

AGENDA PAPER

Item Number: 12

Date of Meeting: 3 September 2024

Subject: Proposed revised APESB pronouncements for Code Conforming Amendments – Due Process ED 01/24

Action required For discussion For noting For information

Purpose

To seek the Board's approval, subject to the Board's review comments and editorials, to issue the revised:

- 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).

Background

In December 2023, APESB released the newly compiled Code for APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code). In addition, APESB also issued the Amending Standards for revisions to the Definitions of Listed Entity and Public Interest Entity (PIEs) in November 2023 and Technology-related revisions in June 2024.

At the March 2024 Board meeting ([Agenda 3](#)), the Board considered the need to review APESB's suite of pronouncements for Code-conforming amendments. As a result, APESB has commenced a project to update its current pronouncements where relevant, to update any cross-references to the Code and Amending Standards to ensure consistency of definitions and terminology, and other matters identified in the APESB's Issues Register.

At the June 2024 Board meeting ([Agenda Item 7](#)), the Board approved [ED 01/24](#) for the first group of 5 APESB pronouncements revised for Code conforming amendments, which was issued on 27 June 2024 and was open for public comment until 14 August 2024.

Key Considerations

APESB received two submissions on ED 01/24 from two professional bodies - CPA Australia and the Institute of Public Accountants (IPA). The General Comments Table at Agenda Item 12(a) tabulates the respondents' comments.

Both submissions received supported the proposed revisions to APES 210, APES 215, APES 225, APES 305, and APES GN 20, with no further suggested amendments proposed by the respondents.

One respondent specifically supported the proposed effective date for each of the named amended standards in Exposure Draft 01/24 and the guidance note being effective from the date of issue.

One submission raised a question about the process of revising pronouncements for conforming amendments. The respondent suggested that these anticipated changes to related standards should be considered and confirmed at the same time as the pronouncements causing the revisions. Technical Staff will consider this suggestion in the next scheduled review of the APESB Due Process and Working Procedures document.

Technical Staff have engaged with Chartered Accountants Australia and New Zealand (CA ANZ) regarding ED 01/24. CA ANZ staff advised that their submission is delayed. Technical Staff will provide a verbal update on this matter at the Board meeting.

Technical Staff do not propose any further amendments to APES 210, APES 215, APES 225, APES 305, and APES GN 20 due to the exposure draft due process.

As no other changes are proposed to APES 210, APES 215, APES 225, APES 305, and APES GN 20 as presented in the initial exposure draft, the revised standards and the guidance note have not been reproduced in this board paper. The [exposure draft](#) was considered at Agenda Item 7 of the June 2024 Board Meeting.

Technical Staff seek the Board's approval to issue the proposed revised APES 210, APES 215, APES 225, APES 305, and APES GN 20.

The revised standards will be effective from 1 January 2025, with early adoption permitted, and the guidance note will be effective from the date of issue of APES GN 20.

Small and Medium Practices (SMPs)

As the proposed amendments predominantly consist of conforming amendments and addressing minor matters on APESB's Issues Register, no substantive impacts on SMPs have been identified.

Staff Recommendations

Subject to the Board's review comments, the Board approves the issue of the revised APES 210, APES 215, APES 225, APES 305, and APES GN 20.

Materials Presented

Agenda Item 12 (a) General Comments Table ED 01/24

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Date: 20 August 2024