

ACCOUNTING PROFESSIONAL & ETHICAL STANDARDS BOARD LIMITED
4th Meeting of the APES 215 Forensic Accounting Appendices Project Taskforce

25 January 2012 from 2:30pm-3.30pm

APESB (Victoria)
Level 7, 600 Bourke Street, Melbourne, VIC, 3000

1. Present and apologies

Present:

Mr Channa Wijesinghe (Chairman), Mr Owain Stone, Mr Gregory O'Neil, Mr Brendan Halligan, Mr Geoff Crawford, and Mr Keith Reilly

In Attendance

Mr Rob Nickel

Apologies

None

2. Minutes of previous meeting

The minutes of the 3rd APES 215 Forensic Accounting Appendices Project Taskforce meeting held on 26th October 2011 were accepted without amendment.

3. APES 215 Decision Tree

The taskforce discussed the two versions suggested by APESB technical staff and opted for the version with the provision of evidence to the Court as the first decision box. Amendments were suggested as follows:

- Change the first decision box to read "Is the service to provide evidence?"
- Change the next decision box from "opinion" to "evidence".

Other matters discussed included the need to expand on the description of "opinions to the Court" in the right margin to include other tasks.

4. Examples

The taskforce discussed how to define Lay Witness and the key issue to consider is if there is an intention to use the Member's accounting qualifications for the purpose of providing evidence to the Court. If this is the case then it should be an Expert Witness Service. Lay Witness is applicable where the Member is asked to provide factual evidence in Court which does not require further interpretation or analysis of the matter, therefore the Member is producing *no new evidence* through their services to the Court. The

taskforce decided that examples of Lay Witness vs. Expert Witness should be provided in the Standard.

The taskforce also suggested that there should be an example provided that is not a forensic accounting service to provide clarity for situations where the Member is brought into Court for unrelated matters. The taskforce also felt the need to produce an example of Investigation Services.

Action item: Provide two examples that deal with a similar situation where one is a Lay Witness and one is an Expert Witness Service, one example where the Member is not providing a Forensic Accounting Services at all, and one example of an Investigation Service.

The taskforce discussed awareness of this Standard by the professional bodies and Members and whether the professional bodies or Members are aware that other relevant accounting and professional standards also apply when performing Forensic Accounting Services.

Taskforce member Owain Stone let the members know that the family law related examples presented in Appendix 3 have been subject to a review by two family lawyers and were found satisfactory.

Action item: Add a table at the beginning of the examples as per the approach in APES 225 Valuation Services.

5. Other Business

The taskforce discussed the need to get in contact with someone at the ATO and ASIC to obtain their input.

Action item: Brendan Halligan to check his records for a contact at ATO.

The taskforce discussed the benefits of getting the Exposure Draft in front of law societies when it is issued as an ED.

Action item: Channa Wijesinghe to examine options to communicate with law societies subsequent to the issue of the ED.

6. Way forward

The taskforce agreed to provide a revised version of the Standard to the Board for the February Board Meeting for consideration.

6. Close of Meeting

The meeting was closed at 3.40 pm.