

AGENDA PAPER

Item Number: 14
Date of Meeting: 31 May 2016
Subject: Annual review of APES 205 *Conformity with Accounting Standards*

Action required For discussion For noting For information

Purpose

In accordance with Accounting Professional & Ethical Standards Board's (APESB) constitution, an annual review of APES 205 *Conformity with Accounting Standards* (APES 205) has been performed to identify and resolve any issues identified by stakeholders.

Background

APESB issued APES 205 in December 2007 and revised APES 205 in October 2015 with an effective date of 1 January 2016.

Consideration of Issues

APESB Technical Staff have completed the following procedures to identify any issues associated with APES 205:

- Consulted with the Professional Bodies to identify whether Members or other stakeholders have raised any issues with the Professional Bodies in respect of APES 205;
- Reviewed the APESB Issues Register to identify whether stakeholders have reported any matters in relation to APES 205; and
- Performed an internal technical review of APES 205.

The issue identified as a result of completion of the above procedures is noted below.

Professional Bodies' Feedback

Professional Bodies' feedback noted that section 2 *Definitions* of APES 205 needs to be revised due to the Auditing Standards (AUSs) issued by the former Auditing and Assurance Standards Board of the Australian Accounting Research Foundation (AuASB) have now been either re-issued or withdrawn. The AUSs have been completely replaced with pronouncements issued by the AUASB.

Definition to be revised

Auditing and Assurance Standards means:

- (a) the AUASB standards, as described in *ASA 100 Preamble to AUASB Standards*, *ASA 101 Preamble to Australian Auditing Standards* and the *Foreword to AUASB Pronouncements*; issued by the AUASB, and operative from the date specified in each standard; and
- (b) ~~those standards issued by the AuASB which have not been revised and reissued (whether as standards or as guidance) by the AUASB, to the extent that they are not inconsistent with the AUASB standards.~~

Definition to be deleted

~~**AuASB** means the Auditing and Assurance Standards Board which issued Australian auditing and assurance standards up to 30 June 2004, under the auspices of the Australian Accounting Research Foundation, a joint venture of CPA Australia and the Institute of Chartered Accountants in Australia.~~

These revisions to the Definitions section are not expected to affect any other sections in APES 205 from a drafting perspective.

The defined terms in APES 205 should be revised to reflect current pronouncements issued by the AUASB. It is recommended that these changes be processed at the next revision of APES 205.

Staff Recommendations

The Board note the Annual Review of APES 205 and Technical Staff recommend that the editorial amendments to the Definitions section be addressed in the next revision of APES 205.

Author: Saras Shanmugam

Date: 16 May 2016