

Meeting Highlights

6 SEPTEMBER 2021

1. Register of Interests

The Board noted Agenda Item 2 *Register of Interests*.

2. Proposed revisions to APES 110 for Objectivity of Engagement Quality Reviewers

The Board noted Agenda Item 3 *Proposed revisions to APES 110 for Objectivity of Engagement Quality Reviewers*.

The Board considered the outcome of the exposure draft process and noted stakeholders' general support of the Exposure Draft, including the proposed Aust. paragraphs.

A stakeholder raised a concern about whether a breach of a requirement in the amending standard would result in the auditor reporting on the breach in its Independence Declaration (as per s307C of the *Corporations Act 2001*).

The Board agreed that additional submissions specifically on the impact of breach reporting could be made to the APESB by 15 October 2021. The Board will consider the outcome of this consultation process and the approval of the amending standard at the November 2021 Board Meeting.

The Board noted the importance of stakeholders adhering to APESB's due process.

3. Proposed revisions to APES 330 *Insolvency Services*

The Board noted Agenda Item 4 *Proposed revisions to APES 330 Insolvency Services*.

The Board approved the issue of ED 04/21 *Proposed revisions to APES 330 Insolvency Services*.

4. International and other activities

The Board noted Agenda Item 5 *International and other activities*.

5. Project update on APES 230 *Financial Planning Services*

The Board noted Agenda Item 6 *Project update APES 230 Financial Planning Services*.

The Board welcomed the Australian Law Reform Commission (ALRC) review of the financial services legislation. The Board will consider a further update on the APES 230 project after the ALRC interim report is released.

6. Proposed revisions to APES 320 *Quality Control for Firms*

The Board noted Agenda Item 7 *Proposed revisions to APES 320 Quality Control for Firms*.

The Board considered four proposed options to revise APES 320 *Quality Control for Firms* (APES 320). The Board determined to adopt option one, whereby APES 320 will be redrafted using the extant APES 320 as the base but restructured to focus on non-assurance services. In addition, it will have alignment with ASQM 1 at the component level for the benefit of hybrid firms. The title of the standard will change to APES 320 *Quality Management for Firms that provide Non-Assurance Services*.

The Board noted the importance of coordinating the timeline of the revision of APES 320 with the effective date of the Assurance Systems of Quality Management Standards issued by the AUASB.

The Board approved the issue of ED 05/21 *Proposed revisions to APES 320 Quality Management for Firms that provide Non-Assurance Services*.

7. Project update on APES 215 *Forensic Accounting Services*

The Board noted Agenda Item 8 *Project update on APES 215 Forensic Accounting Services*.

The Board supported the way forward for the project proposed by Technical Staff.

8. Project update on Technology

The Board noted Agenda Item 9 *Project update on Technology*.

9. Project update: Benchmarking on Non-Assurance Services

The Board noted Agenda Item 10 *Project Update: Benchmarking on Non-Assurance Services*.

The Board supported APESB Technical Staff undertaking a survey to gather information on the provision of non-assurance services by auditors. The outcomes of the survey are to be presented to the Board at a future Board Meeting.