

Australian Specific Content in Extant APES 110 and how it has been incorporated in the restructured Code

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
1. SCOPE AND APPLICATION		N/a	N/A	N/A	Y	The new Code has a section on complying with the Code. Some of the Aust paras could fit there however, users may miss the aust content. Keep this section but remove numbering from section heading (as too close to new numbering system) but will need numbers for paras in the section	SCOPE AND APPLICATION	
1.1	Accounting Professional & Ethical Standards Board Limited (APESB) issues APES 110 Code of Ethics for Professional Accountants (this Code). This Code is operative from 1 July 2011 and supersedes APES 110 Code of Ethics for Professional Accountants (issued in June 2006 and subsequently amended in February 2008). Earlier adoption of this Code is permitted. Transitional provisions relating to Public Interest Entities, partner rotation, non-assurance services, Fees – relative size, compensation and evaluation policies, non-compliance with laws and regulations and the provision of non-assurance services apply from the date specified in the respective transitional provisions.	N/A	N/A	N/A	Y	Paragraph to be retained with the following amendments: - change references for the superseded Code - reduce the Transitional provisions to items with a different application date to the rest of the Code (i.e. Long Association provisions)	1.1	Accounting Professional & Ethical Standards Board Limited (APESB) issues APES 110 Code of Ethics for Professional Accountants (this Code). This Code is operative from 1 January 2020 July-2014 and supersedes APES 110 <i>Code of Ethics for Professional Accountants</i> (issued in December 2010 June-2006 and subsequently amended in December 2011, May 2013, November 2013, May 2017 and March 2018 February-2008). Earlier adoption of this Code is permitted. The T transitional provisions relating to Key Audit Partner rotation Public-Interest Entities, partner rotation, non-assurance services, Fees — relative size, compensation and evaluation policies, non-compliance with laws and regulations and the provision of non-assurance services shall apply from-up to the date specified in the respective transitional provisions, on page 218 .
1.2	Subject to paragraph 1.4, all Members in Australia shall comply with APES 110 including when providing Professional Services in an honorary capacity.	N/A	N/A	N/A	Y	Retain para as is but renumber to include the R to signal a requirement & bold the number	R1.2	Subject to paragraph 1.4, all Members in Australia shall comply with APES 110 including when providing Professional Services in an honorary capacity.
1.3	All Members practising outside of Australia shall comply with APES 110 to the extent to which they are not prevented from so doing by specific requirements of local laws and/or regulations.	N/A	N/A	N/A	Y	Retain para as is but renumber to include the R to signal a requirement & bold the number	R1.3	All Members practising outside of Australia shall comply with APES 110 to the extent to which they are not prevented from so doing by specific requirements of local laws and/or regulations.
1.4	This Code is not intended to detract from any responsibilities which may be imposed by law or regulation. AUASB has issued auditing standards as legislative instruments under the <i>Corporations Act 2001</i> (the Act). For audits and reviews under the Act, those standards have legal enforceability. To the extent that those auditing standards make reference to relevant ethical requirements, the requirements of APES 110 have legal enforceability due to Auditing Standard ASA 102 <i>Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements</i> .	N/A	N/A	N/A	Y	No change	1.4	This Code is not intended to detract from any responsibilities which may be imposed by law or regulation. The AUASB has issued auditing standards as legislative instruments under the <i>Corporations Act 2001</i> (the Act). For audits and reviews under the Act, those standards have legal enforceability. To the extent that those auditing standards make reference to relevant ethical requirements, the requirements of APES 110 have legal enforceability due to Auditing Standard ASA 102 <i>Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements</i> .
1.5	All references to Professional Standards, guidance notes and legislation are references to those provisions as amended from time to time.	N/A	N/A	N/A	Y	No change	1.5	All references to Professional Standards, guidance notes and legislation are references to those provisions as amended from time to time.
1.6	In applying the requirements outlined in this Code, Members shall be guided, not merely by the words, but also by the spirit of this Code.	N/A	N/A	N/A	Y	Editorial amendment to remove the two commas	1.6	In applying the requirements outlined in this Code, Members shall be guided, not merely by the words, but also by the spirit of this Code.
1.7	In this Code, unless otherwise specified, words in the singular include the plural and vice versa, words of one gender include another gender, and words referring to persons include corporations or organisations, whether incorporated or not.	N/A	N/A	N/A	Y	No change	1.7	In this Code, unless otherwise specified, words in the singular include the plural and vice versa, words of one gender include another gender, and words referring to persons include corporations or organisations, whether incorporated or not.
2 DEFINITIONS		Definitions	Glossary	N	Y	Retain but name should be changed to reflect international name & also to remove the numbering to remove confusion.	GLOSSARY, INCLUDING LIST OF ABBREVIATIONS USED	
[AUST] AASB	means the Australian statutory body called the Australian Accounting Standards Board that was established under section 226 of the <i>Australian Securities and Investments Commission Act 1989</i> and is continued in existence by section 261 of the <i>Australian Securities and Investments Commission Act 2001</i> .	N/A	N/A	N/A	Y	No change	[AUST] AASB	means t The Australian statutory body called the Australian Accounting Standards Board that was established under section 226 of the <i>Australian Securities and Investments Commission Act 1989</i> and is continued in existence by section 261 of the <i>Australian Securities and Investments Commission Act 2001</i> .

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
[AUST] Administration	means an insolvency arrangement arising from an appointment, other than a members' voluntary liquidation, under which an insolvent entity operates.	N/A	N/A	N/A	Y	No change	[AUST] Administration	means a n insolvency arrangement arising from an appointment, other than a members' voluntary liquidation, under which an insolvent entity operates.
Assurance Engagements	means an engagement in which a Member in Public Practice expresses a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party about the outcome of the evaluation or measurement of a subject matter against criteria. This includes an engagement in accordance with the Framework for Assurance Engagements issued by the AUASB or in accordance with specific relevant standards, such as International Standards on Auditing, for Assurance Engagements.	Assurance Engagement	Assurance Engagement	N	Y	Change is to reference the Australian Auditing Standards rather than the International Auditing Standards.	Assurance Engagement	An engagement in which a Member in Public Practice expresses a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party about the outcome of the evaluation or measurement of a subject matter against criteria. This includes an Engagement in accordance with the Framework for Assurance Engagements issued by the AUASB or in accordance with specific relevant standards, such as International Standards on Auditing, for Assurance Engagements. (For guidance on Assurance Engagements, see the <i>Framework for Assurance Engagements</i> issued by the AUASB. The <i>Framework for Assurance Engagements</i> describes the elements and objectives of an Assurance Engagement and identifies engagements to which <i>Australian Auditing Standards</i> (ASAs), <i>Standards on Review Engagements</i> (ASREs) and <i>Standards on Assurance Engagements</i> (ASAEs) apply.)
[AUST] AuASB	means the Auditing and Assurance Standards Board which issued Australian auditing and assurance standards up to 30 June 2004, under the auspices of the Australian Accounting Research Foundation, a joint venture of CPA Australia and the Institute of Chartered Accountants in Australia.	N/A	N/A	N/A	N	Remove definition as no longer any issued pronouncements by this body (replaced by AUASB)		
[AUST] AUASB	means the Australian statutory body called the Auditing and Assurance Standards Board established under section 227A of the <i>Australian Securities and Investments Commission Act 2001</i> .	N/A	N/A	N/A	Y	No change	[AUST] AUASB	means t he Australian statutory body called the Auditing and Assurance Standards Board established under section 227A of the <i>Australian Securities and Investments Commission Act 2001</i> .
Audit Engagement	means a reasonable Assurance Engagement in which a Member in Public Practice expresses an opinion whether Financial Statements are prepared, in all material respects (or give a true and fair view or are presented fairly, in all material respects), in accordance with an applicable financial reporting framework, such as an engagement conducted in accordance with Auditing and Assurance Standards. This includes a statutory audit, which is an audit required by legislation or other regulation	Audit Engagement	Audit Engagement	N	Y	Change is to reference the Australian Auditing Standards rather than the International Auditing Standards.	Audit Engagement	A reasonable Assurance Engagement in which a Member in Public Practice expresses an opinion whether Financial Statements are prepared, in all material respects (or give a true and fair view or are presented fairly, in all material respects), in accordance with an applicable financial reporting framework, such as an engagement conducted in accordance with International Standards on Auditing- Auditing and Assurance Standards . This includes a Statutory Audit, which is an audit required by legislation or other regulation. <i>In Part 4A, the term "Audit Engagement" applies equally to "Review Engagement."</i>
[AUST] Auditing and Assurance Standards	means: (a) the AUASB standards, as described in ASA 100 <i>Preamble to AUASB Standards</i> , ASA 101 <i>Preamble to Australian Auditing Standards</i> and the <i>Foreword to AUASB Pronouncements</i> , issued by the AUASB, and operative from the date specified in each standard; and (b) those standards issued by the AuASB which have not been revised and reissued (whether as standards or as guidance) by the AUASB, to the extent that they are not inconsistent with the AUASB standards.	N/A	N/A	N/A	Y	Amendment required to remove references to AuASB standards as there are no longer any standards which have not been revised or reissued by the AUASB.	[AUST] Auditing and Assurance Standards	means:- (a) t he AUASB standards, as described in ASA 100 <i>Preamble to AUASB Standards</i> , ASA 101 <i>Preamble to Australian Auditing Standards</i> and the <i>Foreword to AUASB Pronouncements</i> , issued by the AUASB, and operative from the date specified in each standard- and (b) those standards issued by the AuASB which have not been revised and reissued (whether as standards or as guidance) by the AUASB, to the extent that they are not inconsistent with the AUASB standards.
[AUST] Australian Accounting Standards	means the Accounting Standards (including Australian Accounting Interpretations) promulgated by the AASB.	N/A	N/A	N/A	Y	No change	[AUST] Australian Accounting Standards	means t he Accounting Standards (including Australian Accounting Interpretations) promulgated by the AASB.

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Director or Officer	means those charged with the governance of an entity, or acting in an equivalent capacity, regardless of their title.	Director or Officer	Director or Officer	N	Y	The IESBA definition includes the words 'which might vary from jurisdiction to jurisdiction'. This phrase was removed in the Australian extant Code & it is appropriate to carry this change forward to the Australian restructured Code.	Director or Officer	Those charged with the governance of an entity, or acting in an equivalent capacity, regardless of their title, which might vary from jurisdiction to jurisdiction. This includes a Director or Officer as defined in Section 9 of the Corporations Act 2001.
Engagement Team⁽¹⁾	means all partners and staff performing the engagement, and any individuals engaged by the Firm or a Network Firm who perform procedures on the engagement. This excludes External Experts engaged by the Firm or a Network Firm. (1) The definition of Engagement Team in APES 110 does not exclude individuals within the client's internal audit function who provide direct assistance on an Audit Engagement as the AUASB has prohibited the use of direct assistance in Auditing and Assurance Standard ASA 610 <i>Using the Work of Internal Auditors</i> (November 2013).	Engagement Team	Engagement Team	N	Y	Retaining the AUST wording with some clarification that the amendment is to the International equivalent definition.	Engagement Team	means a All partners and staff performing the engagement, and any individuals engaged by the Firm or a Network Firm who perform procedures on the engagement. This excludes External Experts engaged by the Firm or a Network Firm. (1) The definition of Engagement Team in APES 110 has been amended from the International equivalent to remove the reference to individuals within the client's internal audit function who provide direct assistance on an Audit Engagement as the AUASB has prohibited the use of direct assistance in Auditing and Assurance Standard ASA 610 <i>Using the Work of Internal Auditors</i> (November 2013).
Financial Statements	mean a structured representation of Historical Financial Information, including related notes, intended to communicate an entity's economic resources or obligations at a point in time or the changes therein for a period of time in accordance with a financial reporting framework. The related notes ordinarily comprise a summary of significant accounting policies and other explanatory information. The term can relate to a complete set of Financial Statements, but it can also refer to a single Financial Statement, for example, a balance sheet, or a statement of revenues and expenses, and related explanatory notes. The requirements of the financial reporting framework determine the form and content of the Financial Statements and what constitutes a complete set of Financial Statements. For the purposes of this Standard financial report is considered to be an equivalent term to Financial Statements.	Financial Statements (in Definitions)	Financial Statements (in Glossary)	N	Y	Additional content to explain the financial reporting framework applied determines the content of the financial statements (as applicable in Australia)	Financial Statements	A structured representation of Historical Financial Information, including related notes, intended to communicate an entity's economic resources or obligations at a point in time or the changes therein for a period of time in accordance with a financial reporting framework. The related notes ordinarily comprise a summary of significant accounting policies and other explanatory information. The term can relate to a complete set of Financial Statements, but it can also refer to a single Financial Statement, for example, a balance sheet, or a statement of revenues and expenses, and related explanatory notes. The requirements of the financial reporting framework determine the form and content of the Financial Statements and what constitutes a complete set of Financial Statements. For the purposes of this Code financial report is considered to be an equivalent term to Financial Statements.
Firm	means: (a) A sole practitioner, partnership, corporation or other entity of professional accountants; (b) An entity that controls such parties, through ownership, management or other means; (c) An entity controlled by such parties, through ownership, management or other means; or (d) An Auditor-General's office or department.	Firm (in Definitions)	Firm (in Glossary)	N	Y	Included additional reference to the auditor-General office or department	Firm	(a) A sole practitioner, partnership or corporation or other entity of Members; (b) An entity that controls such parties, through ownership, management or other means; and (c) An entity controlled by such parties, through ownership, management or other means; or (d) An Auditor-General's office or department. <i>Paragraphs 400.4 and 900.3 explain how the word "Firm" is used to address the responsibility of Members and Firms for compliance with Parts 4A and 4B, respectively.</i>
[AUST] Member	means a member of a Professional Body that has adopted this Code as applicable to their membership, as defined by that Professional Body.	N/A	N/A	N/A	Y	No change. Note that there is an explanation in the International Code that has also been included with this definition and amended slightly.	[AUST] Member	means a member of a Professional Body that has adopted this Code as applicable to their membership, as defined by that Professional Body. <i>In Part 1, the term "Member" refers to individual Members in Business and to Members in Public Practice and their Firms. In Part 2, the term "Member" refers to Members in Business , and also to Members in Public Practice when performing Professional Activities pursuant to their relationship with the Firm, whether as a contractor, employee or owner. In Parts 3, 4A and 4B, the term "Member" refers to Members in Public Practice and their Firms.</i>

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Member in Public Practice	means a Member, irrespective of functional classification (e.g., audit, tax or consulting) in a Firm that provides Professional Services. This term is also used to refer to a Firm of Members in Public Practice and means a practice entity and a participant in that practice entity as defined by the applicable Professional Body.	Professional Accountant in Public Practice (in Definitions)	Professional Accountant in Public Practice (in Glossary)	N	Y	Australian content to refers to the definitions of the Professional Body which should be retained in the restructured APES 110	Member in Public Practice	A professional-accountant <u>Member</u> , irrespective of functional classification (for example, audit, tax or consulting) in a F firm that provides P professional S services. The term " professional-accountant-in-public-practice " is also used to refer to a F firm of Members <u>professional-accountants</u> in P public P practice <u>and means a practice entity and a participant in that practice entity as defined by the applicable Professional Body.</u>
[AUST] Professional Bodies	means Chartered Accountants Australia and New Zealand, CPA Australia and the Institute of Public Accountants.	N/A	N/A	N/A	Y	No change to paragraph but noticed it is not in alphabetical order in the compiled standards - this definition should be before Professional Services	[AUST] Professional Bodies	-means -Chartered Accountants Australia and New Zealand, CPA Australia and the Institute of Public Accountants.
Review Engagement	means an Assurance Engagement in which a Member in Public Practice expresses a conclusion whether, on the basis of the procedures which do not provide all the evidence that would be required in an audit, anything has come to the attention of the Member that causes the Member to believe that the Historical Financial Information is not prepared in all material respects in accordance with an applicable financial reporting framework such as an engagement conducted in accordance with Auditing and Assurance Standards on Review Engagements	Review Engagement (in Definitions)	Review Engagement (in Glossary)	N	Y	Australian content to refers to the Australian Auditing Standards rather than the International Auditing Standards & also to Historical Financial Information rather than Financial Statements	Review Engagement	An A assurance E engagement, conducted in accordance with Auditing and Assurance Standards <u>International-Standards</u> on Review Engagements or equivalent, in which a professional-accountant-Member in P public P practice expresses a conclusion on whether, on the basis of the procedures which do not provide all the evidence that would be required in an audit, anything has come to the accountant's-Member's attention that causes the accountant <u>Member</u> to believe that the Historical Financial Information is <u>financial-statements-are</u> not prepared, in all material respects, in accordance with an applicable financial reporting framework.
Part A - General Application of the Code								
100.5	A Member shall comply with the following fundamental principles: (a) Integrity – to be straightforward and honest in all professional and business relationships. (b) Objectivity – to not allow bias, conflict of interest or undue influence of others to override professional or business judgements. (c) Professional competence and due care – to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent Professional Activities based on current developments in practice, legislation and techniques and act diligently and in accordance with applicable technical and professional standards. (d) Confidentiality – to respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the Member or third parties. (e) Professional behaviour – to comply with relevant laws and regulations and avoid any conduct that discredits the profession. Each of these fundamental principles is discussed in more detail in Sections 110 – 150.	100.5	110.1 A1	Y	Y	In the IESBA versions of the Code the explanation for Professional Competence and Due Care refers to the provision of competent professional service to Clients and Employers. However in Australia we have defined Professional Services to refer to professional activities provided to Clients only. In the extant APES 110 the words 'professional service' was changed to 'Professional Activities'. The same change will be carried forward in the new Australian Code.	110.1 A1	There are five fundamental principles of ethics for professional-accountant <u>Members</u> : (a) Integrity – to be straightforward and honest in all professional and business relationships. (b) Objectivity – not to compromise professional or business judgements because of bias, conflict of interest or undue influence of others. (c) Professional Competence and Due Care – to: (i) Attain and maintain professional knowledge and skill at the level required to ensure that a client or employing organization receives competent professional-service <u>Professional Activities</u> , based on current technical and professional standards and relevant legislation; and (ii) Act diligently and in accordance with applicable technical and professional standards. (d) Confidentiality – to respect the confidentiality of information acquired as a result of professional and business relationships. (e) Professional Behaviour – to comply with relevant laws and regulations and avoid any conduct that the professional-accountant <u>Member</u> knows or should know might discredit the profession.

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130.1	The principle of professional competence and due care imposes the following obligations on all Members: (a) To maintain professional knowledge and skill at the level required to ensure that clients or employers receive competent Professional Activity; and (b) To act diligently in accordance with applicable technical and professional standards when providing Professional Activities.	130.1	R113.1	Y	Y	In the IESBA versions of the Code the explanation for Professional Competence and Due Care refers to the provision of competent professional service to Clients and Employers. However in Australia we have defined Professional Services to refer to professional activities provided to Clients only. In the extant APES 110 the words 'professional service' was changed to 'Professional Activities'. The same change will be carried forward in the new Australian Code.	R113.1	A professional-accountant Member shall comply with the principle of professional competence and due care, which requires a Member professional-accountant to: (a) Attain and maintain professional knowledge and skill at the level required to ensure that a client or employing organization receives competent professional service Activities, based on current technical and professional standards and relevant legislation; and (b) Act diligently and in accordance with applicable technical and professional standards.
AUST 140.7.1	The circumstances described in paragraph 140.7 do not take into account Australian legal and regulatory requirements. A Member considering disclosing confidential information about a client or employer without their consent is strongly advised to first obtain legal advice.	140.7	114.1 A1	N	Y	Change required to update paragraph cross references and to include specific reference to the Privacy Act	AUST 114.1 A1.1	The circumstances described in paragraph 114.1 A1 140.7 do not take into account Australian legal and regulatory requirements <u>such as the Privacy Act 1988 (Cth) and mandatory reporting of data breaches</u> . A Member considering disclosing confidential information about a client or employer without their consent is strongly advised to first obtain legal advice.
N/a	N/a	N/A	120.13 A1	Y	Y	This new paragraph in the IESBA restructured Code discusses professional skepticism. This is a new aspect to highlight in the Code. The current paragraph is okay but it refers to the IAASB and should refer to the AUASB in APES 110.	120.13 A1	Under auditing, review and other assurance standards, including those issued by the IAASB <u>AUASB</u> , professional-accountant Members in public practice are required to exercise professional s kepticism when planning and performing audits, reviews and other A assurance E ngagements. Professional s kepticism and the fundamental principles that are described in Section 110 are inter-related concepts.
Part B - Members in Public Practice								
AUST 210.15.1	The requirements of section 210 also apply where a Member in Public Practice is replacing or being replaced by an accountant who is not a Member.	N/A	N/A	N/A	Y	Change to numbering of para & cross reference to the section	AUST 320.2.1 (Introduction)	The requirements of section 320 249 also apply where a Member in Public Practice is replacing or being replaced by an accountant who is not a Member.
Section 210	This section deals with Professional Appointments.	Section 210	Section 320	N	Y	The determination of the responsibility of the Member in Public Practice is made more difficult by the use of different terms - proposed accountant, existing or predecessor accountant. To clarify this some of these terms will be replaced by Member in Public Practice to enhance the clarity in this section.	Section 320	Some of the references to proposed accountant, existing or predecessor accountant will be replaced by Member in Public Practice in this section.
Section 225	This Section deals with Responding to Non-Compliance with Laws and Regulations.	Section 225	Section 360	N	Y	Technical Staff are of the view that the term 'NOCLAR' should be used in this section rather than the term 'non-compliance'	Section 360	Non-compliance to be replaced with NOCLAR throughout the section.

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						Aust content will be to include footnote which references Australian auditor reporting obligations.	R360.6	<p>In some jurisdictions, there are legal or regulatory provisions governing how professional accountantMembers in Public Practice should address non-complianceNOCLAR or suspected non-complianceNOCLAR⁽⁷⁾. These legal or regulatory provisions might differ from or go beyond the provisions in this section. When encountering such non-complianceNOCLAR or suspected non-complianceNOCLAR, the accountantMember shall obtain an understanding of those legal or regulatory provisions and comply with them, including:</p> <p>(a) Any requirement to report the matter to an appropriate authority; and</p> <p>(b) Any prohibition on alerting the client.</p> <p>(7) For example, there are auditor reporting obligations in the Corporations Act 2001 which a Member in Public Practice must comply with. Further information on these requirements is set out in ASIC Regulatory Guide 34 Auditors Obligations: Reporting to ASIC.</p>
225.2	<p>The Member in Public Practice shall comply with applicable:</p> <p>(a) Laws and regulations, including legal or regulatory provisions governing the reporting of non-compliance or suspected non-compliance to an appropriate authority. In this regard, some laws and regulations may stipulate a period within which reports are to be made; and</p> <p>(b) Requirements under Auditing and Assurance Standards, including those relating to:</p> <ul style="list-style-type: none"> Identifying and responding to non-compliance, including fraud. Communicating with Those Charged with Governance. Considering the implications of the non-compliance or suspected non-compliance for the auditor's report. 	225.2	R360.15	N	Y	The international paragraph refers to auditing standards but this could be updated to refer to auditing and assurance standards.	R360.15	<p>The professional accountantMember shall comply with applicable:</p> <p>(a) Laws and regulations, including legal or regulatory provisions governing the reporting of non-compliance or suspected non-compliance to an appropriate authority; and</p> <p>(b) Requirements under aAuditing and Assurance Sstandards, including those relating to:</p> <ul style="list-style-type: none"> Identifying and responding to non-compliance, including fraud. Communicating with Those Charged with Governance. Considering the implications of the non-compliance or suspected non-compliance for the auditor's report.
225.29	<p>Further action by the Member in Public Practice may include:</p> <ul style="list-style-type: none"> Disclosing the matter to an appropriate authority even when there is no legal or regulatory requirement to do so⁽²⁾. Withdrawing from the engagement and the professional relationship where permitted by law or regulation. <p>(2) In Australia, whistleblower protection is addressed in the <i>Corporations Act 2001</i> (for the private sector) and in other legislation in place federally and in states and territories (for the public sector).</p>	225.29	360.21 A1	N	Y	Amendment to wording to reflect IESBA's amendments in main paragraphs but no changes needed at the moment for the footnote. Footnote number to be determined when included in the new format	360.21 A1	<p>Further action that by the Member in Public Practice might take may include:</p> <ul style="list-style-type: none"> Disclosing the matter to an appropriate authority even when there is no legal or regulatory requirement to do so⁽⁸⁾. Withdrawing from the engagement and the professional relationship where permitted by law or regulation. <p>(8) In Australia, whistleblower protection is addressed in the <i>Corporations Act 2001</i> (for the private sector) and in other legislation in place federally and in states and territories (for the public sector). In 2017, the Australian government released draft federal legislation designed to strengthen protection for whistleblowers in the private sector. The new legislation is expected to be released in mid to late 2018.</p>

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225.35	If the Member in Public Practice determines that disclosure of the non-compliance or suspected non-compliance to an appropriate authority is an appropriate course of action in the circumstances, this will not be considered a breach of the duty of confidentiality under Section 140 of this Code. When making such disclosure, the Member shall act in good faith and exercise caution when making statements and assertions. The Member shall also consider whether it is appropriate to inform the client of the Member's intentions before disclosing the matter.	225.34	360.25 A3	N	Y	Aust content will be to include footnote which references Australian whistleblowing legislation.	360.25 A3	<p>The determination of whether to make such a disclosure will also depend on external factors such as:</p> <ul style="list-style-type: none"> • Whether there is an appropriate authority that is able to receive the information, and cause the matter to be investigated and action to be taken. The appropriate authority will depend on the nature of the matter. For example, the appropriate authority would be a securities regulator in the case of fraudulent financial reporting or an environmental protection agency in the case of a breach of environmental laws and regulations. • Whether there exists robust and credible protection from civil, criminal or professional liability or retaliation afforded by legislation or regulation, such as under whistle-blowing legislation or regulation.⁽⁹⁾ • Whether there are actual or potential threats to the physical safety of the professional accountantMember in Public Practice or other individuals. <p>(9) In Australia, whistleblower protection is addressed in the Corporations Act 2001 (for the private sector) and in other legislation in place federally and in states and territories (for the public sector). In 2017, the Australian government released draft federal legislation to strengthen protection for whistleblowers in the private sector. The new legislation is expected to be released in mid to late 2018.</p>
225.38	Auditing and Assurance Standards, for example, require a Member in Public Practice performing an audit of Financial Statements to: <ul style="list-style-type: none"> • Prepare documentation sufficient to enable an understanding of significant matters arising during the audit, the conclusions reached, and significant professional judgements made in reaching those conclusions; • Document discussions of significant matters with management, Those Charged with Governance, and others, including the nature of the significant matters discussed and when and with whom the discussions took place; and • Document identified or suspected non-compliance, and the results of discussion with management and, where applicable, Those Charged with Governance and other parties outside the entity. 	225.38	360.28 A1	N	Y	Need to update paragraph to ensure it refers to the Australian auditing & assurance standards rather than the ISAs	360.28 A1	<p>This documentation is in addition to complying with the documentation requirements under applicable auditing standards. ISAsAuditing and Assurance Standards, for example, require a professional-accountantMember performing an audit of FFinancial Statements to: <ul style="list-style-type: none"> • Prepare documentation sufficient to enable an understanding of significant matters arising during the audit, the conclusions reached, and significant professional judgements made in reaching those conclusions; • Document discussions of significant matters with management, Those Charged with Governance, and others, including the nature of the significant matters discussed and when and with whom the discussions took place; and • Document identified or suspected non-compliance, and the results of discussion with management and, where applicable, Those Charged with Governance and other parties outside the entity. </p>
230.1	Situations where a Member in Public Practice is asked to provide a second opinion on the application of Australian Accounting Standards, Auditing and Assurance Standards, reporting or other standards or principles to specific circumstances or transactions by or on behalf of a company or an entity that is not an existing client may create threats to compliance with the fundamental principles. For example, there may be a threat to professional competence and due care in circumstances where the second opinion is not based on the same set of facts that were made available to the Existing Accountant or is based on inadequate evidence. The existence and significance of any threat will depend on the circumstances of the request and all the other available facts and assumptions relevant to the expression of a professional judgement.	230.1	321.3 A1	N	Y	Opportunity to insert references to Australian specific accounting and auditing standards	321.3 A1	<p>A professional-accountantMember might be asked to provide a second opinion on the application of accountingAustralian Accounting Standards, auditingAuditing and Assurance Standards, reporting or other standards or principles to (a) specific circumstances, or (b) transactions by or on behalf of a company or an entity that is not an existing client. A threat, for example, a self-interest threat to compliance with the principle of professional competence and due care, might be created if the second opinion is not based on the same facts that the existing or Predecessor Aaccountant had, or is based on inadequate evidence.</p>

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
240.3	<p>Contingent Fees are widely used for certain types of non-assurance engagements⁽³⁾. They may, however, create threats to compliance with the fundamental principles in certain circumstances⁽⁴⁾. They may create a self-interest threat to objectivity. The existence and significance of such threats will depend on factors including:</p> <ul style="list-style-type: none"> • The nature of the engagement. • The range of possible fee amounts. • The basis for determining the fee. • Whether the outcome or result of the transaction is to be reviewed by an independent third party. <p>(3) Contingent Fees for non-assurance services provided to Audit Clients and other Assurance Clients are discussed in Sections 290 and 291 of this Code.</p>	240.3	330.4 A1 & 330.4 A4	N	N	Paragraph 330.4 A4 is a new para in the restructured Code which provides the link through to the Independence standards so foot note 3 is no longer required for this paragraph		
240.3	<p>Contingent Fees are widely used for certain types of non-assurance engagements⁽³⁾. They may, however, create threats to compliance with the fundamental principles in certain circumstances⁽⁴⁾. They may create a self-interest threat to objectivity. The existence and significance of such threats will depend on factors including:</p> <ul style="list-style-type: none"> • The nature of the engagement. • The range of possible fee amounts. • The basis for determining the fee. • Whether the outcome or result of the transaction is to be reviewed by an independent third party. <p>(4) APESB has prohibited the use of Contingent Fees in certain circumstances. These circumstances are described in the following APESB Standards:</p> <ul style="list-style-type: none"> - APES 215 <i>Forensic Accounting Services</i>; - APES 225 <i>Valuation Services</i>; - APES 330 <i>Insolvency Services</i>; - APES 345 <i>Reporting on Prospective Financial Information Prepared in Connection with a Disclosure Document</i>; and - APES 350 <i>Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document</i>. 	240.3	330.4 A1	N	Y	The content of the footnote will become a new Aust requirement paragraph.	AUST R330.4.1	<p>A Member in Public Practice shall not use Contingent Fees in the specific engagement circumstances set out in:</p> <ul style="list-style-type: none"> • APES 215 <i>Forensic Accounting Services</i>; • APES 225 <i>Valuation Services</i>; • APES 330 <i>Insolvency Services</i>; • APES 345 <i>Reporting on Prospective Financial Information Prepared in Connection with a Disclosure Document</i>; and • APES 350 <i>Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document</i>.

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
AUST 240.7.1	A Member in Public Practice who is undertaking an engagement in Australia and receives a referral fee or commission shall inform the client in writing of: · the existence of such arrangement; · the identity of the other party or parties; and · the method of calculation of the referral fee, commission or other benefit accruing directly or indirectly to the Member.	240.5 to 240.7	330.5 A1 - A2	N	Y	Retain extant paragraph with minor editorial amendments.	AUST R330.5.1	A Member in Public Practice who is undertakes ing an engagement in Australia and receives a referral fee or commission shall inform the client in writing of: · the existence of such arrangement; · the identity of the other party or parties; and · the method of calculation of the referral fee, commission or other benefit accruing directly or indirectly to the Member.
AUST 240.7.2	The receipt of commissions or other similar benefits in connection with an Assurance Engagement creates a threat to Independence that no safeguards could reduce to an Acceptable Level. Accordingly, a Member in Public Practice shall not accept such a fee arrangement in respect of an Assurance Engagement.	240.5 to 240.7	330.5 A1 - A2	N	Y	The extant paragraph contains a requirements and application material. Technical Staff suggest splitting out into two separate paragraphs.	AUST R330.5.2 AUST 330.5.2 A1	A Member in Public Practice shall not receive commissions or other similar benefits in connection with an Assurance Engagement. The receipt of commissions or other similar benefits in connection with an Assurance Engagement creates a threat to Independence that no safeguards could reduce to an Acceptable Level.
270.2	The holding of client assets creates threats to compliance with the fundamental principles; for example, there is a self-interest threat to professional behaviour and may be a self-interest threat to objectivity arising from holding client assets. A Member in Public Practice entrusted with money (or other assets) belonging to others shall therefore: (a) Keep such assets separately from personal or Firm assets; (b) Use such assets only for the purpose for which they are intended; (c) At all times be ready to account for those assets and any income, dividends, or gains generated, to any persons entitled to such accounting; and (d) Comply with all relevant laws and regulations relevant to the holding of and accounting for such assets.	270.2	350.2	N	Y	There is an opportunity to remind Members of their obligations under APES 310 <i>Client Monies</i> . A footnote will be included to highlight these obligations.	350.2	Holding client assets creates a self-interest or other threat to compliance with the principles of professional behaviour and objectivity. This section sets out specific requirements and application material relevant to applying the conceptual framework in such circumstances ⁽⁶⁾ . (6) APESB has issued APES 310 Client Monies which mandates requirements and provides guidance for Members in Public Practice when they deal with client monies.
[AUST] PREFACE: SECTIONS 290 AND 291	SECTION 290 INDEPENDENCE – AUDIT AND REVIEW ENGAGEMENTS AND SECTION 291 INDEPENDENCE – OTHER ASSURANCE ENGAGEMENTS Section 290 of this Code addresses Independence requirements for Audit and Review Engagements, which are Assurance Engagements where a Member in Public Practice expresses a conclusion on Historical Financial Information. Section 291 of this Code addresses Independence requirements for Assurance Engagements that are not Audit or Review Engagements of Historical Financial Information, referred to in this Code as Other Assurance Engagements. The concept of Independence is fundamental to compliance with the principles of integrity and objectivity. This Code adopts a conceptual framework that requires the identification and evaluation of threats to Independence so that any threats created are eliminated or reduced to an Acceptable Level by the application of safeguards.	N/A [Section 290 & 291 generally]	N/A [Parts 4A and 4B generally]	N/A	Y	Retain aust specific content with editorial amendments to update cross references to other sections/ parts of the Code.	[AUST] PREFACE: PARTS 4A AND 4B	PART 4A SECTION 290 INDEPENDENCE FOR – AUDIT AND REVIEW ENGAGEMENTS AND PART 4B SECTION 291 INDEPENDENCE FOR – OTHER ASSURANCE ENGAGEMENTS OTHER THAN AUDIT AND REVIEW ENGAGEMENTS Part 4A Section 290 of this Code addresses Independence requirements for Audit and Review Engagements, which are Assurance Engagements where a Member in Public Practice expresses a conclusion on Historical Financial Information. Part 4B Section 291 of this Code addresses Independence requirements for Assurance Engagements that are not Audit or Review Engagements of Historical Financial Information, referred to in this Code as Other Assurance Engagements. The concept of Independence is fundamental to compliance with the principles of integrity and objectivity. This Code adopts a conceptual framework that requires the identification and evaluation of threats to Independence so that any threats created are eliminated or reduced to an Acceptable Level by the application of safeguards. However, there are some situations in which threats can only be addressed by declining or ending the specific Professional Activity. This is because the circumstances that created the threats cannot be eliminated and safeguards are not capable of being applied to reduce the threat to an Acceptable Level.

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
	<p>This approach contrasts with the rules adopted in legislation, which are often prescriptive in nature. Accordingly, Members and other readers of this Code should be aware that adherence to this Code does not ensure adherence to legislation and they must refer to such legislation to determine their legal obligations.</p> <p>While this difference in approach makes precise comparisons to specific legislation difficult, such as the <i>Corporations Act 2001</i>, the underlying principles of integrity and objectivity are consistent with objective and impartial judgement, when both approaches are tested in the context of all relevant facts by a reasonable person. Where APESB is aware that there is a more stringent requirement in the <i>Corporations Act 2001</i> an appropriate footnote reference has been included for Members' and other readers' information. However, please note that not all applicable <i>Corporations Act 2001</i> requirements have been addressed and thus Members are referred to the <i>Corporations Act 2001</i> to determine their independence obligations when performing Audit and Review Engagements in accordance with the Act.</p> <p>The statutory Independence of Auditors-General is provided for in legislation by the Parliament of each Australian jurisdiction in a number of ways. This includes defining the scope of an Auditor-General's mandate, the appointment and removal of an Auditor-General and the performance of his or her responsibilities. The requirements within this Code apply to Auditors-General and their senior officers who are delegated or authorised to sign assurance reports and are Members, to the extent that they do not conflict with applicable legislation.</p> <p>With regard to the use of the words "material" and "materiality" in Sections 290 and 291, it is not possible to provide a definition that covers all circumstances where either word is used. In assessing materiality, a Member in Public Practice or a Firm shall consider both the qualitative and quantitative aspects of the matter under consideration which might have, or be seen to have, an adverse effect on the objectivity of the Member or Firm.</p>							<p>This approach contrasts with the rules adopted in legislation, which are often prescriptive in nature. Accordingly, Members and other readers of this Code should be aware that adherence to this Code does not ensure adherence to legislation and they must refer to such legislation to determine their legal obligations.</p> <p>While this difference in approach makes precise comparisons to specific legislation difficult, such as the <i>Corporations Act 2001</i>, the underlying principles of integrity and objectivity are consistent with objective and impartial judgement, when both approaches are tested in the context of all relevant facts by a reasonable person. Where APESB is aware that there is a more stringent requirement in the <i>Corporations Act 2001</i> an appropriate footnote reference has been included for Members' and other readers' information. However, please note that not all applicable <i>Corporations Act 2001</i> requirements have been addressed and thus Members are referred to the <i>Corporations Act 2001</i> to determine their independence obligations when performing Audit and Review Engagements in accordance with the Act.</p> <p>The statutory Independence of Auditors-General is provided for in legislation by the Parliament of each Australian jurisdiction in a number of ways. This includes defining the scope of an Auditor-General's mandate, the appointment and removal of an Auditor-General and the performance of his or her responsibilities. The requirements within this Code apply to Auditors-General and their senior officers who are delegated or authorised to sign assurance reports and are Members, to the extent that they do not conflict with applicable legislation.</p> <p>With regard to the use of the words "material" and "materiality" in Parts 4A and 4B Sections 290 and 291, it is not possible to provide a definition that covers all circumstances where either word is used. In assessing materiality, a Member in Public Practice or a Firm shall consider both the qualitative and quantitative aspects of the matter under consideration which might have, or be seen to have, an adverse effect on the objectivity of the Member or Firm.</p>

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
AUST 290.11.1	Where a Member in Public Practice identifies multiple threats to Independence, which individually may not be significant, the Member shall evaluate the significance of those threats in aggregate and the safeguards applied or in place to eliminate some or all of the threats or reduce them to an Acceptable Level in aggregate.	290.11	R400.11 - R400.12	Y	Y	The discussion on the conceptual framework at the start of section 291 has been relocated in the new restructured Code to Section 120 on the overall conceptual framework elements. The restructured section includes a new reference to multiple threats but it is not as detailed as in the extant AUST paras and is in a different section to the Independence Standards. Therefore the extant AUST paragraphs will also be included in Part 4A and Part 4B.	AUST R400.12.1	Where a Member in Public Practice identifies multiple threats to Independence, which individually might not be significant, the Member shall evaluate the significance of those threats in aggregate and the safeguards applied or in place to eliminate some or all of the threats or reduce them to an Acceptable Level in aggregate.

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
290.12	290.12 This section does not, in most cases, prescribe the specific responsibility of individuals within the Firm for actions related to Independence because responsibility may differ depending on the size, structure and organisation of a Firm. The Firm is required by APES 320 Quality Control for Firms to establish policies and procedures designed to provide it with reasonable assurance that Independence is maintained when required by relevant ethical requirements. In addition, Auditing and Assurance Standards require the Engagement Partner to form a conclusion on compliance with the Independence requirements that apply to the engagement.	290.12	400.4	N	Y	In the IESBA Code it refers to ISQC 1 however in Australia this should be changed to APES 320.	400.4	ISQC 4 APES 320 Quality Control for Firms (APES 320) requires a Firm to establish policies and procedures designed to provide it with reasonable assurance that the Firm, its personnel and, where applicable, others subject to independence requirements (including N network Firm personnel), maintain independence where required by relevant ethics requirements. ISAs and ISRE Auditing and Assurance Standards establish responsibilities for Engagement Partners and Engagement Teams at the level of the engagement for audits and reviews, respectively. The allocation of responsibilities within a Firm will depend on its size, structure and organization. Many of the provisions of this Part do not prescribe the specific responsibility of individuals within the Firm for actions related to independence, instead referring to "Firm" for ease of reference. Firms assign responsibility for a particular action to an individual or a group of individuals (such as an Audit Team), in accordance with ISQC-4APES 320. In addition, an individual professional accountant Member remains responsible for compliance with any provisions that apply to that Member's accountant's activities, interests or relationships.
290.25	Section 290 contains additional provisions that reflect the extent of public interest in certain entities. For the purpose of this section, a Public Interest Entity is: (a) A Listed Entity*; or (b) Any entity (a) defined by regulation or legislation as a public interest entity; or (b) for which the audit is required by regulation or legislation to be conducted in compliance with the same Independence requirements that apply to the audit of Listed Entities. Such regulation may be promulgated by any relevant regulator, including an audit regulator. * Includes a listed entity as defined in Section 9 of the Corporations Act 2001.	290.25	Definition of Public Interest Entity	N	Y	Include extant AUST footnote in restructured Code	Public Interest Entity (in the Glossary section)	(a) A Listed Entity*; or (b) Any entity (i) defined by regulation or legislation as a public interest entity; or (ii) for which the audit is required by regulation or legislation to be conducted in compliance with the same Independence requirements that apply to the audit of Listed Entities. Such regulation may be promulgated by any relevant regulator, including an audit regulator. * Includes a listed entity as defined in Section 9 of the Corporations Act 2001.
290.26	Firms shall determine whether to treat additional entities, or certain categories of entities, as Public Interest Entities because they have a large number and wide range of stakeholders. Factors to be considered include: <ul style="list-style-type: none">• The nature of the business, such as the holding of assets in a fiduciary capacity for a large number of stakeholders. Examples may include financial institutions, such as banks and insurance companies and pension funds;• Size; and• Number of employees.	290.26	400.8	N	Y	The IESBA paragraph uses the terms 'are encouraged to determine'. The same wording has flowed through to the new restructured Code. In Australia we require entities to undertaken the determination of PIEs. In the extant APES 110 we replaced the words 'are encouraged to determine' with the words 'shall determine'. The changed wording will also be continued in restructured APES 110. This will mean revisions to para 400.8 and the inclusion of an Aust para with the requirement.	400.8 R400.8.1	Some of requirements and application material set out in this Part reflect the extent of public interest in certain entities which are defined to be public interest entities. Firms are encouraged to shall determine whether to treat additional entities, or certain categories of entities, as public interest entities because they have a large number and wide range of stakeholders. Factors to be considered include: <ul style="list-style-type: none">• The nature of the business, such as the holding of assets in a fiduciary capacity for a large number of stakeholders. Examples might include financial institutions, such as banks and insurance companies, and pension funds.• Size.• Number of employees.

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
AUST 290.26.1	<p>The following entities in Australia will generally satisfy the conditions in paragraph 290.26 as having a large number and wide range of stakeholders and thus are likely to be classified as Public Interest Entities. In each instance Firms shall consider the nature of the business, its size and the number of its employees:</p> <ul style="list-style-type: none"> • Authorised deposit-taking institutions (ADIs) and authorised non-operating holding companies (NOHCs) regulated by the Australian Prudential Regulatory Authority (APRA) under the <i>Banking Act 1959</i>; • Authorised insurers and authorised NOHCs regulated by APRA under Section 122 of the <i>Insurance Act 1973</i>; • Life insurance companies and registered NOHCs regulated by APRA under the <i>Life Insurance Act 1995</i>; • Disclosing entities as defined in Section 111AC of the <i>Corporations Act 2001</i>; • Registrable superannuation entity (RSE) licensees, and RSEs under their trusteeship that have five or more members, regulated by APRA under the <i>Superannuation Industry (Supervision) Act 1993</i>; and • Other issuers of debt and equity instruments to the public. 	290.26	400.8	Y	Y	<p>The extant IESBA paragraph uses the terms 'are encouraged to determine'. The same wording has flowed through to the new restructured Code.</p> <p>In Australia we require entities to undertaken the determination of PIEs. In the extant APES 110 we replaced the words 'are encouraged to determine' with the words 'shall determine'. The changed wording will also be continued in restructured APES 110. This will mean revisions to para 400.8 and the inclusion of an Aust para with the requirement.</p> <p>Technical Staff have also noted that APRA now regulate private health insurers under the Private Health Insurance (Prudential Supervision) Act 2015. This needs to be reflected in the list in this paragraph.</p> <p>An additional footnote has also been included (as discussed in the issues register) to draw users' attention to the need to consider relevant APRA standards in audits of APRA-regulated entities.</p>	AUST 400.8.1 A1	<p>The following entities in Australia will generally satisfy the factors conditions in paragraph 290.26 AUST R400.8.1 as having a large number and wide range of stakeholders, and thus are likely to be classified as Public Interest Entities. In each instance Firms shall consider the nature of the business, its size and the number of its employees:</p> <ul style="list-style-type: none"> • Authorised deposit-taking institutions (ADIs) and authorised non-operating holding companies (NOHCs) regulated by the Australian Prudential Regulatory Authority (APRA)⁽¹⁰⁾ under the Banking Act 1959; • Authorised insurers and authorised NOHCs regulated by APRA⁽¹¹⁾ under Section 122 of the <i>Insurance Act 1973</i>; • Life insurance companies and registered NOHCs regulated by APRA⁽¹²⁾ under the <i>Life Insurance Act 1995</i>; • Private health insurers regulated by APRA⁽¹³⁾ under the Private Health Insurance (Prudential Supervision) Act 2015; • Disclosing entities as defined in Section 111AC of the <i>Corporations Act 2001</i>; • Registrable superannuation entity (RSE) licensees, and RSEs under their trusteeship that have five or more members, regulated by APRA⁽¹⁴⁾ under the <i>Superannuation Industry (Supervision) Act 1993</i>; and • Other issuers of debt and equity instruments to the public. <p>Footnote 10-14: Refers to the relevant APRA prudential standards for applicable regulatory requirements for audits of APRA-regulated</p>

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
290.41	When a breach is identified, the Firm shall consider whether there are any legal or regulatory requirements that apply with respect to the breach and, if so, shall comply with those requirements. The Firm shall consider reporting the breach to a member body, relevant regulator or oversight authority if such reporting is common practice or is expected in the particular jurisdiction.	290.41	R400.80	N	Y	Include reference to auditor reporting obligations in Australia	R400.80	<p>R400.80 If a Firm concludes that a breach of a requirement in this Part has occurred, the Firm shall:</p> <p>(a) End, suspend or eliminate the interest or relationship that created the breach and address the consequences of the breach;</p> <p>(b) Consider whether any legal or regulatory requirements apply to the breach and, if so:</p> <p>(i) Comply with those requirements; and</p> <p>(ii) Consider reporting the breach to a professional or regulatory body or oversight authority if such reporting is common practice or expected in the relevant jurisdiction⁽¹⁵⁾;</p> <p>(c) Promptly communicate the breach in accordance with its policies and procedures to:</p> <p>(i) The Engagement Ppartner;</p> <p>(ii) Those with responsibility for the policies and procedures relating to independence;</p> <p>(iii) Other relevant personnel in the Ffirm and, where appropriate, the Nnetwork; and</p> <p>(iv) Those subject to the independence requirements in Part 4A who need to take appropriate action;</p> <p>(d) Evaluate the significance of the breach and its impact on the Ffirm's objectivity and ability to issue an audit report; and</p> <p>(e) Depending on the significance of the breach, determine:</p> <p>(i) Whether to end the Aaudit Eengagement; or</p> <p>(ii) Whether it is possible to take action that satisfactorily addresses the consequences of the breach and whether such action can be taken and is appropriate in the circumstances.</p> <p>In making this determination, the Ffirm shall exercise professional judgement and take into account whether a reasonable and informed third party would be likely to conclude that the Ffirm's objectivity would be compromised, and therefore, the Ffirm would be unable to issue an audit report.</p> <p>(15) For example, there are auditor reporting obligations in the Corporations Act 2001 which a Member in Public Practice must comply with. Further information on these requirements is set out in ASIC Regulatory Guide 34 Auditors Obligations: Reporting to ASIC.</p>
290.107	<p>The holding by a Firm's retirement benefit plan of a direct or material Indirect Financial Interest in an Audit Client creates a self-interest threat. The significance of the threat shall be evaluated and safeguards applied when necessary to eliminate the threat or reduce it to an Acceptable Level.⁽⁵⁾</p> <p>(5) Refer to s324CH(1) Items 10-12 of the <i>Corporations Act 2001</i> which prohibits this arrangement in respect of Audits performed in accordance with the Act.</p>	290.107	510.10 A13	N	Y	Include footnote	510.10 A13	<p>A self-interest threat might be created if a retirement benefit plan of a firm or a network firm holds a direct or material indirect financial interest in an audit client.⁽¹⁶⁾</p> <p>(16) Refer to s324CH(1) Items 10-12 of the Corporations Act 2001 which prohibits this arrangement in respect of Audits performed in accordance with the Act.</p>
290.121	<p>Similarly, if the Firm or a member of the Audit Team, or a member of that individual's Immediate Family, makes or guarantees a loan to an Audit Client, the self-interest threat created would be so significant that no safeguards could reduce the threat to an Acceptable Level, unless the loan or guarantee is immaterial to both (a) the Firm or the member of the Audit Team and the Immediate Family member, and (b) the client.⁽⁶⁾</p> <p>(6) Refer to s324CH(1) Items 15, 16, 17 & 19 of the <i>Corporations Act 2001</i> which prohibits making or guaranteeing loans irrespective of materiality for audits performed in accordance with the Act.</p>	290.121	R511.4	N	Y	Include footnote	R511.4	<p>A firm, a network firm, and audit team member, or any of that individual's immediate family shall not make or guarantee a loan to an audit client unless the loan or guarantee is immaterial to:</p> <p>(a) The firm, the network firm or the individual making the loan or guarantee, as applicable; and</p> <p>(b) the client.⁽¹⁷⁾</p> <p>(17) Refer to s324CH(1) Items 15, 16, 17 & 19 of the Corporations Act 2001 which prohibits making or guaranteeing loans irrespective of materiality for audits performed in accordance with the Act.</p>

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
290.123	<p>A close business relationship⁽⁷⁾ between a Firm, or a member of the Audit Team, or a member of that individual's Immediate Family, and the Audit Client or its management, arises from a commercial relationship or common Financial Interest and may create self-interest or intimidation threats. Examples of such relationships include:</p> <ul style="list-style-type: none"> • Having a Financial Interest in a joint venture with either the client or a controlling owner, Director, Officer or other individual who performs senior managerial activities for that client. • Arrangements to combine one or more services or products of the Firm with one or more services or products of the client and to market the package with reference to both parties. • Distribution or marketing arrangements under which the Firm distributes or markets the client's products or services, or the client distributes or markets the Firm's products or services. <p>Unless any Financial Interest is immaterial and the business relationship is insignificant to the Firm and the client or its management, the threat created would be so significant that no safeguards could reduce the threat to an Acceptable Level. Therefore, unless the Financial Interest is immaterial and the business relationship is insignificant, the business relationship shall not be entered into, or it shall be reduced to an insignificant level or terminated.</p>	290.123	520.2, 520.3 A1, 520.3 A2, R520.4 , 520.4 A1	N	Y	Include footnote	R520.4	<p>A firm, a network firm, and audit team member shall not have a close business relationship⁽¹⁸⁾ with an audit client or its management unless any financial interest is immaterial and the business relationship is insignificant to the client or its management and the firm, network firm or the audit team member, as applicable.</p> <p>(18) Refer to s324CH(1) of the Corporations Act 2001, which prohibits certain relationships between a person or the Firm and the corporate Audit Client irrespective of materiality or the significance of the relationship or Financial Interest.</p>

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
	<p>In the case of a member of the Audit Team, unless any such Financial Interest is immaterial and the relationship is insignificant to that member, the individual shall be removed from the Audit Team.</p> <p>If the business relationship is between an Immediate Family member of a member of the Audit Team and the Audit Client or its management, the significance of any threat shall be evaluated and safeguards applied when necessary to eliminate the threat or reduce it to an Acceptable Level.</p> <p>(7) Refer to s324CH(1) of the <i>Corporations Act 2001</i> which prohibits certain relationships between a person or the Firm and the corporate Audit Client irrespective of materiality or the significance of the relationship or Financial Interest.</p>							

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
290.124	<p>A business relationship⁽⁸⁾ involving the holding of an interest by the Firm, or a member of the Audit Team, or a member of that individual's Immediate Family, in a closely-held entity when the Audit Client or a Director or Officer of the client, or any group thereof, also holds an interest in that entity does not create threats to Independence if:</p> <p>(a) The business relationship is insignificant to the Firm, the member of the Audit Team and the Immediate Family member, and the client;</p> <p>(b) The Financial Interest is immaterial to the investor or group of investors; and</p> <p>(c) The Financial Interest does not give the investor, or group of investors, the ability to control the closely-held entity.</p> <p>(8) Refer to s324CH(1) of the <i>Corporations Act 2001</i> which prohibits certain relationships between a person or the Firm and the corporate Audit Client irrespective of materiality or the significance of the relationship or Financial Interest</p>	290.124	R520.5	N	Y	include footnote	R520.5	<p>A firm, a network firm, an audit team member, or any of that individual's immediate family shall not have a business relationship⁽¹⁹⁾ involving the holding of an interest in a closely-held entity when an audit client or a director or officer of the client, or any group thereof, also holds an interest in that entity, unless:</p> <p>(a) The business relationship is insignificant to the firm, the network firm or the individual, as applicable and the client;</p> <p>(b) The financial interest is immaterial to the investor or group of investors; and</p> <p>(c) The financial interest does not give the investor, or group of investors, the ability to control the closely-held entity.</p> <p>(19) Refer to s324CH(1) of the <i>Corporations Act 2001</i>, which prohibits certain relationships between a person or the Firm and the corporate Audit Client irrespective of materiality or the significance of the relationships or Financial Interest.</p>
290.133	<p>If a former member of the Audit Team or partner of the Firm⁽⁹⁾ has joined the Audit Client in such a position and a significant connection remains between the Firm and the individual, the threat would be so significant that no safeguards could reduce the threat to an Acceptable Level. Therefore, Independence would be deemed to be compromised if a former member of the Audit Team or partner joins the Audit Client as a Director or Officer, or as an employee in a position to exert significant influence over the preparation of the client's accounting records or the Financial Statements on which the Firm will express an Opinion, unless:</p> <p>(a) The individual is not entitled to any benefits or payments from the Firm, unless made in accordance with fixed pre-determined arrangements, and any amount owed to the individual is not material to the Firm; and</p> <p>(b) The individual does not continue to participate or appear to participate in the Firm's business or Professional Activities.</p> <p>(9) Refer to s324CK of the <i>Corporations Act 2001</i> regarding the 5 year cooling off period before a former Audit partner can be appointed as an Officer or Director of a corporate Audit Client in circumstances where another former Partner of the Firm is already an Officer or Director of the corporate Audit Client.</p>	290.133	R524.4	N	Y	include footnote	R524.4	<p>The firm shall ensure that no significant connection remains between the firm or a network firm and:</p> <p>(a) A former partner⁽²⁴⁾ who has joined an audit client of the firm; or</p> <p>(b) A former audit team member who has joined the audit client, if either has joined the audit client as:</p> <p>(i) A director or officer; or</p> <p>(ii) An employee in a position to exert significant influence over the preparation of the client's accounting records or the financial statements on which the firm will express an opinion.</p> <p>A significant connection remains between the firm or a network firm and the individual, unless:</p> <p>(a) The individual is not entitled to any benefits or payments from the firm or network firm that are not made in accordance with fixed pre-determined arrangements;</p> <p>(b) Any amount owed to the individual is not material to the firm or the network firm; and</p> <p>(c) The individual does not continue to participate or appear to participate in the firm's or the network firm's business or professional activities.</p> <p>(24) Refer to s324CK of the <i>Corporations Act 2001</i> regarding the 5 year cooling off period before a former Audit partner can be appointed as an Officer or Director of a corporate Audit Client in circumstances where another former Partner of the Firm is already an Officer or Director of the corporate Audit Client.</p>

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290.137	<p>Familiarity or intimidation threats are created when a Key Audit Partner joins the Audit Client that is a Public Interest Entity as:</p> <p>(a) A Director or Officer of the entity; or</p> <p>(b) An employee in a position to exert significant influence over the preparation of the client's accounting records or the Financial Statements on which the Firm will express an Opinion. Independence would be deemed to be compromised unless, subsequent to the partner ceasing to be a Key Audit Partner, the Public Interest Entity had issued audited Financial Statements covering a period of not less than twelve months and the partner was not a member of the Audit Team with respect to the audit of those Financial Statements.⁽¹⁰⁾</p> <p>(10) Refer to s324CI of the <i>Corporations Act 2001</i> for additional prohibitions on former audit Partners joining corporate Audit Clients.</p>	290.137	R524.6	N	Y	include footnote	R524.6	<p>Subject to paragraph R524.8, if an individual who was a key audit partner with respect to an audit client that is a public interest entity joins the client as:</p> <p>(a) A director or officer; or</p> <p>(b) An employee in a position to exert significant influence over the preparation of the client's accounting records or the financial statements on which the firm will express an opinion, independence is compromised unless, subsequent to the individual ceasing to be a key audit partner:</p> <p>(i) The audit client has issued audited financial statements covering a period of not less than twelve months; and</p> <p>(ii) The individual was not an audit team member with respect to the audit of those financial statements.⁽²⁵⁾</p> <p>(25) Refer to s324CI of the Corporations Act 2001 for additional prohibitions on former audit Partners joining corporate Audit Clients.</p>
290.138	<p>An intimidation threat is created when the individual who was the Firm's senior or managing partner (chief executive or equivalent) joins an Audit Client that is a Public Interest Entity as (a) an employee in a position to exert significant influence over the preparation of the entity's accounting records or its Financial Statements or (b) a Director or Officer of the entity. Independence would be deemed to be compromised unless twelve months have passed since the individual was the senior or managing partner (chief executive or equivalent) of the Firm.⁽¹¹⁾</p> <p>(11) Refer to s324CI of the <i>Corporations Act 2001</i> for additional prohibitions on former Partners joining corporate Audit Clients.</p>	290.138	R524.7	N	Y	include footnote	R524.7	<p>Subject to paragraph R524.8, if an individual who was the Senior or Managing Partner (Chief Executive or equivalent) of the firm joins an audit client that is a public interest entity as:</p> <p>(a) A director or officer; or</p> <p>(b) An employee in a position to exert significant influence over the preparation of the client's accounting records or the financial statements on which the firm will express an opinion, independence is compromised, unless twelve months have passed since the individual was the Senior or Managing Partner (Chief Executive or equivalent) of the firm.⁽²⁶⁾</p> <p>(26) Refer to s324CI of the Corporations Act 2001 for additional prohibitions on former Partners joining corporate Audit Clients.</p>
290.142	<p>If, during the period covered by the audit report, a member of the Audit Team had served as a Director or Officer of the Audit Client, or was an employee in a position to exert significant influence⁽¹²⁾ over the preparation of the client's accounting records or the Financial Statements on which the Firm will express an Opinion, the threat created would be so significant that no safeguards could reduce the threat to an Acceptable Level. Consequently, such individuals shall not be assigned to the Audit Team.</p> <p>(12) Refer to s9 Definition for 'Audit-critical employee' of the <i>Corporations Act 2001</i>.</p>	290.142	R522.3	N	Y	include footnote	R522.3	<p>The audit team shall not include an individual who, during the period covered by the audit report:</p> <p>(a) Had served as a director or officer of the audit client; or</p> <p>(b) Was an employee in a position to exert significant influence⁽²⁰⁾ over the preparation of the client's accounting records or the financial statements on which the firm will express an opinion.</p> <p>(20) Refer to s9 Definition for 'Audit-critical employee' of the <i>Corporations Act 2001</i>.</p>

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
290.143	<p>Self-interest, self-review or familiarity threats may be created if, before the period covered by the audit report, a member of the Audit Team had served as a Director or Officer of the Audit Client, or was an employee in a position to exert significant influence over the preparation of the client's accounting records or Financial Statements on which the Firm will express an Opinion.⁽¹³⁾ For example, such threats would be created if a decision made or work performed by the individual in the prior period, while employed by the client, is to be evaluated in the current period as part of the current Audit Engagement. The existence and significance of any threats will depend on factors such as:</p> <ul style="list-style-type: none"> • The position the individual held with the client; • The length of time since the individual left the client; and • The role of the professional on the Audit Team. <p>The significance of any threat shall be evaluated and safeguards applied when necessary to reduce the threat to an Acceptable Level. An example of such a safeguard is conducting a review of the work performed by the individual as a member of the Audit Team.</p> <p>(13) Refer to s324CH(1) Items 8 & 9 and s324CF(5) Items 3, 4, 5 & 9 of the Corporations Act 2001 regarding cooling-off period of 12 months immediately preceding the beginning of the audited period for a corporate Audit Client.</p>	290.143	522.4 A1, 522.4 A2 & 522.4 A3	N	Y	Include footnote	522.4 A1	<p>A self-interest, self-review or familiarity threat might be created if, before the period covered by the audit report, an audit team member:</p> <p>(a) Had served as a director or officer of the audit client; or</p> <p>(b) Was an employee in a position to exert significant influence over the preparation of the client's accounting records or financial statements on which the firm will express an opinion.⁽²¹⁾</p> <p>For example, a threat would be created if a decision made or work performed by the individual in the prior period, while employed by the client, is to be evaluated in the current period as part of the current audit engagement.</p> <p>(21) Refer to s324CH(1) Items 8 & 9 and s324CF(5) Items 3, 4, 5 & 9 of the Corporations Act 2001 regarding cooling-off period of 12 months immediately preceding the beginning of the audited period for a corporate Audit Client.</p>
290.144	<p>If a partner or employee of the Firm serves as a Director or Officer of an Audit Client, the self-review and self-interest threats created would be so significant that no safeguards could reduce the threats to an Acceptable Level. Accordingly, no partner or employee shall serve as a Director or Officer of an Audit Client.⁽¹⁴⁾</p> <p>(14) Refer to s324CI of the <i>Corporations Act 2001</i> regarding prohibitions on Partners or employees serving as a Director or Officer of a corporate Audit Client.</p>	290.144	R523.3	N	Y	Include footnote	R523.3	<p>A partner or employee of the firm or a network firm shall not serve as a director or officer of an audit client of the firm.⁽²²⁾</p> <p>(22) Refer to s324CI of the Corporations Act 2001 regarding prohibitions on Partners or employees serving as a Director or Officer of a corporate Audit Client.</p>
AUST 290.144.1	<p>If a partner or employee of the Firm were to serve as an Officer (including management of an Administration) or as a Director of an Audit Client, or as an employee in a position to exert direct and significant influence over the subject matter of the Audit Engagement, the threats created would be so significant no safeguard could reduce the threats to an Acceptable Level. Consequently, if such an individual were to accept such a position the only course of action is for the Firm to refuse to perform, or to withdraw from, the Audit Engagement.</p>	290.144	R523.3	N	Y	Include AUST paragraph with editorial amendments to reflect restructured drafting procedures	AUST R523.3.1	<p>A Firm shall refuse to perform, or withdraw from, the Audit Engagement if a partner or employee of the Firm were to serve as an Officer (including management of an Administration) or as a Director of an Audit Client, or as an employee in a position to exert direct and significant influence over the subject matter of the Audit Engagement. the threats created would be so significant no safeguard could reduce the threats to an Acceptable Level. Consequently, if such an individual were to accept such a position the only course of action is for the Firm to refuse to perform, or to withdraw from, the Audit Engagement.</p>
AUST 290.146.1	<p>As the company secretary of a company incorporated in Australia is an Officer under the <i>Corporations Act 2001</i>, no partner or employee of a Firm shall act in the position of the company secretary of an Audit Client. If such an individual were to accept such a position the only course of action is for the Firm to refuse to perform, or withdraw from, the Audit Engagement.</p>	290.146	R523.4	N	Y	Include AUST paragraph to clarify the requirement for Australian practitioners.	AUST R523.5	<p>As the company secretary of a company incorporated in Australia is an Officer under the <i>Corporations Act 2001</i>, no partner or employee of a Firm shall act in the position of the company secretary of an Audit Client. If such an individual were to accept such a position the only course of action is for the Firm shall comply with the requirements of AUST R523.3.1 to refuse to perform, or withdraw from, the Audit Engagement.</p>

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290.149	<p>In respect of an audit of a Public Interest Entity, an individual shall not be a Key Audit Partner for more than seven years.⁽¹⁵⁾ After such time, the individual shall not be a member of the Engagement Team or be a Key Audit Partner for the client for two years. During that period, the individual shall not participate in the audit of the entity, provide quality control for the engagement, consult with the Engagement Team or the client regarding technical or industry-specific issues, transactions or events or otherwise directly influence the outcome of the engagement.</p> <p>(15) Refer to s324DA of the Corporations Act 2001 which has more restrictive Audit Partner rotation requirements for Listed Entities in Australia.</p>	290.149	R540.5	Y	N	<p>Substantive change in the IESBA Code is due to the new Long Association Provisions which are not yet incorporated into the APES 110.</p> <p>The extant paragraph in the compiled Code will be replaced by paragraph 290.153 as set out in the Long Association Close-Off Document. Refer to paragraph 290.153 (LA Close-Off Document) below for analysis and any requires changes to the restructured Code.</p>		
290.152	<p>When an Audit Client becomes a Public Interest Entity, the length of time the individual has served the Audit Client as a Key Audit Partner before the client becomes a Public Interest Entity shall be taken into account in determining the timing of the rotation.⁽¹⁶⁾ If the individual has served the Audit Client as a Key Audit Partner for five years or less when the client becomes a Public Interest Entity, the number of years the individual may continue to serve the client in that capacity before rotating off the engagement is seven years less the number of years already served. If the individual has served the Audit Client as a Key Audit Partner for six or more years when the client becomes a Public Interest Entity, the partner may continue to serve in that capacity for a maximum of two additional years before rotating off the engagement.</p> <p>(16) Refer to s324DA of the Corporations Act 2001 which has more restrictive Audit Partner rotation requirements for Listed Entities in Australia.</p>	290.152	R540.8	Y	N	<p>Substantive change in the IESBA Code is due to the new Long Association Provisions which are not yet incorporated into the APES 110.</p> <p>The extant paragraph in the compiled Code will be replaced by paragraph 290.167 as set out in the Long Association Close-Off Document. Refer to paragraph 290.167 (LA Close-Off Document) below for analysis and any requires changes to the restructured Code.</p>		
290.153	<p>When a Firm has only a few people with the necessary knowledge and experience to serve as a Key Audit Partner on the audit of a Public Interest Entity, rotation of Key Audit Partners may not be an available safeguard. If an independent regulator⁽¹⁷⁾ in the relevant jurisdiction has provided an exemption from partner rotation in such circumstances, an individual may remain a Key Audit Partner for more than seven years, in accordance with such regulation, provided that the independent regulator has specified alternative safeguards which are applied, such as a regular independent external review.</p> <p>(17) Refer to s342A of the Corporations Act 2001 which specifies that the Australian Securities and Investment Commission may grant extensions.</p>	290.153	R540.9	Y	N	<p>Substantive change in the IESBA Code is due to the new Long Association Provisions which are not yet incorporated into the APES 110.</p> <p>The extant paragraph in the compiled Code will be replaced by paragraph 290.168 as set out in the Long Association Close-Off Document. Refer to paragraph 290.168 (LA Close-Off Document) below for analysis and any requires changes to the restructured Code.</p>		

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290.153 (LA Close-Off Document)	In respect of an audit of a Public Interest Entity, an individual shall not act in any of the following roles, or a combination of such roles, for a period of more than seven cumulative years ⁽¹⁾ (the "time-on" period): (a) The Engagement Partner; (b) The individual appointed as responsible for the Engagement Quality Control Review; or (c) Any other Key Audit Partner role. After the time-on period, the individual shall serve a "cooling-off" period in accordance with the provisions in paragraphs 290.155 – 290.163. (1) Refer to s324DA of the <i>Corporations Act 2001</i> which has more restrictive Audit Partner rotation requirements for Listed Entities in Australia.	290.153	R540.5	N	Y	Retain footnote from the LA Close-Off Document	R540.5	Subject to paragraphs R540.7 to R540.9, in respect of an audit of a public interest entity, an individual shall not act in any of the following roles, or a combination of such roles, for a period of more than seven cumulative years ⁽²⁷⁾ (the "time-on" period): (a) The engagement partner; (b) The individual appointed as responsible for the engagement quality control review; or (c) Any other key audit partner role. After the time-on period, the individual shall serve a "cooling-off" period in accordance with the provisions in paragraphs R540.11 to R540.19. (27) Refer to s324DA of the Corporations Act 2001 which has more restrictive time-on requirements for Audit Partners of Listed Entities in Australia.
290.154 (LA Close-Off Document)	In calculating the time-on period, the count of years cannot be restarted unless the individual ceases to act in any one of the above roles for a consecutive period equal to at least the cooling-off period determined in accordance with paragraphs 290.155 to 290.157 as applicable to the role in which the individual served in the year immediately before ceasing such involvement. For example, an individual who served as Engagement Partner for four years followed by three years off can only act thereafter as a Key Audit Partner on the same Audit Engagement for three further years (making a total of seven cumulative years). Thereafter, that individual is required to cool off in accordance with paragraph 290.158.	290.154	540.6 A1	N	Y	The example refers to a time-on period of seven years. Therefore need to include a footnote that highlights the more restrictive time-on periods specified in the Corps Act.	540.6 A1	For example, an individual who served as Engagement Partner for four years followed by three years off can only act thereafter as a Key Audit Partner on the same Audit Engagement for three further years (making a total of seven cumulative years ⁽²⁸⁾). Thereafter, that individual is required to cool off in accordance with paragraph R540.14. (28) Refer to s324DA of the Corporations Act 2001 which has more restrictive time-on requirements for Audit Partners of Listed Entities in Australia.
290.155 (LA Close-Off Document)	If the individual acted as the Engagement Partner for seven cumulative years ⁽²⁾ , the cooling-off period shall be five consecutive years. (2) Refer to s324DA of the <i>Corporations Act 2001</i> which has more restrictive Audit Partner rotation requirements for Listed Entities in Australia.	290.155	R540.11	N	Y	Retain footnote from the LA Close-Off Document	R540.11	If the individual acted as the engagement partner for seven cumulative years ⁽³¹⁾ , the cooling-off period shall be five consecutive years. (31) Refer to s324DA of the Corporations Act 2001 which has more restrictive time-on requirements for Audit Partners of Listed Entities in Australia.
290.156 (LA Close-Off Document)	Where the individual has been appointed as responsible for the Engagement Quality Control Review and has acted in that capacity for seven cumulative years ⁽³⁾ , the cooling-off period shall be three consecutive years. (3) Refer to s324DA of the <i>Corporations Act 2001</i> which has more restrictive Audit Partner rotation requirements for Listed Entities in Australia.	290.156	R540.12	N	Y	Retain footnote from the LA Close-Off Document	R540.12	Where the individual has been appointed as responsible for the engagement quality control review and has acted in that capacity for seven cumulative years ⁽³²⁾ , the cooling-off period shall be three consecutive years. (32) Refer to s324DA of the Corporations Act 2001 which has more restrictive time-on requirements for Audit Partners of Listed Entities in Australia.
290.163 (LA Close-Off Document)	Where a legislative body or regulator (or organisation authorised or recognised by such legislative body or regulator) has established a cooling-off period for an Engagement Partner of less than five consecutive years, the higher of that period or three years may be substituted for the cooling-off period of five consecutive years specified in paragraphs 290.155, 290.158 and 290.160(a) provided that the applicable time-on period does not exceed seven years.	290.163	R540.19	N	Y	Insert new footnote to note	R540.19	Where a legislative or regulatory body (or organization authorized or recognized by such legislative or regulatory body) has established a cooling-off period for an Engagement Partner of less than five consecutive years, the higher of that period or three years may be substituted for the cooling-off period of five consecutive years specified in paragraphs R540.11, R540.14 and R540.16(a) provided that the applicable time-on period does not exceed seven years ⁽³³⁾ . (33) Refer to s324DA of the Corporations Act 2001 which has more restrictive time-on requirements for Audit Partners of Listed Entities in Australia.

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AUST 290.163.1 (LA Close-Off Document)	<p>In Australia, where laws or regulations require a two year cooling-off period for Engagement Partners for audits of Public Interest Entities⁽⁴⁾, the cooling-off period shall be three years for periods beginning prior to 31 December 2023 provided that the applicable time-on period does not exceed seven years.</p> <p>(4): Refer to s324DA of the <i>Corporations Act 2001</i> which has more restrictive Audit Partner rotation requirements for Listed Entities in Australia.</p>	290.163	R540.19	N	Y	Retain footnote from the LA Close-Off Document & include additional footnote to clarify the mixed rotation requirements.	AUST R540.19.1	<p>In Australia, where laws or regulations require a two year cooling-off period for Engagement Partners for audits of Public Interest Entities⁽⁴⁾, the cooling-off period shall be three years for periods beginning prior to 31 December 2023 provided that the applicable time-on period does not exceed seven years⁽³⁴⁾.</p> <p>(34): For example, s324DA of the <i>Corporations Act 2001</i> requires a minimum two year cooling-off period for rotation of Audit Partners of Listed Entities in Australia.</p> <p>(y): Refer to s324DA of the <i>Corporations Act 2001</i> which has more restrictive time-on requirements for Audit Partners of Listed Entities in Australia.</p>
290.167 (LA Close-Off Document)	<p>When an Audit Client becomes a Public Interest Entity, the length of time⁽⁵⁾ the individual has served the Audit Client as a Key Audit Partner before the client becomes a Public Interest Entity shall be taken into account in determining the timing of the rotation. If the individual has served the Audit Client as a Key Audit Partner for a period of five cumulative years or less when the client becomes a Public Interest Entity, the number of years the individual may continue to serve the client in that capacity before rotating off the engagement is seven years less the number of years already served. If the individual has served the Audit Client as a Key Audit Partner for a period of six or more cumulative years when the client becomes a Public Interest Entity, the partner may continue to serve in that capacity with the concurrence of Those Charged with Governance for a maximum of two additional years before rotating off the engagement.</p> <p>(5) Refer to s324DA of the <i>Corporations Act 2001</i> which has more restrictive Audit Partner rotation requirements for Listed Entities in Australia. The <i>Corporations Act 2001</i> restricts the number of years that an Engagement Partner can serve a Listed Audit Client (which includes all the years served by the Engagement Partner on that entity).</p>	290.167	R540.8	N	Y	Retain footnote from the LA Close-Off Document	R540.8	<p>If an audit client becomes a public interest entity, a firm shall take into account the length of time⁽²⁹⁾ an individual has served the audit client as a key audit partner before the client becomes a public interest entity in determining the timing of the rotation. If the individual has served the audit client as a key audit partner for a period of five cumulative years or less when the client becomes a public interest entity, the number of years the individual may continue to serve the client in that capacity before rotating off the engagement is seven years less the number of years already served. As an exception to paragraph R540.5, if the individual has served the audit client as a key audit partner for a period of six or more cumulative years when the client becomes a public interest entity, the individual may continue to serve in that capacity with the concurrence of those charged with governance for a maximum of two additional years before rotating off the engagement.</p> <p>(29) Refer to s324DA of the <i>Corporations Act 2001</i> which has more restrictive time-on requirements for Audit Partners of Listed Entities in Australia. The <i>Corporations Act 2001</i> restricts the number of years that an Engagement Partner can serve a Listed Audit Client (which includes all the years served by the Engagement Partner on that entity).</p>
290.168 (LA Close-Off Document)	<p>When a Firm has only a few people with the necessary knowledge and experience to serve as a Key Audit Partner on the audit of a Public Interest Entity, rotation of Key Audit Partners may not be an available safeguard. If an independent regulator⁽⁶⁾ in the relevant jurisdiction has provided an exemption from partner rotation in such circumstances, an individual may remain a Key Audit Partner for more than seven years, in accordance with such regulation, provided that the independent regulator has specified other requirements which are to be applied, such as the length of time that the Key Audit Partner may be exempted from rotation or a regular independent external review.</p> <p>(6) Refer to s342A of the <i>Corporations Act 2001</i> which specifies that the Australian Securities and Investment Commission may grant extensions.</p>	290.168	R540.9	N	Y	Retain footnote from the LA Close-Off Document	R540.9	<p>When a firm has only a few people with the necessary knowledge and experience to serve as a key audit partner on the audit of a public interest entity, rotation of key audit partners might not be possible. As an exception to paragraph R540.5, if an independent regulatory body⁽³⁰⁾ in the relevant jurisdiction has provided an exemption from partner rotation in such circumstances, an individual may remain a key audit partner for more than seven years, in accordance with such exemption. This is provided that the independent regulatory body has specified other requirements which are to be applied, such as the length of time that the key audit partner may be exempted from rotation or a regular independent external review.</p> <p>(30) Refer to s342A of the <i>Corporations Act 2001</i> which specifies that the Australian Securities and Investment Commission may grant extensions.</p>

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
290.194	When a Firm uses the work of an internal audit function, Auditing and Assurance Standards require the performance of procedures to evaluate the adequacy of that work. When a Firm accepts an engagement to provide internal audit services to an Audit Client, and the results of those services will be used in conducting the external audit, a self-review threat is created because of the possibility that the Audit Team will use the results of the internal audit service without appropriately evaluating those results or exercising the same level of professional scepticism as would be exercised when the internal audit work is performed by individuals who are not members of the Firm. The significance of the threat will depend on factors such as: <ul style="list-style-type: none"> • The materiality of the related Financial Statement amounts; • The risk of misstatement of the assertions related to those Financial Statement amounts; and • The degree of reliance that will be placed on the internal audit service. The significance of the threat shall be evaluated and safeguards applied when necessary to eliminate the threat or reduce it to an Acceptable Level. An example of such a safeguard is using professionals who are not members of the Audit Team to perform the internal audit service.	290.194	605.4 A3	N	Y	The international paragraphs refer to international accounting standards which need to be amended to refer to Australian auditing and assurance standards.	605.4 A3	When a Firm uses the work of an internal audit function in an Audit Engagement, ISAs Auditing and Assurance Standards require the performance of procedures to evaluate the adequacy of that work. Similarly, when a Firm or Network Firm accepts an engagement to provide internal audit services to an Audit Client, the results of those services might be used in conducting the external audit. This creates a self-review threat because it is possible that the Audit Team will use the results of the internal audit service for purposes of the Audit Engagement without: <p>(a) Appropriately evaluating those results; or</p> <p>(b) Exercising the same level of professional scepticism as would be exercised when the internal audit work is performed by individuals who are not members of the Firm.</p>
AUST 290.215.1	In certain circumstances another party or Firm may refer multiple Audit Clients to a Firm. In these circumstances, when the total fees in respect of multiple Audit Clients referred from one source represent a large proportion of the total fees of the Firm expressing the audit opinions, the dependence on that source and concern about losing those clients creates a self-interest or intimidation threat. <p>The significance of the threat shall be evaluated and safeguards applied when necessary to eliminate the threat or reduce it to an Acceptable Level. Paragraph 290.215 provides examples of factors that may affect the significance of the threat and potential safeguards.</p>	290.215	410.3 A1 - A6	N	Y	Retain Australian content but split into requirements and application paragraph	AUST R410.3.11	<u>When the total fees in respect of multiple Audit Clients referred from one source represent a large proportion of the total fees of the Firm expressing the audit opinions, the Firm shall evaluate the significance of the threat and apply safeguards when necessary to eliminate the threat or reduce it to an Acceptable Level.</u>
							AUST 410.3.1 A1	<u>Another party or Firm may refer multiple Audit Clients to a Firm. The dependence on that source and concern about losing those clients creates a self-interest or intimidation threat. Paragraph 410.3 A2 provides examples of factors that may affect the significance of the threat and paragraph 410.3 A6 lists potential safeguards that may be applied.</u>
291.2	Assurance Engagements are designed to enhance intended users' degree of confidence about the outcome of the evaluation or measurement of a subject matter against criteria. Framework for Assurance Engagements issued by the AUASB describes the elements and objectives of an Assurance Engagement and identifies engagements to which Auditing and Assurance Standards apply. For a description of the elements and objectives of an Assurance Engagement, refer to the Assurance Framework	291.2	900.7	N	Y	Need to update paragraph to ensure it refers to the Australian auditing & assurance standards rather than the international framework	900.7	Assurance Engagements are designed to enhance intended users' degree of confidence about the outcome of the evaluation or measurement of a subject matter against criteria. In an Assurance Engagement, the Firm expresses a conclusion designed to enhance the degree of confidence of the intended users (other than the responsible party) about the outcome of the evaluation or measurement of a subject matter against criteria. The Assurance-Framework Framework for Assurance Standards issued by the AUASB describes the elements and objectives of an Assurance Engagement and identifies engagements to which ISAs-Auditing and Assurance Standards apply. For a description of the elements and objectives of an Assurance Engagement, refer to the Assurance-Framework Framework for Assurance Standards .

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
AUST 291.10.1	Where a Member in Public Practice identifies multiple threats to Independence, which individually may not be significant, the Member shall evaluate the significance of those threats in aggregate and the safeguards applied or in place to eliminate some or all of the threats or reduce them to an Acceptable Level in aggregate.	291.10	R900.15	Y	Y	The discussion on the conceptual framework at the start of section 291 has been relocated in the new restructured Code to Section 120 on the overall conceptual framework elements. The restructured section includes a new reference to multiple threats but it is not as detailed as in the extant AUST paras and is a long way from the Independence Standards. Therefore the extant AUST paragraphs will also be included in Part 4A and Part 4B.	AUST R900.15.1	Where a Member in Public Practice identifies multiple threats to Independence, which individually might not be significant, the Member shall evaluate the significance of those threats in aggregate and the safeguards applied or in place to eliminate some or all of the threats or reduce them to an Acceptable Level in aggregate.
291.11		291.11	900.3	N	Y	The international paragraphs refer to ISQC 1 which need to be amended to refer to APES 320.	900.3	APES 320 Quality Control for Firms (APES 320) . ISQC 4 requires a F firm to establish policies and procedures designed to provide it with reasonable assurance that the F firm, its personnel and, where applicable, others subject to independence requirements maintain independence where required by relevant ethics standards. ISAEs- Auditing and Assurance Standards establish responsibilities for E engagement P partners and E engagement T teams at the level of the engagement. The allocation of responsibilities within a F firm will depend on its size, structure and organization. Many of the provisions of Part 4B do not prescribe the specific responsibility of individuals within the F firm for actions related to independence, instead referring to " F firm" for ease of reference. Firms assign responsibility for a particular action to an individual or a group of individuals (such as an A assurance T eam) in accordance with APES 320 ISQC 4 . In addition, an individual professional accountant Member remains responsible for compliance with any provisions that apply to that Member's accountant's activities, interests or relationships.
291.13	The outcome of the evaluation or measurement of a subject matter is the information that results from applying the criteria to the subject matter. The term "subject matter information" is used to mean the outcome of the evaluation or measurement of a subject matter. For example, the Framework states that an assertion about the effectiveness of internal control (subject matter information) results from applying a framework for evaluating the effectiveness of internal control, such as COSO ⁽¹⁸⁾ or CoCo ⁽¹⁹⁾ (criteria), to internal control, a process (subject matter). (18) "Internal Control – Integrated Framework" The Committee of Sponsoring Organizations of the Treadway Commission. (19) "Guidance on Assessing Control – The CoCo Principles" Criteria of Control Board, The Canadian Institute of Chartered Accountants.	291.13	900.8	N	Y	Retain extant footnote	900.8	The outcome of the evaluation or measurement of a subject matter is the information that results from applying the criteria to the subject matter. The term "subject matter information" is used to mean the outcome of the evaluation or measurement of a subject matter. For example, the Assurance Framework Framework for Assurance Engagements states that an assertion about the effectiveness of internal control (subject matter information) results from applying a framework for evaluating the effectiveness of internal control, such as COSO ⁽³⁶⁾ or CoCo ⁽³⁷⁾ (criteria), to internal control, a process (subject matter). (36) "Internal Control – Integrated Framework" The Committee of Sponsoring Organizations of the Treadway Commission. (37) "Guidance on Assessing Control – The CoCo Principles" Criteria of Control Board, The Canadian Institute of Chartered Accountants.
AUST 291.16.1	The AUASB has issued <i>Framework for Assurance Engagements</i> which describes the nature of an Assurance Engagement. To obtain a full understanding of the objectives and elements of an Assurance Engagement it is necessary to refer to the full text of that document.	291.16	900.11	N	Y	Retain extant paragraph with minor editorial amendments.	AUST 900.11.1	The AUASB has issued <i>Framework for Assurance Engagements</i> which describes the nature of an Assurance Engagement. To obtain a full understanding of the objectives and elements of an Assurance Engagement it is necessary to refer to the full text of that document.

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
291.17	<p>In an assertion-based Assurance Engagement, the members of the Assurance Team and the Firm shall be independent of the Assurance Client (the party responsible for the subject matter information, and which may be responsible for the subject matter). Such Independence requirements prohibit certain relationships between members of the Assurance Team and (a) Directors or, Officers, and (b) individuals at the client in a position to exert significant influence over the subject matter information. Also, a determination shall be made as to whether threats to Independence are created by relationships with individuals at the client in a position to exert significant influence over the subject matter of the engagement. An evaluation shall be made of the significance of any threats that the Firm has reason to believe are created by Network Firm⁽²⁰⁾ interests and relationships.</p> <p>(20) See paragraphs 290.13 to 290.24 for guidance on what constitutes a Network Firm.</p>	291.17	R900.18	N	Y	Retain extant footnote with editorial amendments to update cross references.	R900.18	<p>When performing an assertion-based assurance engagement:</p> <p>(a) The assurance team members and the firm shall be independent of the assurance client (the party responsible for the subject matter information, and which might be responsible for the subject matter) as set out in this Part. The independence requirements set out in this Part prohibit certain relationships between assurance team members and (i) directors or officers, and (ii) individuals at the client in a position to exert significant influence over the subject matter information;</p> <p>(b) The firm shall apply the conceptual framework set out in Section 120 to relationships with individuals at the client in a position to exert significant influence over the subject matter of the engagement; and</p> <p>(c) The firm shall evaluate and address any threats that the firm has reason to believe are created by network firm⁽³⁸⁾ interests and relationships.</p> <p>(38) See paragraphs 400.50 A1 to 400.54 A1 for guidance on what constitutes a Network Firm.</p>
N/a	N/a	N/A	600.5 A3	Y	Y	This new paragraph in the IESBA restructured Code discusses materiality in financial statements. It refers to international auditing standards but should refer to Australian auditing and assurance standards.	600.5 A3	<p>Subsections 601 to 610 refer to materiality in relation to an Audit Client's Financial Statements. The concept of materiality in relation to an audit is addressed in Auditing and Assurance Standard A (ISA 320, <i>Materiality in Planning and Performing an Audit (Compiled)</i>), and in relation to a review in AISRE 2400 (Revised), Engagements to Review Historical Financial Statements; Review of a Financial Report Performed by an Assurance Practitioner Who is Not the Auditor of the Entity. The determination of materiality involves the exercise of professional judgement and is impacted by both quantitative and qualitative factors. It is also affected by perceptions of the financial information needs of users.</p>
N/a	N/a	N/A	950.4 A2	N	Y	This new paragraph in the IESBA restructured Code refers to international auditing standards on materiality. This needs to be updated to refer to Australian Auditing Standards.	950.4 A2	<p>The concept of materiality in relation to an Assurance Client's information is addressed in International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. The determination of materiality involves the exercise of professional judgement and is impacted by both quantitative and qualitative factors. It is also affected by perceptions of the financial or other information needs of users.</p>

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
Part C - Members in Business								
300.5	A Member in Business may hold a senior position within an organisation. The more senior the position, the greater will be the ability and opportunity to influence events, practices and attitudes. A Member in Business is expected, therefore, to encourage an ethics-based culture in an employing organisation that emphasises the importance that senior management places on ethical behaviour.	300.5	200.5 A3	N	Y	Paragraph has been extended to include further responsibilities under NOCLAR. Aust content will be to include footnote which references Australian whistleblowing legislation.	200.5 A3	The more senior the position of a professional accountantMember, the greater will be the ability and opportunity to access information, and to influence policies, decisions made and actions taken by others involved with the employing organisation. To the extent that they are able to do so, taking into account their position and seniority in the organization, accountants Members are expected to encourage and promote an ethics-based culture in the organization. Examples of actions that might be taken include the introduction, implementation and oversight of: <ul style="list-style-type: none"> • Ethics education and training programs. • Ethics and whistle-blowing policies⁽³⁾. • Policies and procedures designed to prevent non-compliance with laws and regulations ("NOCLAR"). <p>(3) In Australia, whistleblower protection is addressed in the Corporations Act 2001 (for the private sector) and in other legislation in place federally and in states and territories (for the public sector). In 2017, the Australian government released draft federal legislation to strengthen protection for whistleblowers in the private sector. The new legislation is expected to be released in mid to late 2018.</p>
AUST 320.2.1	Where a Member in Business referred to in paragraph 320.2 is not satisfied that the Financial Statements of an employing organisation are presented in accordance with applicable Australian Accounting Standards, the Member shall: <p>(a) in all cases, notify Those Charged with Governance and document the communication; and</p> <p>(b) qualify any declarations given by the Member in compliance with legislative and regulatory requirements or the organisation's reporting requirements.</p>	320.2	R220.4	N	Y	Retain existing AUST content	AUST R220.4.1	Where a Member in Business referred to in paragraph R220.4 is not satisfied that the Financial Statements of an employing organisation are presented in accordance with applicable Australian Accounting Standards, the Member shall: <p>(a) in all cases, notify Those Charged with Governance and document the communication; and</p> <p>(b) qualify any declarations given by the Member in compliance with legislative and regulatory requirements or the organisation's reporting requirements.</p>
Section 360	This Section deals with Responding to Non-Compliance with Laws and Regulations.	Section 360	Section 260	N	Y	Technical Staff think the term 'NOCLAR' should be used in this section rather than the term 'non-compliance'	Section 260	Non-compliance' to be replaced with 'NOCLAR' throughout the section.

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
			260.9 A1	N	Y	Aust content will be to include footnote which references Australian whistleblowing legislation.	260.9 A1	<p>Many employing organizations have established protocols and procedures regarding how to raise non-compliance NOCLAR or suspected non-compliance NOCLAR internally. These protocols and procedures include, for example, an ethics policy or internal whistleblowing mechanism⁽⁴⁾. Such protocols and procedures might allow matters to be reported anonymously through designated channels.</p> <p>(4)In Australia, whistleblower protection is addressed in the Corporations Act 2001 (for the private sector) and in other legislation in place federally and in states and territories (for the public sector). In 2017, the Australian government released draft federal legislation to strengthen protection for whistleblowers in the private sector. The new legislation is expected to be released in mid to late 2018.</p>
360.13 - 360.32	Various paragraphs but key aspect is the use of the phrase 'senior Member in Business'.	360.13 - 360.32	260.11 A1 - 260.23 A1	N	Y	remove references to senior professional accountants. IESBA have used this as a shorthand way of saying senior professional accountants in business. APESB have removed this so it refers to 'senior Members in Business'.	260.11 A1 - 260.23 A1	In paragraph 260.11 A1 remove the words '("senior professional accountant")'. In all other paragraphs need to ensure the first reference to Member is the full Member in Business and that senior is all lowercase.

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
Transitional Provisions								
1	<p><i>Public Interest Entities</i></p> <p>Section 290 of the Code contains additional Independence provisions when the Audit or Review Client is a Public Interest Entity. The additional provisions that are applicable because of the new definition of a Public Interest Entity and the requirements in paragraph 290.26 are effective on January 1, 2013. For partner rotation requirements, the transitional provisions contained in paragraphs 2 and 3 below apply.</p>	N/A	N/A	N/A	N	As new Code applies will have a new effective date this transitional provision is no longer required.		
2	<p><i>Partner rotation</i></p> <p>For a partner who is subject to the rotation provisions in paragraph 290.149 because the partner meets the definition of the new term "Key Audit Partner" and the partner is neither the Engagement Partner nor the individual responsible for the Engagement Quality Control Review, the rotation provisions are effective for the Audits or Reviews of Financial Statements for years beginning on or after January 1, 2013. For example, in the case of an Audit Client with a calendar year-end, a Key Audit Partner, who is neither the Engagement Partner nor the individual responsible for the Engagement Quality Control Review, who had served as a Key Audit Partner for seven or more years (i.e., the audits of 2005 - 2011), would be required to rotate after serving for one more year as a Key Audit Partner (i.e., after completing the 2012 audit).</p>	N/A	N/A	N/A	N	As new Code applies will have a new effective date this transitional provision is no longer required.		
3	<p>For an Engagement Partner or an individual responsible for the Engagement Quality Control Review who immediately prior to assuming either of these roles served in another Key Audit Partner role for the client, and who, at the beginning of the first fiscal year beginning on or after January 1, 2012, had served as the Engagement Partner or individual responsible for the Engagement Quality Control Review for six or fewer years, the rotation provisions are effective for the audits or reviews of Financial Statements for years beginning on or after January 1, 2013. For example, in the case of an Audit Client with a calendar year-end, a partner who had served the client in another Key Audit Partner role for four years (i.e., the audits of 2003 - 2006) and subsequently as the Engagement Partner for five years (i.e., the audits of 2007 - 2011) would be required to rotate after serving for one more year as the Engagement Partner (i.e., after completing the 2012 audit).</p>	N/A	N/A	N/A	N	As new Code applies will have a new effective date this transitional provision is no longer required.		
4	<p><i>Non-assurance Services</i></p> <p>Paragraphs 290.154 - 290.214 address the provision of non-assurance services to an Audit or Review Client. If, at the effective date of the Code, services are being provided to an Audit or Review Client and the services were permissible under the June 2006 Code (revised February 2008) but are either prohibited or subject to restrictions under the revised Code, the Firm may continue providing such services only if they were contracted for and commenced prior to July 1, 2012, and are completed before January 1, 2013.</p>	N/A	N/A	N/A	N	As new Code applies will have a new effective date this transitional provision is no longer required.		

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
5	<p><i>Fees-Relative Size</i></p> <p>Paragraph 290.217 provides that, in respect of an Audit or Review Client that is a Public Interest Entity, when the total fees from that client and its related entities (subject to the considerations in paragraph 290.27) for two consecutive years represent more than 15% of the total fees of the Firm expressing the opinion on the Financial Statements, a pre- or post-issuance review (as described in paragraph 290.217) of the second year's audit shall be performed. This requirement is effective for Audits or Reviews of Financial Statements covering years that begin on or after January 1, 2012. For example, in the case of an Audit Client with a calendar year end, if the total fees from the client exceeded the 15% threshold for 2012 and 2013, the pre- or post-issuance review would be applied with respect to the audit of the 2013 Financial Statements.</p>	N/A	N/A	N/A	N	As new Code applies will have a new effective date this transitional provision is no longer required.		
6	<p><i>Compensation and Evaluation Policies</i></p> <p>Paragraph 290.224 provides that a Key Audit Partner shall not be evaluated or compensated based on that partner's success in selling non-assurance services to the partner's Audit Client. This requirement is effective on January 1, 2013. A Key Audit Partner may, however, receive compensation after January 1, 2013 based on an evaluation made prior to January 1, 2013 of that partner's success in selling non-assurance services to the Audit Client.</p>	N/A	N/A	N/A	n	As new Code applies will have a new effective date this transitional provision is no longer required.		
7	<p><i>Responding to Non-Compliance with Laws and Regulations (NOCLAR)</i></p> <p>Sections 225 and 360 of the Code outline a framework to assist a Member in what actions to take in the public interest when they become aware of non-compliance or suspected non-compliance with laws and regulations by either a client or their employer. Other consequential amendments to consider this framework are included in paragraphs 100.5, 100.23 – 100.26, 140.7, and 270.3, and also Sections 150 and 210. The NOCLAR standard and related amendments are effective from 1 January 2018. Early adoption of these provisions is permitted.</p>	N/A	N/A	N/A	n	As new Code applies will have a new effective date this transitional provision is no longer required.		

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
8	<i>Non-assurance provisions for Audit and Assurance Clients</i> The non-assurance services provisions set out in paragraphs 290.159 – 290.186 and paragraphs 291.141 – 291.144 are effective from 1 January 2018. Early adoption of these provisions is permitted.	N/A	N/A	N/A	n	As new Code applies will have a new effective date this transitional provision is no longer required.		
9 (LA Close-off Document)	<i>Long Association of Personnel with an Audit or Assurance Client</i> The long association provisions (including partner rotation) have been strengthened to stipulate specific requirements for Key Audit Partners. Subject to paragraph 10 below, paragraphs 290.148 – 290.168 are effective for audits of Financial Statements for periods beginning on or after 1 January 2019 and paragraphs 291.137 - 291.141 are effective as of 1 January 2019. Early adoption is permitted.	N/A	N/A	N/A	y	As new Code applies will have a new effective date this transitional provision is no longer required.		
10 (LA Close-off Document)	Paragraph 290.163 shall have effect only for audits of Financial Statements for periods beginning prior to December 31, 2023. This will facilitate the transition to the required cooling-off period of five consecutive years for Engagement Partners where legislation or regulation has specified a cooling-off period of less than five consecutive years.	N/A	N/A	N/A	y	Retain extant wording		Paragraph 290.163 shall have effect only for audits of Financial Statements for periods beginning prior to December 31, 2023. This will facilitate the transition to the required cooling-off period of five consecutive years for Engagement Partners where legislation or regulation has specified a cooling-off period of less than five consecutive years.
Conformity with International Pronouncements								
APES 110 and the IESBA Code	APES 110 incorporates the Code of Ethics for Professional Accountants (IESBA Code) issued by the International Ethics Standards Board for Accountants (IESBA) in July 2009 and as amended up until August 2016.	N/A	N/A	N/A	Y	Retain with editorial amendments		APES 110 incorporates the <i>International Code of Ethics for Professional Accountants (including Independence Standards)</i> (IESBA Code) issued by the International Ethics Standards Board for Accountants (IESBA) in April 2018 July 2009 and as amended up until August 2016 .

Aust specific para	Extant paragraph	Related extant IESBA para	Related new IESBA para	Substantive change in IESBA para (Y/ N/ N/A)	Aust material needed in New Code (Y/N)	Comments	New para no	Proposed aust specific items for new APES 110 (marked up)
Compliance with the IESBA Code	<p>The principles and requirements of APES 110 and the IESBA Code are consistent except for the following:</p> <ul style="list-style-type: none"> • The addition of a Scope and Application section in APES 110; • The addition of paragraphs and definitions prefixed as AUST in APES 110. The additional definitions are of AASB, Administration, AuASB, AUASB, Auditing and Assurance Standards, Australian Accounting Standards, Member and Professional Bodies; • APES 110 generally refers to Members whereas the IESBA Code refers to professional accountants; • Defined terms are in title case in APES 110; • The definition of Engagement Team in APES 110 does not exclude individuals within the client's internal audit function who provide direct assistance on an Audit Engagement as the AUASB has prohibited the use of direct assistance in Auditing and Assurance Standard ASA 610 Using the Work of Internal Auditors (November 2013); • APES 110 tailors the following IESBA defined terms to the Australian environment: Audit Engagement, Engagement Team, Financial Statements, Firm, Member in Public Practice, and Review Engagement; • Paragraph 290.25 of APES 110 expresses Public Interest Entity in the singular form consistent with its definition in section 2; and • Paragraph 290.26 in APES 110 mandates Firms to determine whether additional entities are Public Interest Entities and the reference to member bodies has been removed. 	N/A	N/A	N/A	Y		Compliance with the IESBA Code	<p>The principles and requirements of APES 110 and the IESBA Code are consistent except for the following:</p> <ul style="list-style-type: none"> • Removal of the term 'International' from the title; • The addition of a Scope and Application section in APES 110; • Requirement paragraphs in APES 110 are in bold-type font; • APES 110 generally refers to Members whereas the IESBA Code refers to professional accountants; • Defined terms are in title case in APES 110; • The addition of paragraphs and definitions prefixed as AUST in APES 110. The additional definitions are of AASB, Administration, AUASB, Auditing and Assurance Standards, Australian Accounting Standards, Member and Professional Bodies; • APES 110 tailors the following IESBA defined terms to the Australian environment: Assurance Engagement, Audit Engagement, Director or Officer, Engagement Team, Financial Statements, Firm, Member in Public Practice, and Review Engagement; • The definition of Engagement Team in APES 110 does not exclude individuals within the client's internal audit function who provide direct assistance on an Audit Engagement as the AUASB has prohibited the use of direct assistance in Auditing and Assurance Standard ASA 610 Using the Work of Internal Auditors (November 2013); • APES 110 uses the term 'NOCLAR' whereas the IESBA Code refers to 'non-compliance'; • APES 110 includes additional text in the section heading of Part 2 to indicate that the section includes employment relationships of Members in Public Practice; <p>• Enhancing the clarity of provisions in Sections 320 and 360 by replacing some of the references to the Proposed Accountant, Existing Accountant or Predecessor Accountant with the term Member in Public Practice;</p> <ul style="list-style-type: none"> • Paragraph AUST 400.8.1 of APES 110 expresses Public Interest Entity in the singular form consistent with its definition in the Glossary; and • Paragraph AUST 400.8.1 in APES 110 mandates Firms to determine whether additional entities are Public Interest Entities and the reference to member bodies has been removed.