

Exposure Draft 02/22: Proposed Quality Management-related Conforming Amendments to APES 110 Code of Ethics for Professional Accountants (including Independence Standards)

Review of Submissions - Specific Comments
 Exposure Draft 02/22: Proposed Quality Management-related Conforming Amendments to APES 110 Code of Ethics for Professional Accountants (including Independence Standards)

Note: General comments relating to Exposure Draft 02/22 are addressed in a separate table. This table excludes minor editorial changes.

Item No.	Paragraph No. in ED	Respondent	Respondents' Comments	Change made to standard?
1	120.14 A1	CA ANZ	<p>The existence of two quality managements standards; ASQM 1 <i>Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements</i> (“ASQM 1”) issued by the Australian Auditing and Assurance Standards Board (“AUASB”) and APES 320 <i>Quality Management for Firms that Provide Non-Assurance Services</i> (“APES 320”) issued by the APESB adds a degree of complexity to the design of our members’ system of quality management, particularly for those operating in both the assurance and non-assurance environment.</p> <p>The drafting of the conforming amendments in the ED may add further complexity, for example, the proposed changes to paragraph 120.14 A1 refer to both APES 320 and ASQM 1 however this paragraph refers to the Firm’s responsibilities when designing, implementing and operating a system of quality management for audits or reviews of financial statements or other assurance or related service engagements. We recommend removing the reference to APES 320 in this paragraph (as APES 320 is not applicable to firms conducting these types of engagements) or including non-assurance engagements when referring to the Firm’s responsibilities when designing, implementing and operating a system of quality management.</p> <p>If the APESB considers it necessary to provide clarity around the applicable standard for firms only performing related services engagements, in particular agreed-upon procedures engagements, this could be achieved by use of a footnote.</p>	Yes Paragraph 120.14 A1

RESPONDENTS

1	CA ANZ	Chartered Accountants Australia and New Zealand
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