

AGENDA PAPER

Item Number: 10.9

Date of Meeting: 13 May 2008

Subject: *APS 1 Conformity with Accounting Standards and UIG Consensus Views, APS 2 Terms of Engagement, APS 6 Statement of Taxation Standards, APS 8 Statement of Management Consulting Services Standards*



Action Required



For Information Only

Purpose

To withdraw: *APS 1 Conformity with Accounting Standards and UIG Consensus Views*
APS 2 Terms of Engagement
APS 6 Statement of Taxation Standards
APS 8 Statement of Management Consulting Service Standards

Background

APS 1, 2, 6

In 2007 APESB issued the following standards:

- *APES 205 Conformity with Accounting Standards*
- *APES 305 Terms of Engagement*
- *APES 220 Taxation Services*

All of these standards have an effective date of 1 July 2008 and are replacement standards for the following which were originally issued by the issued by the National Councils of The Institute of Chartered Accountants in Australia and the Australian Society of Certified Practising Accountants (now CPA Australia):

- *APS 1 Conformity with Accounting Standards and UIG Consensus Views*
- *APS 2 Terms of Engagement*
- *APS 6 Statement of Taxation Standards*

APS 8

The APES Board considered the issue of the withdrawal of APS 8 in its meeting held in February 2008. At this meeting, the following documents were presented for the Board's review:

- APS 8 Statement of Management Consulting Standard
- Comparison of APS 8 to APES 110
- AICPA Statement on Standards for Consulting Services
- Code of the Institute of Management Consultants

In addition to the above, comments from the professional bodies were received and considered by the Board. The Board were in agreement, in principal, however requested that the APES Secretariat invite public comment prior to the official withdrawal of APS 8 *Statement of Management Consulting Service Standards*.

Consideration of Issues

APS 1, 2, 6

In line with the effective date of 1 July 2008 for the replacement standards, there is a need to withdraw APS 1, APS 2 and 6 *Statement of Taxation Standards* for clarity.

APS 8

The APESB Secretariat issued a notice to withdraw APS 8 *Statement of Management Consulting Service Standards*. Responses were received from 2 big four firms and the professional accounting bodies. The respondents were supportive of the withdrawal of APS 8.

Staff Recommendation

The Board approve the withdrawal of the following statements which is effective on 30 June 2008:

- APS 1 *Conformity with Accounting Standards and UIG Consensus Views*
- APS 2 *Terms of Engagement*
- APS 6 *Statement of Taxation Standards*.
- APS 8 *Statement of Management Consulting Services Standards*

Material Presented

General Comments Table on APS 8 *Statement of Management Consulting Services Standards*

Authors: Channa Wijesinghe
Rozelle Azad

Date: 2nd May 2008