

Extract of select sections in the proposed Amending Standard reflecting changes to:

- **Update proposed paragraph AUST 400.18 A3 to address stakeholders feedback (per specific comment items 16 and 18 in agenda paper 11 (b)); and**
- **incorporate the stage 2 provisions exposed in ED 01/23 *Revisions to APES 110 Code of Ethics for Professional Accountants (including Independence Standards) Relating to the Definition of Engagement Team and Group Audits*.**

Revisions to the Definitions of Listed Entity and Public Interest Entity in APES 110 Code of Ethics for Professional Accountants (including Independence Standards)

[Date]

APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* is published in **XXXX 2023** under licence from the International Federation of Accountants (IFAC) by the Accounting Professional & Ethical Standards Board Limited (APESB). All rights reserved. The text, graphics and layout of this Standard are protected by Australian copyright law, international treaties, and the comparable law of other countries. Reproduction within Australia in unaltered form (retaining this notice) is permitted for personal and non-commercial use, subject to the inclusion of an acknowledgment of the source for APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* as being the Accounting Professional & Ethical Standards Board Limited (APESB).

APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* is based on and adapted from the *International Code of Ethics for Professional Accountants (including International Independence Standards)* and the *Final Pronouncement: Revisions to the Code Relating to the Definition of Engagement Team and Group Audits* published by the International Federation of Accountants (IFAC), and in the manner described in the Statement on Conformity with International Pronouncements.

Contact Permissions@ifac.org for permission to reproduce, store or transmit or to make other similar uses of the *Final Pronouncement: Revisions to the Code Relating to the Definition of Engagement Team and Group Audits* or the *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

GLOSSARY

...

Audit Client

An entity in respect of which a [Firm](#) conducts an [Audit Engagement](#). When the client is a [Publicly Traded Entity](#), in accordance with paragraphs R400.~~22~~17 and R400.~~23~~18, Audit Client will always include its [Related Entities](#). When the Audit Client is not a [Publicly Traded Entity](#), Audit Client includes those [Related Entities](#) over which the client has direct or indirect control. (See also paragraph R400.27~~2~~.)

In Part 4A, the term "Audit Client" applies equally to "Review Client." [In the case of a Group Audit, see the definition of Group Audit Client.](#)

Group Audit Client

The entity on whose [Group Financial Statements](#) the [Group Auditor Firm](#) conducts an [Audit Engagement](#). When the entity is a [Publicly Traded ~~Listed~~ Entity](#), the Group Audit Client will always include its [Related Entities](#) and any other [Components](#) at which audit work is performed. When the entity is not a [Publicly Traded ~~Listed~~ Entity](#), the Group Audit Client includes [Related Entities](#) over which such entity has direct or indirect control and any other [Components](#) at which audit work is performed.

See also paragraph R400.27~~2~~.

...

PART 4A – INDEPENDENCE FOR AUDIT AND REVIEW ENGAGEMENTS

SECTION 400

APPLYING THE CONCEPTUAL FRAMEWORK TO INDEPENDENCE FOR AUDIT AND REVIEW ENGAGEMENTS

...

AUST ~~R400.18.1-A3~~ The following entities in Australia will generally satisfy the conditions in paragraphs 400.9, R400.17 and R400.18 [reflecting the significant public interest in the financial condition](#), ~~as~~ having a large number and wide range of stakeholders and thus are likely to be classified as **Public Interest Entities**. In each instance **Firms** shall consider the nature of the business, its size and the number of its employees:

- **Authorised deposit-taking institutions (ADIs) and authorised non-operating holding companies (NOHCs) regulated by the Australian Prudential Regulatory Authority (APRA)¹ under the *Banking Act 1959*;**
- **Authorised insurers and authorised NOHCs regulated by APRA² under the *Insurance Act 1973*;**
- **Life insurance companies and registered NOHCs regulated by APRA³ under the *Life Insurance Act 1995*;**
- **Private health insurers regulated by APRA⁴ under the *Private Health Insurance (Prudential Supervision) Act 2015*;**
- **Disclosing entities as defined in Section 111AC of the *Corporations Act 2001*;**
- **Registrable superannuation entity (RSE) licensees, and RSEs under their trusteeship that have five or more members, regulated by APRA⁵ under the *Superannuation Industry (Supervision) Act 1993*; and**
- **Other issuers of debt and equity instruments to the public.**

...

¹ Refer to the APRA *Prudential Standard CPS 510 Governance* for applicable [Independence](#) requirements for audits of APRA-regulated entities.

² Refer to the APRA *Prudential Standard CPS 510 Governance* for applicable [Independence](#) requirements for audits of APRA-regulated entities.

³ Refer to the APRA *Prudential Standard CPS 510 Governance* for applicable [Independence](#) requirements for audits of APRA-regulated entities.

⁴ Refer to the APRA *Prudential Standard CPS 510 Governance* for applicable [Independence](#) requirements for audits of APRA-regulated entities.

⁵ Refer to the APRA *Prudential Standard SPS 510 Governance* for applicable [Independence](#) requirements for audits of APRA-regulated entities.