

# Meeting Highlights

26 JUNE 2024

## 1. Register of Interests

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

## 2. International and other activities

The Board noted Agenda Item 3 *International and other activities*.

The Board acknowledged the speech given by the International Ethics Standards Board for Accountants (IESBA) Chair, Gabriela Figueiredo Dias, at the APESB thought leadership dinner on 9 May 2024 in Melbourne, which is now available on [APESB's website](#).

## 3. Update on Sustainability

The Board noted Agenda Item 4 *Update on Sustainability*.

The Board considered the update on sustainability and discussed the developments occurring at both the international and local levels.

The Board noted the IESBA's plans to release final standards on sustainability in January 2025. The Board also discussed the current process for seeking nominations for the APESB Sustainability Task Force, with the deadline for stakeholder nominations being 30 June 2024.

## 4. Revisions to APES 110 for Tax Planning and Related Services

The Board noted Agenda Item 5 *Revisions to APES 110 for Tax Planning and Related Services*.

The Board considered the draft exposure draft, which aligns with the IESBA's final pronouncement on Tax Planning and Related Services. It also incorporates Australian-specific provisions, such as a footnote referring to the promoter penalty regimes set out in Division 290 of Schedule 1 of the *Taxation Administration Act 1953* and mandating documentation of specific information related to tax planning services in line with the extant requirements of APES 220 *Taxation Services*.

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The Board approved the issue of the exposure draft on *Revisions to APES 110 Code of Ethics for Professional Accountants (including Independence Standards) Addressing Tax Planning and Related Services* with a 75 day comment period.

## 5. Proposed revised APES 220 Taxation Services

The Board noted Agenda Item 6 *Proposed revised APES 220 Taxation Services*.

The Board considered the draft exposure draft, including proposed amendments to incorporate proposed Tax Planning and Related Services amendments to APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (APES 110), and to address matters on the APESB Issues Register relating to quality management-related conforming amendments and revised guidance issued by the Tax Practitioners Board (TPB) regarding supervisory arrangements.

The Board approved the issue of the exposure draft on proposed revisions to *APES 220 Taxation Services* for a comment period of 90 days.

## 6. Proposed revisions to APESB Pronouncements for Code Conforming Amendments

The Board noted Agenda Item 7 *Proposed Revisions to APESB pronouncements for Code Conforming Amendments*

The Board considered the draft exposure draft, which proposes revisions to the following five pronouncements:

- APES 210 *Conformity with Auditing and Assurance Standards* (APES 210);
- APES 215 *Forensic Accounting Services* (APES 215);
- APES 225 *Valuation Services* (APES 225);
- APES 305 *Terms of Engagement* (APES 305); and
- APES GN 20 *Scope and Extent of Work for Valuation Services* (APES GN 20).

The revisions ensure alignment with the updated APES 110, particularly for the Amending Standard on Technology-related revisions, and include updated cross-references and definitions, amendments to address matters noted on the APESB Issues Register, and other editorials to ensure consistency across the suite of APESB pronouncements.

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The Board approved the issue of the exposure draft revision of APESB pronouncements with a comment period of 45 days.

## 7. Proposed project on APES 110 and reporting breaches

The Board noted Agenda Item 8 *Proposed project on APES 110 and reporting breaches*.

The Board discussed the Technical Staff research, which identified that the requirement to report breaches is usually established in the by-laws of professional bodies. In jurisdictions like New Zealand, where this reporting obligation exists in a Code of Ethics, there is legislative backing and whistleblowing protection for members who disclose breaches.

The Board noted the inadequacy of whistleblowing provisions in Australia is being considered in current parliamentary inquiries. It is likely that reforms to enhance the current protections may be recommended.

Based on the current status of the relevant parliamentary inquiries, the Board agreed to defer further consideration until the outcomes of the parliamentary inquiries are known.

## 8. Update on revisions to APES 310 *Client Monies*

The Board noted Agenda Item 9 *Update on revisions to APES 310 Client Monies*.

The Board noted the update on developments related to the project to revise APES 310 *Client Monies* (APES 310), including the project in New Zealand, to revise their professional and ethical standard on client monies (e.g., PS-2 *Client Monies*) and the positive progress of the professional bodies in engaging with the National Australia Bank (NAB) on the ability of professional accountants to set up a 'Controlled Monies Accounts' that meets the requirements in APES 310.

The Board discussed the importance of having legislative backing when accountants handle client monies, similar to other professions that handle client monies and have legislative backing provided to them, such as legal practitioners.

The Board noted that Technical Staff are continuing to work on the use of limited assurance engagements as a safeguard for client banking transactions and will present their findings at the September 2024 Board meeting.

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## 9. Update on Parliamentary Inquiries relating to the accounting profession

The Board noted Agenda Item 10 *Update on Parliamentary Inquiries relating to the accounting profession*.

The Board noted that the Parliamentary Joint Committee on Corporations and Financial Services had sent APESB additional questions on notice regarding their inquiry into Ethics and Professional Accountability.

The Board noted that no specific concerns about APESB or APESB standards have been raised in the parliamentary inquiries so far and will continue to monitor these inquiries.