

Media Release

19 November 2020

APESB welcomes the Parliamentary Joint Committee's Final Report on Regulation of Auditing in Australia

The Accounting Professional and Ethical Standards Board (APESB) welcomes the release of the final report of the Parliamentary Joint Committee (PJC) on Corporations and Financial Services Inquiry on the Regulation of Auditing in Australia.

The PJC Inquiry received over 100 submissions from regulators, standard setters, professional bodies, firms and other stakeholders and held public hearings in its review of audit regulation in Australia. The final report includes a set of important recommendations that aim to improve the standard of auditing and company reporting in Australia.

APESB Chair Nancy Milne OAM said, "We welcome the opportunity to enhance the auditor independence standards in Australia, and acknowledge the critical importance of the auditor's independence in the external audit process."

"APESB is committed to having robust auditor independence requirements that govern the conduct of external auditors in the public interest and in accordance with international best practice." Ms Milne said.

Chair Nancy Milne OAM and CEO Channa Wijesinghe provided evidence at the PJC's public hearing in February 2020 and APESB made three submissions to the Inquiry. These included details of the existing auditor independence requirements, prohibitions in the Code and other professional and ethical requirements that govern the provision of non-assurance services in Australia.

The Board acknowledges that the PJC has recognised the recent release of the updated *Independence Guide— Fifth Edition*, May 2020, and *APES 110 Code prohibitions applicable to Auditors for all Audit and Review Engagements*, August 2020. APESB looks forward to engaging widely with stakeholders, including regulators and standard setters, as we consider these final recommendations.

The Board remains vigilant in its endeavors to provide appropriate, up to date and relevant guidance for Australian professional accountants undertaking audit services with professionalism, independence and quality.

– ENDS –



Media Enquiries: Please contact Melanie Wilkinson on 03 9600 0006 / 0418 105 913 or melanie@fenton.com.au.

Notes to Editors: APESB is the National Standards Setter that sets the Code of ethics and professional standards by which members of Australia's three major professional accounting bodies (CPA Australia, Chartered Accountants Australia and New Zealand and the Institute of Public Accountants) are required to abide.