

AGENDA PAPER

Item Number: 12.6
Date of Meeting: 31 January 2011
Subject: Annual Review of APES 350 *Participation by Members in Public Practice in Due Diligence Committees in Connection with a Public Document*

Action Required

For Information Only

Purpose

In accordance with APESB's constitution, the Annual Review of APES 350 has been performed to identify and resolve any issues identified by stakeholders.

Background

The Accounting Professional and Ethical Standards Board (APESB) issued APES 350 *Participation by Members in Public Practice in Due Diligence Committees in Connection with a Public Document* (APES 350) in December 2009 with an effective date of 1 February 2010.

Consideration of Issues

The six monthly review of APES 350 identified a number of issues which was considered by the Board at its November 2010 Board meeting. The Board approved editorial changes arising from the issues identified in the Six Monthly Review Report has been reflected in the draft marked up version of APES 350. It is proposed that the revised Standard should be effective from 1 March 2011 with early adoption permitted as the changes are mainly of an editorial nature.

As requested by the Board, the APES 350 Taskforce has also developed a template Materiality Letter for the Board's consideration.

Staff Recommendations

- The Board approve the Annual Review of APES 350 *Participation by Members in Public Practice in Due Diligence Committees in Connection with a Public Document*.
- Subject to Board editorials, the Board approve the Materiality Letter for inclusion as Appendix 2 to the revised APES 350.
- Subject to Board editorials, the Board approve the revised version of APES 350 for Engagements commencing on or after 1 March 2011 with early adoption permitted.

Material Presented

- Annual Review Report of APES 350 *Participation by Members in Public Practice in Due Diligence Committees in Connection with a Public Document*;
- Proposed Appendix 2 : Materiality Letter;
- Marked up version of the revised APES 350 Standard; and
- Six Monthly Review Report of APES 350 *Participation by Members in Public Practice in Due Diligence Committees in Connection with a Public Document*.

Authors: Channa Wijesinghe
Si-Jia Li

Date: 19 January 2011