

Technical Alert

22 August 2023

APESB revises guidance on prohibitions in the Code for auditors

The Accounting Professional & Ethical Standards Board Limited (APESB) has today revised its guidance to assist auditors, audit firms, professional accountants and other stakeholders with implementing revised prohibitions in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code).

Auditors are required to be independent when undertaking audits, reviews and other assurance engagements. One key aspect of independence relates to the requirements prohibiting specific services and activities to audit and review clients.

APESB issued guidance in August 2020 that provided a summary of strictly prohibited non-assurance services, prohibited non-assurance services based on materiality or other factors. It also included a summary of prohibitions relating to interests, relationships and actions or matters which need to be assessed against the enhanced conceptual framework.

This guidance has now been revised to incorporate recent amendments to the Code primarily relating to fees and non-assurance services, which are set out in the Compiled Code (December 2022). In particular, it addresses the new prohibition of providing non-assurance services to public interest entity audit clients if the service might create a self-review threat.

The guidance document *APES 110 Code Prohibitions applicable to Auditors for all Audit and Review Engagements, August 2023*, is available to download on the APESB website: www.apesb.org.au.

To obtain a comprehensive understanding of the auditor independence requirements, stakeholders must refer to the relevant provisions in the Code. Please note that this publication does not amend or override the Code, the text of which alone is authoritative. Reading this publication is not a substitute for reading the Code.

Keep up to date with APESB standards via our website www.apesb.org.au, by downloading our app from one of the app stores below or following us on [LinkedIn](#).

- ENDS -



Technical Enquiries:

Mr Channa Wijesinghe
Chief Executive Officer
Email: channa.wijesinghe@apesb.org.au
Phone: 03 9642 4372