

Meeting Highlights

29 NOVEMBER 2016

1. Proposed Exposure Draft: APES 110 Code of Ethics for Professional Accountants

The Board noted Agenda Item 1 *Proposed Exposure Draft: APES 110 Code of Ethics for Professional Accountants* (the Code) which included amendments relating to Non-Compliance with Laws and Regulations (NOCLAR); Non-Assurance Services to Audit and Assurance Clients; and Long Association of Personnel (including partner rotation) with Audit and Assurance Clients (Long Association).

The Board discussed improving the readability of the exposure draft by amending the presentation to note the areas of the Code which have not changed.

Subject to the presentation amendments discussed, the Board agreed to release Exposure Draft 02/16: *Proposed Amendments to APES 110 Code of Ethics for Professional Accountants due to revisions to IESBA's Code of Ethics for Professional Accountants*.

Subsequent to the APESB Board Meeting, the International Ethics Standards Board for Accountants (IESBA) has proposed further amendments to the Long Association provisions. Accordingly, APESB has removed these provisions from Exposure Draft 02/16.

APESB will release the Long Association provisions in a separate exposure draft once they are finalised by the IESBA.

2. Proposed revision of APES 310 Dealing with Client Monies

The Board noted Agenda Item 2 *Progress Update on proposed revision of APES 310 Dealing with Client Monies*.

The Board determined to re-engage with relevant stakeholders and escalate the issue of including the term "Trust Account" in the name of Members' trust accounts with financial institutions.

APESB will also conduct research into the inclusion of the section in the predecessor standard APS10 requiring auditors to seek the respective Professional Accounting Bodies' approval before resigning from an audit engagement.

The revision of APES 310 will be considered further at the February 2017 Board meeting.

3. Project progress APES 350 *Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document and Low Doc offerings*

The Board noted Agenda Item 3 *Project Progress APES 350 Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document and Low Doc offerings*.

The Board approved the continuation of a project to develop a guidance note on due diligence sign-offs for low doc offerings.

4. Project update – Digital Disruption and its impact on the accounting profession

The Board noted Agenda Item 4 *APESB's Digital Disruption Initiative*.

The Board agreed that the project on digital disruption should focus on ensuring technological neutrality of APESB pronouncements. The digital disruption project will therefore include:

- Consultation with other standard setting bodies in terms of any initiative relating to digital disruption;
- A desktop review of current digital disruption issues or initiatives; and
- A sensitivity analysis of APESB pronouncements to determine any pressing issues relating to technological advancements.

In addition, the Board agreed that the annual review process for APESB pronouncements can incorporate the consideration of the aspects noted above.

5. Annual Reviews of APESB pronouncements

The Board noted Agenda Item 5 *Annual Reviews of APESB Pronouncements*.

The Board agreed that the matters raised during the annual reviews be addressed in the next revisions of APES 215 *Forensic Accounting Services*, APES 225 *Valuation Services* and APES 330 *Insolvency Services*.

6. International and Other Activities

The Board noted Agenda Item 6 *International and Other Activities*.