

Meeting Highlights

10 MARCH 2022

1. Register of Interests

The Board noted Agenda Item 2 *Register of Interests*.

2. Issues Register

The Board noted Agenda Item 3 *Issues Register 2022*.

The Board discussed the matters on the Issues Register and noted the items on the Register. The Board requested Technical Staff to prioritise and deal with the items on the Issues Register.

3. International and other activities

The Board noted Agenda Item 4 *International and other activities*.

The Board noted International Ethics Standards Board for Accountants (IESBA's) upcoming global roundtables on tax planning and related services (scheduled to be held from 25 - 28 April 2022).

4. Proposed project on conforming amendments to APESB Pronouncements for Quality Management

The Board noted Agenda Item 5 *Proposed project on conforming amendments to APESB pronouncements for Quality Management*.

The Board approved a project proposal to revise APESB's pronouncements for changes from conforming amendments for quality management to the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code) and changes to other pronouncements relating to the reissue of APES 320 *Quality Management for Firms that provide Non-Assurance Services* (APES 320) and AUASB Quality Management Standards.

The project timeline anticipates exposure drafts to be considered by the Board for conforming amendments to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) in June 2022 and for other pronouncements in an Omnibus standard in September 2022.

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5. Update on the Technology Project

The Board noted Agenda Item 6 *Update on the Technology Project*.

The Board supported the way forward proposed by Technical Staff.

6. Project update on APES 230 *Financial Planning Services*

The Board noted Agenda Item 7 *APES 230 Financial Planning Services*.

The Board discussed the status of the ALRC review and the review's expected timeline.

7. Proposed revisions to APES 110 for the definition of Listed Entity and Public Interest Entity

The Board noted Agenda Item 8 *Proposed revisions to APES 110 for the definition of Listed Entity and Public Interest Entity*.

The Board supported the next steps proposed by Technical Staff regarding this project.

8. Project update on the Non-Assurance Services provisions of APES 110

The Board noted Agenda Item 9 *Proposed update on the Non-Assurance Services provisions of APES 110*.

The Board discussed the developments in the non-assurance services project and noted the upcoming discussion between IESBA, APESB and NZAuASB Staff to clarify specific provisions in the IESBA Code.

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9. Proposed revisions to Fee-related provisions of APES 110

The Board noted Agenda Item 10 *Proposed revisions to Fee-related provisions of APES 110*.

The Board discussed the proposed amendments based on revisions to the IESBA Code and considered the inclusion of a footnote to paragraph 410.3 A3 to clarify its intent in separately disclosing the fee concerning the audit of the financial statements for transparency.

The Board discussed the implementation of the new IESBA provisions when the language used is not consistent with the requirements to disclose audit fees under the *Corporations Act 2001* and Australian Accounting Standards. The Board has requested further information with respect to this issue for its June 2022 meeting.

The Board approved the amendments to revise the audit partner incentivisation provisions and update references to the reissued APES 320. The Board also agreed to defer the inclusion of audit fee categories in the Code to ensure consistency with the outcomes of the AASB project on audit fee disclosures.

The Board discussed the proposed revisions to the referral source fee dependency provisions and supported the 30% threshold. The Board considered potential options for the actions that a member in public practice takes if the fee dependency threshold of 30% continues for five consecutive years. The Board agreed to re-expose the proposed amended provisions relating to fee dependency on a referral source for a 30-day comment period.