

1 July 2022

APESB proposes to enhance the non-assurance services provisions in the Code of Ethics

The Accounting Professional and Ethical Standards Board (APESB) today announced proposals that will strengthen the Non-Assurance Services (NAS) provisions in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code).

The proposals incorporate changes made by the International Ethics Standards Board for Accountants (IESBA) to the IESBA's global Code and recommend further strengthening the parts of the Code relating to tax services to suit the Australian environment.

"The proposed revisions to the Code are substantive and give firms greater clarity on when they may or may not provide non-assurance services to audit or assurance clients, or where certain services are strictly prohibited from being provided, especially when an audit client is a Public Interest Entity (PIE)", said APESB Chairman, Nancy Milne OAM.

"Another important measure is to improve communication between auditors and those charged with governance, including proposals to require pre-approval of the provision of non-assurance services to public interest entities. The Board is also considering two alternative proposals to address concerns raised by Australian regulators to make the provisions on tax services to audit clients more robust."

Other proposed key revisions include:

- prohibiting non-assurance services to PIE audit clients that might create a self-review threat;
- enhanced clarity on the relevance of materiality in applying NAS provisions, including the removal or the materiality qualifier for NAS provided to PIE audit clients and in certain instances for non-PIE audit clients; and
- new prohibitions relating to certain tax services, legal advice and corporate finance services.

APESB is seeking specific comments and feedback from stakeholders on two proposed options to strengthen the tax services provisions in the IESBA Code for the Australian context. Stakeholder responses will inform the Board's final decision. The proposed amendments are expected to be effective from 1 July 2023, with early adoption permitted. All stakeholders are invited to submit their comments by **7 October 2022** via the APESB website: www.apesb.org.au.

- ENDS -

Keep up to date with APESB standards via our [website](#), [LinkedIn page](#), or by downloading the APESB app.



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 & New Zealand and the Institute of Public Accountants) are required to abide.

[Accounting Professional & Ethical Standards Board Limited](#). ABN 63 118 227 259

Level 11, 99 William Street, Melbourne, Victoria, 3000 T +61 (3) 9670 8911 F +61 (3) 9670 5611

E enquiries@apesb.org.au www.apesb.org.au