



28 July 2022

Mr Channa Wijesinghe
Chief Executive Officer
Accounting Professional and Ethical Standards Board (APESB)
Level 11
99 William Street
Melbourne VIC 3000

Via email: sub@apesb.org.au
channa.wijesinghe@apesb.org.au

Dear Channa

Proposed Quality Management Related Conforming Amendments to APES 110 Code of Ethics for Professional Accountants (including Independence Standards)

Chartered Accountants Australia and New Zealand (“**CA ANZ**”) appreciates the opportunity to provide comment on the proposed quality management amendments to APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* (“**the Code**”).

The existence of two quality managements standards; ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* (“**ASQM 1**”) issued by the Australian Auditing and Assurance Standards Board (“**AUASB**”) and APES 320 *Quality Management for Firms that Provide Non-Assurance Services* (“**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.

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.

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.

The **Appendix** provides more information about CA ANZ. Should you have any questions about the matters raised in this submission or wish to discuss them further, please contact Kristen Wydell FCA, General Manager – Professional Standards.

Yours sincerely

Simon Grant FCA
Group Executive
Advocacy and Professional Standing

Appendix

About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand (CA ANZ) represents 131,673 financial professionals, supporting them to make a difference to the businesses, organisations and communities in which they work and live. Chartered Accountants are known as Difference Makers. The depth and breadth of their expertise helps them to see the big picture and chart the best course of action.

CA ANZ promotes the Chartered Accountant (CA) designation and high ethical standards, delivers world-class services and life-long education to members and advocates for the public good. We protect the reputation of the designation by ensuring members continue to comply with a code of ethics, backed by a robust discipline process. We also monitor Chartered Accountants who offer services directly to the public.

Our flagship CA Program, the pathway to becoming a Chartered Accountant, combines rigorous education with mentored practical experience. Ongoing professional development helps members shape business decisions and remain relevant in a changing world.

We actively engage with governments, regulators and standard-setters on behalf of members and the profession to advocate boldly in the public good. Our thought leadership promotes prosperity in Australia and New Zealand.

Our support of the profession extends to affiliations with international accounting organisations.

We are a member of the International Federation of Accountants and are connected globally through Chartered Accountants Worldwide and the Global Accounting Alliance. Chartered Accountants Worldwide brings together members of 15 chartered accounting institutes to create a community of more than 1.8 million Chartered Accountants and students in more than 190 countries. CA ANZ is a founding member of the Global Accounting Alliance which is made up of 10 leading accounting bodies that together promote quality services, share information and collaborate on important international issues.

We have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents more than 870,000 current and next generation accounting professionals across 179 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications.

We employ more than 500 talented people across Australia, New Zealand, Singapore, Malaysia, Hong Kong and the United Kingdom.