanation in grey letter
  
- **Guidance notes**
  - Do not introduce new principles
  - Guidance on a specific matter on which the Principles are already stated in a Standard
  - Guidance is only in grey letter



# APESB Pronouncements to date

## All members

- APES 110 Code of Ethics
- APES 205 Conformity with Accounting Standards
- APES 210 Conformity with Auditing Standards
- APES 215 Forensic Accounting Services
- APES 220 Taxation Services
- APES 225 Valuation Services
- APES 230 *ED Financial Advisory Services*



# APESB Pronouncements to date

## Members in Public Practice

- APES 305 Terms of Engagement
- APES 310 Dealing with Client Monies
- APES 315 Compilation of Financial Information
- APES 320 Quality Control for Firms
- *APES 325 ED Risk Management for Firms (Project in Progress)*
- *APES 330 Insolvency Services (Revision in Progress)*
- APES 345 Reporting on Prospective Financial Information
- APES 350 Due Diligence Committees

# Standards issued by APESB that primarily impact Tax Agents

- APES 110 – Code of Ethics
- APES 320 – Quality Control for Firms
- APES 220 – Taxation Services

# APES 110 Code of Ethics

- **Part A: General Application**
- **Part B: Members in Public Practice**
- **Part C: Members in Business**

# APES 110 Code of Ethics

## Part A: General Application

### Conceptual framework to the Code

- Fundamental Principles
  - Integrity
  - Objectivity
  - Professional competence and due care
  - Confidentiality
  - Professional behaviour

# APES 110 Code of Ethics

- **Threats to fundamental principles**
  - Self interest threat
  - Self review threat
  - Advocacy threat
  - Familiarity threat
  - Intimidation threat

# APES 110 Code of Ethics

- **Safeguards**
  - created by the profession, legislation or regulation
  - within the client or employer
  - within the firms own systems and procedures

# APES 110 Code of Ethics

## Part B: Members in Public Practice

- Section 210 – Professional Appointment
- Section 220 – Conflicts of Interest
- Section 230 – Second opinions
- Section 240 – Fees and Other Types of Remuneration
- Section 250 – Marketing Professional Services
- Section 260 – Gifts and Hospitality
- Section 270 – Custody of Client Assets
- Section 280 – Objectivity All Services
- Section 290 – Independence Audit and Review Engagements
- Section 291 – Independence Other Assurance Engagements

# APES 320 Quality Control for Firms

## **Applies to all Members in Public Practice**

- Leadership responsibilities for quality within the Firm
- Ethical Requirements
- Acceptance and continuance of client relationships and specific engagements
- Human resources
- Engagement performance
- Monitoring
- Documentation



# APES 220 Taxation Services

- > Formerly APS 6
- > Applies to accountants working in public practice as well as now scope extended to members in business
- > Includes mandatory requirements and guidance for Taxation Services
- > Operative on or after 1 July 2008 (Revised APES 220 operative on or after 1 May 2011)

# APES 220 Taxation Services

- > Taxations Services to a Client or Employer defined as:
  - > preparation of return, notice, statement or similar document
  - > preparation of tax calculations for financial statements
  - > tax planning and other tax advisory
  - > assistance in resolving tax disputes

# APES 220 Taxation Services

## **Applies to all Members**

- Fundamental responsibilities of Members
- Preparation and lodgment of returns to Revenue Authorities
- Tax schemes and arrangements
- Estimates
- False or misleading information
- Professional engagement matters
- Client Monies

# APES 220 Taxation Services

- > Preparation and lodgment of returns to Revenue Authorities
  - > returns shall be prepared in accordance with information provided by Client, their instructions and tax law
- > Members must not be involved in tax schemes and arrangements which are not within the law
- > Use of estimates in preparation of revenue returns
  - > Shall not prepare or be associated with such estimates unless use is generally accepted or impractical to obtain exact data
- > Members obligations in respect of false and misleading information

# APES 220 Taxation Services

- > Professional obligations in respect of Client monies and prohibition against applying tax refunds to settle amounts due unless prior client approval has been obtained
  
- > Preparation of work papers to document the work performed

# Questions?

For more information visit:

[www.apesb.org.au](http://www.apesb.org.au)

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