

AGENDA PAPER

Item Number: 3
Date of Meeting: 25 May 2015
Subject: Annual Review of APES 320 *Quality Control for Firms*

Action required **For discussion** **For noting** **For information**

Purpose

In accordance with Accounting Professional & Ethical Standards Board's (APESB) constitution, Technical Staff have performed an annual review of APES 320 *Quality Control for Firms* (APES 320) to identify and resolve any issues identified by stakeholders.

Background

APESB issued APES 320 in May 2006 with an effective date of 01 July 2006. In May 2009 APESB revised APES 320 to bring it into alignment with changes made to the *International Standard on Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* (ISQC 1).

Consideration of Issues

APESB Technical Staff have completed the following procedures to identify any issues associated with APES 320:

- Consulted with the Professional Bodies to identify whether Members or other stakeholders have raised any issues with the Professional Bodies in respect of APES 320;
- Reviewed the APESB Issues Register to identify whether stakeholders have reported any matters in relation to APES 320;
- Considered the International Auditing and Assurance Standards Board's (IAASB) development in respect of ISQC 1; and
- Performed an internal technical review of APES 320.

The issues identified as a result of completion of the above procedures have been addressed in the attached Annual Review Report and Project status update on the proposed revision of APES 320 to focus on non-assurance practices.

Staff Recommendations

The Board to:

- note the Annual Review of APES 320; and
- provide the Board's view on Technical Staff's recommendation to defer work on the removal of the duplication between APES 320 and ASQC 1.

Material presented

Agenda item 3 (a) Annual Review of APES 320 *Quality Control for Firms*; and
Agenda item 3 (b) Project status update on revision of APES 320 *Quality Control for Firms* to focus on non-assurance practices.

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Date: 12 May 2015