

**Review of Submissions – General Comments Table**  
**Exposure Draft 01/17: Proposed Amendments to APES 110 (Long Association)**

*Note: Specific comments relating to ED 01/17 are addressed in a separate table. This table excludes minor editorial changes.*

Item No.	Paragraph No. in Exposure Draft	Respondent	Respondents' Comments
1	n/a	CA ANZ	We appreciate the opportunity to comment on the ED. We believe that it is essential that audit and assurance teams and firms are independent, both of mind and in appearance, of their clients and we support a common international framework for making that assessment and the adoption in Australia of that framework. However, through our submissions to the International Ethics Standards Board for Accountants (“IESBA”) during the development of these changes, we expressed our concern about the potential impact of extended time off periods for Engagement Partners (“EPs”) and Engagement Quality Control Reviewers (“EQCRs”). There is no evidence to demonstrate that increasing the time-off period of EP’s and EQCRs to an arbitrarily selected term will improve independence. Even if it did, we do not believe the potential gains, which would be incremental at best, justify the practical impacts and potential reduction in audit quality that the increase will cause.
2	n/a	CPAA	CPA Australia welcomes the opportunity to respond to the above Exposure Draft. CPA Australia represents the diverse interests of more than 160,000 members in 118 countries. Our vision is to make CPA Australia the global accountancy designation for strategic business leaders. We make this submission on behalf of our members and in the broader public interest.  CPA Australia supports amendments to APES 110 <i>Code of Ethics for Professional Accountants</i> to incorporate changes made by the International Ethics Standards Board for Accountants (IESBA) to the <i>International Code of Ethics for Professional Accountants</i> (Code). We understand that as a member body of IFAC we cannot apply less stringent standards than those stated in the Code.
3	n/a	Deloitte	We appreciate the opportunity to comment on Exposure Draft 01/17 (the ED) “Proposed Amendments to Long Association of Personnel with an Audit or Assurance Client requirements in APES 110 Code of Ethics for Professional Accountants” issued by the Accounting Professional & Ethical Standards Board (APESB) in February 2017.  Overall, we support the proposals in the ED as we consider that any revisions to the APES 110 Code of Ethics for Professional Accountants (APES 110) should reflect the wording and structure of the IESBA Code of Ethics for Professional Accountants (the Code), preferably with no changes, unless changes are shown to be required for legislative or regulatory reasons. The proposed amendments in the ED predominantly achieve this.  Our detailed comments are set out below.
4	n/a	EY	Ernst & Young Australia welcomes the opportunity to comment on the Exposure Draft. We fully support the principle of harmonisation of the Australian professional standard with the international standard. We note that the partner rotation requirements of the Corporations Act 2001 do prevent full harmonisation and we acknowledge the efforts of the APES board to contribute to an international standard that allows countries with specific legal provisions some relief from the core five-year cooling-off provision of the code.  We support the proposals in principle but we offer the following comments:

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5	n/a	Grant Thornton	<p>We welcome the opportunity to provide our view on the proposed amendments to Long Association of Personnel Requirements in APES 110 <i>Code of Ethics for Professional Accountants</i>.</p> <p>Grant Thornton's global network maintains an open and constructive relationship with national governments, standard-setters and regulators, consistent with our policy of embracing external oversight.</p> <p>In principle, we find the proposed changes to auditor rotation requirements in APES 110 lend themselves to confusion – we propose a simpler alternative in line with comparable jurisdictions.</p>
6	n/a	Keith Reilly	<p>I am pleased to provide the Accounting Professional &amp; Ethical Standards Board (APESB) with my comments on Exposure Draft ED01/07 Proposed Amendments to Long Association of Personnel with an Audit or Assurance Client requirements in APES 110 Code of Ethics for Professional Accountants which incorporates the requirements of the International Ethics Standards for Accountants (IESBA).</p> <p>This submission reflects my position as a consultant to business including Not-for-Profits (NFPs), and their own advisers including auditors. This submission has also benefited with input from discussions with key constituents, and in particular I appreciated the opportunity to be a participant at the APESB's Sydney Roundtable on 27 March 2017 where the ED was extensively discussed and was attended by representatives from some of the APESB's members and staff.</p>
7	n/a	KPMG	<p>We value the opportunity to provide comments to the Accounting Professional and Ethical Standards Board (APESB) regarding the Exposure Draft entitled '<i>Proposed Amendments to Long Association of Personnel with an Audit or Assurance Client requirements in APES 110 Code of Ethics for Professional Accountants</i>', recently released by the APESB.</p> <p>We note that the APESB has requested specific comments relating to the transition of a shorter "cooling-off" period, established by legislation or regulation, and the proposed transitional provisions.</p>
8	n/a	Nexia Australia	<p>We welcome the opportunity to provide the Accounting Professional &amp; Ethical Standards Board with our comments on Exposure Draft 01/17 (ED 01/17).</p> <p>Nexia Australia represents the Nexia network firms in Australia comprising seven independent Chartered Accountancy firms located in Adelaide, Brisbane, Canberra, Darwin, Melbourne, Perth and Sydney.</p> <p>Nexia Australia firms service clients from small to medium enterprises, large private company groups, not-for-profit entities, publicly listed entities and other public interest entities and includes market leaders in many sectors of business.</p> <p>All firms are members of Nexia International, a global accounting and consulting network ranking 10th in size in terms of annual turnover and employing over 20,000 people in over 100 countries.</p>
9	n/a	Pitcher Partners	<p>We appreciate the opportunity to provide comment to the Accounting Professional &amp; Ethical Standards Board (APESB) on the <i>Proposed Amendments to Long Association of Personnel with an Audit or Assurance Client requirements in APES 110 Code of Ethics for Professional Accountants</i> (the Code).</p>

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			Pitcher Partners is an association of independent firms operating from all major cities in Australia. Firms in the Pitcher Partners network “the Network” are full service firms and we are committed to high ethical standards across all areas of our practice. Our clients come from a wide range of industries and include listed and non-listed disclosing entities, large private businesses, family groups, government entities, and small to medium sized enterprises.
10	n/a	PwC	<p>We welcome this opportunity to comment on the Amendments to Long Association of Personnel with an Audit or Assurance Client Requirements in APES 110 Exposure Draft. As one of Australia’s leading professional services firms, we believe we are well placed to share our perspectives on these important issues. We are committed to positively contributing to the Australian community and supporting and enabling initiatives that will strengthen the future prosperity of our country.</p> <p>We recognise that this amendment aims to address the threat of self-interest familiarity. However, we have concerns that in combination with legislation requirements, the limitations will result in a threat to audit quality.</p>
11	n/a	CA ANZ	Appendix A contains our response to the specific request for comments included in the ED and Appendix B contains more information about Chartered Accountants ANZ. If you have any questions regarding this submission, please contact Liz Stamford (Audit and Insolvency Leader) via email; <a href="mailto:Liz.Stamford@charteredaccountantsanz.com">Liz.Stamford@charteredaccountantsanz.com</a> .
12	n/a	CPAA	If you require further information on our views expressed in this submission, please contact Dr Eva Tsahuridu, Manager – Accounting Policy at CPA Australia on +61 3 9606 5159 or by email at <a href="mailto:eva.tsahuridu@cpaaustralia.com.au">eva.tsahuridu@cpaaustralia.com.au</a> .
13	n/a	Deloitte	Please do not hesitate to contact me should you require further information.
14	n/a	EY	We would be pleased to discuss this response further. Please contact me on 02 8295 6882.
15	n/a	Grant Thornton	Please see the attached Appendix for further commentary on the Exposure Draft. Should you have any queries related to our submission, please feel free to contact me.
16	n/a	Keith Reilly	If you require any further information or comment, please contact me.
17	n/a	KPMG	Should you wish to discuss any aspect of this KPMG submission, please contact me on 03 9288 5790 or Tom Seville, KPMG’s Head of Regulation & Compliance, on 03 9288 5050.
18	n/a	Nexia Australia	Should you wish to discuss any aspects of our submission, please contact me at <a href="mailto:molde@nexiaaustralia.com.au">molde@nexiaaustralia.com.au</a> .
19	n/a	Pitcher Partners	Please contact either myself or Tim Nesbitt, Director - Audit & Accounting Technical (03 8612 9596 or <a href="mailto:tim.nesbitt@pitcher.com.au">tim.nesbitt@pitcher.com.au</a> ), in relation to any of the matters outlined in this submission.
20	n/a	PwC	If you have any further questions please contact me on (02) 8266 8350 or <a href="mailto:regina.fikkers@pwc.com">regina.fikkers@pwc.com</a>

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*Staff Instructions:*

- Comments of a “general” nature should be dealt with first, followed by paragraph specific comments.
- Respondents’ comments must be copied verbatim into this table.
- Comments should be dealt with in paragraph order, not respondent order.
- Use acronyms only for respondents. Update the attached table with details of additional respondents.

**RESPONDENTS**

1	CA ANZ	Chartered Accountants Australia and New Zealand
2	CPAA	CPA Australia
3	Deloitte	Deloitte Touche Tohmatsu Australia
4	EY	Ernst & Young Australia
5	Grant Thornton	Grant Thornton Australia
6	Keith Reilly	Keith Reilly
7	KPMG	KPMG Australia
8	Nexia Australia	Nexia Australia
9	Pitcher Partners	Pitcher Partners
10	PwC	PricewaterhouseCoopers Australia