

ACCOUNTING PROFESSIONAL & ETHICAL STANDARDS BOARD LIMITED

**APES 215 *Forensic Accounting Services*
2nd Taskforce Meeting**

MINUTES

**2 November 2022, Monday
4.00 p.m. – 4.56 p.m.**

Videoconference

1. Present and Apologies

Present:

Mr Channa Wijesinghe (Chairman), Mr Owain Stone, Mr Paul Vincent, Mr Gregory O'Neil, Mr Keith Reilly, Mr Campbell Jackson (until 4.30 pm) and Mr Matthew Ashby.

In Attendance:

Mr Brian Morris (Board Member), Mr Jon Reid and Ms Rachael Tiong.

Apologies

Mr Brendan Halligan.

2. Minutes of Previous Taskforce Meetings

The Chairman welcomed Taskforce members and thanked them for their attendance to consider the Draft Exposure Draft (Draft ED) for APES 215 *Forensic Accounting Services* (APES 215).

The Taskforce noted the draft minutes from the first Taskforce meeting held on 15 August 2022 and approved the minutes without amendment.

3. Highlights of the meeting with ASIC

The Taskforce noted the highlights of the 20 September 2022 meeting with ASIC and suggested edits from a Taskforce member. The Taskforce discussed ASIC's support of the proposed requirement in paragraph 3.14 and changes to Example 7 in Appendix 3. It was noted that ASIC intended to reconsider whether Example 6 of Appendix 3 could be delineated between Lay Witness Service and Expert Witness Services. However, no further response has been received from ASIC to date.

4. Proposed revisions to APES 215

(a) Examples in the definitions of Lay Witness Service and Other Evidence

The Taskforce discussed the use of examples in definitions in APESB pronouncements which occurs where it clarifies and assists in understanding the definition. As a result, the Taskforce agreed to maintain the examples in the definitions of Expert Witness and Other Evidence in APES 215.

Definition of 'expert evidence'

The Taskforce discussed historical reasons for not defining 'expert evidence' in APES 215, including the challenge of drafting a concise definition, and due to the definitions of Expert Witness Service and Other Evidence, defining 'expert evidence' was deemed unnecessary. In addition, the Taskforce noted that since 2008, approximately 90% of the standard has not changed, and APESB has not received stakeholder feedback or concerns with the meaning of 'expert evidence' for the purposes of the standard. Therefore, the Taskforce agreed not to include a definition of 'expert evidence' in APES 215.

c) Reason for including Lay Witness Services in the Standard

The Taskforce discussed the difference between Lay Witness Service as defined in APES 215, which relates to a Professional Activity, and 'lay witness', which does not. As a result, the Taskforce agreed to maintain Lay Witness Service as defined in the Draft ED as a type of Forensic Accounting Service.

d) Proposed paragraph 3.14 and Example 7 in Appendix 3

The Taskforce recommended amending the proposed paragraph 3.14 to refer to "*specialised knowledge and/or training, study or experience*" to address potential practical issues where the member may not specifically refer to the member's specialised knowledge. The Taskforce recommended consequential amendments to Example 7 of Appendix 3.

e) Other matters and editorials

The Taskforce raised no other matters or editorials. Technical Staff will update the Draft ED for the matters discussed above and present a proposed ED at the December 2022 Board meeting for approval.

5. Impact of Technology on APES 215

The Chairman provided an update on the APESB's Technology survey on Forensic Accounting Services and encouraged Taskforce members to promote the survey within their networks to assist APESB's project.

The Taskforce noted forensic accountants have embraced technology tools to enhance efficiency and productivity and discussed some examples of technology used. The Taskforce believe the principles in APES 215 stand up well in respect of technology but recognised the importance of being able to explain the outputs of technology and appropriate recognition and disclosure of reliance on technological expertise.

The Taskforce agreed with Technical Staff's suggestion to include requests for specific comments in the APES 215 Exposure Draft on the impact of the use of technology on the standard. The Taskforce recommended including examples of technology used in the specific comment request.

6. Any other matters and way forward

The Taskforce agreed with the proposed way forward and no other matters were noted.

7. Close of meeting

The meeting closed at 4.56 pm.

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