

Review of Submissions – General Comments
Exposure Draft 03/19: Revision of APESB pronouncements

Note: Specific comments relating to ED 03/19 are addressed in separate tables for each relevant pronouncement. This table excludes minor editorial changes.

Item No.	Paragraph No. in ED	Respondent	Respondents' Comments	Change made to standard?
1	n/a	CA ANZ	Thank you for providing us with the opportunity to comment on the Accounting Professional & Ethical Standards Board's (APESB) proposed changes to the APESB pronouncements included in ED 03/19.	No
2	n/a	CPAA	CPA Australia represents the diverse interests of more than 164,000 members working in 150 countries and regions around the world. We make this submission on behalf of our members and in the broader public interest.	No
3	n/a	CA ANZ	Chartered Accountants ANZ (CA ANZ) is supportive of the proposed amendments to the pronouncements.	No
4	n/a	CPAA	CPA Australia is supportive of the key proposed amendments to pronouncements identified on Page 7 of ED 03/19.	No
5	n/a	CA ANZ	In addition to the proposed changes to the pronouncements you have specifically sought feedback on whether; <ul style="list-style-type: none"> • existing standards require amendments due to the use of digital technology and artificial intelligence, • paragraph 6.1 of APES 205 <i>Conformity with Accounting Standards</i> (APES 205) should be amended to include additional disclosures; and • APES GN 30 <i>Outsourced Services</i> (GS 30) should include a mandatory requirement to disclose (i) the use of outsourced services and (ii) the geographical location of the outsourced service provider. 	No
6	n/a	CPAA	In addition to the key proposed amendments, the APESB has requested respondents to provide specific comment on the following issues identified on Pages 5 and 6 of the Exposure Draft (ED): <ol style="list-style-type: none"> 1) Whether the existing provisions in the standards included in the ED require amendments due to the use of digital technology and artificial intelligence (AI); 2) Recent proposals from the Australian Accounting Standards Board (AASB) that would require amendment to APES 205 <i>Conformity with Accounting Standards</i>, particularly paragraph 6.1 to allow for additional disclosures in Special Purpose Financial Statements (SPFS); and 3) Whether consideration should be given in GN 30 <i>Outsourced Services</i>, to prescribing mandatory requirements for Members in Public Practice to disclose the use of Outsourced Services and the geographical location of the Outsourced Service Provider. 	No
7	n/a	CA ANZ	<i>Digital technology and AI</i> We do not consider that these developments require the standards to be amended, provided the terms used in the standards have universal application. For example, the word 'file' can refer to a hard or soft copy file; these could be stored in any number of ways. The form of the file is not the issue, rather what it contains meets mandatory requirements. Similarly, the word 'review' in say a requirement for evidence of partner review could be via manual signature on paper or via electronic means; the key issue is that evidence of review exists.	No

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8	n/a	CPAA	<i>Digital Technology and AI</i> CPA Australia supports the APESB's consideration of the impact of digital technology and AI on current pronouncements. CPA Australia considers the most appropriate way to address ethical issues relating to digital technologies and AI is to take a principles-based approach within APES 110 <i>Code of Ethics for Professional Accountants (the Code)</i> . By addressing ethical issues arising from the use of technology via the Code, the principles established in the Code will cascade to all APESB pronouncements via Paragraph 19 of the Code, effective January 2020. This approach is consistent with the preferred direction taken by the International Ethics Standards Board (IESBA) in managing the interaction between ethics and technology.	No
9	n/a	CA ANZ	Information about Chartered Accountants Australia and New Zealand can be found in Appendix A to this letter. If you have any questions regarding this submission, please contact Kristen Wydell on (02) 9290 5535 or kristen.wydell@charteredaccountantsanz.com	No
10	n/a	CPAA	If you have any questions regarding this submission, please do not hesitate to contact Josephine Haste CPA, Policy Adviser – Ethics and Professional Standards on +613 9606 9693 or josephine.haste@cpaaustralia.com.au .	No
11	n/a	CA ANZ	<p>Appendix A</p> <p>About Chartered Accountants Australia New Zealand</p> <p>Chartered Accountants Australia and New Zealand is a professional body comprised of over 120,000 diverse, talented and financially astute members who utilise their skills every day to make a difference for businesses the world over.</p> <p>Members are known for their professional integrity, principled judgment, financial discipline and a forward-looking approach to business which contributes to the prosperity of our nations.</p> <p>We focus on the education and lifelong learning of our members, and engage in advocacy and thought leadership in areas of public interest that impact the economy and domestic and international markets.</p> <p>We are a member of the International Federation of Accountants, and are connected globally through the 800,000-strong Global Accounting Alliance and Chartered Accountants Worldwide which brings together leading Institutes in Australia, England and Wales, Ireland, New Zealand, Scotland and South Africa to support and promote over 320,000 Chartered Accountants in more than 180 countries.</p> <p>We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents 788,000 current and next generation accounting professionals across 181 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications to students and business.</p>	No

RESPONDENTS

1	CA ANZ	Chartered Accountants Australia and New Zealand
2	CPAA	CPA Australia