



Accounting
Professional & Ethical
Standards Board
15 year anniversary



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Introduction

Accounting Professional and Ethical Standards Board (APESB) marked its 15-year anniversary in February 2021. This booklet primarily commemorates APESB's significant milestones and achievements in setting the professional and ethical standards for Australia's accounting professionals during the last five years of its operations (2016 to 2021).

With an easier to read and implement restructured Code of Ethics issued in 2018, enhanced digital features incorporated across the suite of 21 APESB pronouncements (2019-2020), new guidance publications and a new website and mobile apps launched in 2020, it has been a busy five years for APESB. APESB is proud to deliver these outcomes for the accounting profession in Australia and to encourage professional accountants to continue to act in the public interest in the various roles they undertake for clients and employers.

Information about APESB's accomplishments in its first ten years of operations is outlined in the [10 Year Anniversary Booklet](#) available on the APESB website.

To mark its 15-year anniversary, APESB hosted an online panel discussion on 'Business ethics, the pace of digitalisation and the accountants' role in a post-COVID environment'.

The event, held on 21 May 2021, was moderated by APESB Chairman Nancy Milne OAM with a panel of international speakers comprising:



Dr. Stavros Thomadakis

Chairman, International Ethics Standards Board for Accountants (IESBA)



Mr. Kevin Dancey CM

Chief Executive Officer, International Federation of Accountants (IFAC)



Dr. Attracta Lagan

Principal, Managing Values



Ms. Ming Long AM

Deputy Chair, Diversity Council Australia

Chairman's Message



On behalf of the Board, I am pleased to present this publication reflecting on APESB's achievements over the past 15 years. APESB was established in 2006 with a focus on standard development. Since then, APESB has evolved to focus on enhancing its current pronouncements, developing guidance material, and promoting and building awareness of professional ethics for the Australian accounting profession in the public interest.

In the last 15 years, APESB has delivered a world-class suite of professional pronouncements, including the Code of Ethics and other robust pronouncements addressing non-assurance services, quality control and risk management. These pronouncements are fundamental to the ethical standing of Australian professional accountants, whether the accountants are in public practice, commerce or business, government or academia.

Recent events in Australia, including the *Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry* and the Parliamentary Joint Committee *Inquiry into regulation of auditing in Australia*, have led to an increased focus by government and the broader community on the ethical behaviour and conduct by businesses, which has implications for professional accountants.

In addition, the COVID-19 pandemic and its ongoing impact on communities and businesses have demonstrated the critical role of professional accountants and auditors in ensuring the Australian economy continues to perform and prosper.

The COVID-19 pandemic also reinforced the importance of a profession's capacity to adapt to fast-changing environments and uncertainty. APESB believes its pronouncements provide a strong foundation for being responsive and resourceful in uncertain times. However, accountants must remain faithful to the fundamental ethical principles to ensure they can adapt appropriately and keep the public interest in focus when undertaking professional activities.

In December 2018, APESB, in consultation with the Professional Accounting Bodies, revised and refreshed its constitution to ensure it meets modern governance standards and incorporates recent legislative developments. The Board appreciates the input and the engagement of the Professional Accounting Bodies during this process.

APESB recently completed the development of its 2021-25 Strategy. In this upcoming strategic period, the focus will be on developing resources and tools to assist accountants in understanding and implementing APESB pronouncements, especially in uncertain or new environments. These resources will include a focus on digital technologies, artificial intelligence and sustainability.

APESB will continue its efforts to ensure its standards represent global best practice and build on the high levels of public trust in the accounting profession. Auditor independence requirements in respect of non-assurance services will be strengthened, and transparency of fee arrangements will be enhanced.

APESB is currently working on a project implementing changes for firms' quality management systems addressing non-assurance services. APESB's future strategy also includes enhanced engagement with Small to Medium practitioners (SMPs) to assist SMPs with the unique challenges they face.

I want to take this opportunity to acknowledge the contributions from my predecessor Nicola over her tenure, including overseeing the development of the restructured Code of Ethics in 2018. The quality of the APESB pronouncements reflects the dedication and contribution of APESB past and present Board members in ensuring APESB is a highly effective National Standard Setter that is well recognised and respected in Australia and internationally.

The Board of Directors appreciates the valuable contributions made by taskforce members, staff of the Professional Accounting Bodies, accounting firms, government and regulators (e.g., ASIC, ATO & APRA) who engage with the Board and provide insights and different perspectives to APESB's public standards-setting process.

APESB regularly engages with other stakeholders in the co-regulatory environment such as the Financial Reporting Council, Auditing and Assurance Standards Board, Australian Accounting Standards Board on projects of mutual interest for the accounting profession.

I would also like to thank Channa for his continued commitment and leadership of APESB. The dedicated work effort of Channa and the staff at APESB ensures that APESB continues to achieve strong outcomes for the profession,

As APESB moves forward into our next strategic period, 2021-2025, the Board looks forward to continuing its public interest mandate to enhance the professionalism and ethical behaviour of the Australian accounting profession in a fast-evolving digital environment.

A handwritten signature in black ink that reads "Nancy Milne". The signature is fluid and cursive.

Nancy Milne OAM
Chairman

21 May 2021

CEO's Message



From humble beginnings, APESB has made significant progress over its 15 years of operations. The Board has now firmly established itself as a National Standards Setter in the Australian co-regulatory environment as well as globally. The Board's most notable achievement is the development and maintenance of a world-class suite of 21 pronouncements to guide the behaviour and conduct of professional accountants in Australia.

In standards development, the most significant recent achievement is the issue of the restructured APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in 2018. The Board also determined to issue APESB pronouncements as interactive PDFs with dynamic features to assist professional accountants and users in navigating the pronouncements in the digital age. The restructured Code was the first standard released in this format. Subsequently, in 2019 and 2020, all APESB pronouncements were revised and released in this digital format.

APESB is an early adopter of the global ethical standards of the International Ethics Standards Board for Accountants (IESBA). These include the amending standards on responding to Non-Compliance with Laws and Regulations (NOCLAR) and audit partner rotation (Long Association) in 2017. Domestically completed standards development projects include issuing guidance notes relating to Low Doc Offering Sign-offs and Management Representations in 2016 and issuing revisions to standards on Client Monies, Risk Management for Firms, Valuation Services, Taxation Services and Insolvency Services.

From 2016 to 2021, the APESB has focussed on significant stakeholder engagement to raise awareness of its standards to Australian stakeholders. These activities include raising awareness of NOCLAR via eight different events in 2017 & 2018 in Melbourne, Sydney and Brisbane, including webinars and video collaborations. Similarly, in 2019 to raise awareness of the restructured Code, APESB presented at the 2019 CA ANZ National Audit Conferences and participated in national webinars and events of CPA Australia and IPA.

APESB made three submissions to the Parliamentary Joint Committee (PJC) Inquiry into Regulation of Auditing in Australia during the 2019-2020 period. A key focus of the submissions was to raise awareness of the Code's requirements relating to auditors and clarifying that the Code incorporates specific prohibitions relating to auditor independence.

The Board continues to support and inform the accounting profession with various guidance publications to supplement the standards. The complete rewrite of the *Independence Guide – Fifth Edition* to align with the restructured Code was a successful collaboration

between APESB and the Professional Accounting Bodies in 2020. In recent times additional guidance publications have been issued addressing the Code prohibitions applicable to auditors, the impact of COVID-19 on ethical behaviour and whistleblowing.

The Board also developed a new website and mobile apps in 2020 to enhance stakeholder engagement and facilitate access to its pronouncements.

APESB has actively engaged and contributed to the IESBA work program as a National Standards Setter to influence the global ethical standards. The Board has also successfully attracted international engagement activities with three Monitoring Group roundtables held in Australia in 2018 and 2019 and a global IESBA Roundtable held in July 2018.

I take this opportunity to thank APESB's volunteer taskforce members who have given their time generously to the betterment of the accounting profession and have truly demonstrated their commitment to act in the public interest. We also appreciate the contributions and insights provided by the staff of the Professional Accounting Bodies, regulators, AUASB, AASB, firms and other stakeholders to APESB's standards development work program.

I want to also express my appreciation to Nancy, Nicola and Kate and all past and present Board members. APESB's small secretariat has continued to deliver on the Board's strategy for the accounting profession. I wish to express my gratitude to all past and present staff members for their commitment and dedication.

APESB has made great progress over the last 15 years and I am honoured to have experienced its journey from the start-up phase to where it is today. I look forward to delivering on the Board 2021-2025 Strategy and Work Plan as we navigate the post-Covid environment, focusing on the SMP sector, navigating digital technologies, and ethical implications of reporting on sustainability.

A handwritten signature in black ink, reading 'Channa Wijesinghe'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Channa Wijesinghe
Chief Executive Officer

21 May 2021

Current Directors



Ms Nancy Milne OAM

LLB, FAICD

*Chairman, 1 January 2019 – to date
Former Partner at Clayton Utz
Member – Asbestos Safety and
Eradication Agency Council*

Nancy is Chair of the Securities Exchanges Guarantee Corporation and Deputy Chair of the State Insurance Regulatory Authority. She is a Director at ALE Property Group Limited, the Pacific Opera and the Benevolent Society. Nancy received an Order of Australia Medal in 2008 for services to the legal and community sectors.



Mr Craig Farrow

FCA, FAICD, FAIM, Dip FS

*10 February 2015 – to date
Past President ICAA
Executive Chair CA ANZ Merger Project*

Craig is the Managing Director of Innovatio Advisory Pty Ltd and Group CFO of Raven/Cavity Sliders Group. He is a former Partner and now a Consultant at Brentnalls SA. Craig is Chairman of Carlisle Health Pty Ltd, Centre State Exports Group, Pinion Advisory Pty Ltd, SRL Marketing, Resolution Minerals Ltd, Real Time Data Pty Ltd and Doctors' Health SA.



Mr Brian Morris

FCA, FCPA, MAICD

*1 January 2019 – to date
Former member of the Companies
Auditors and Liquidators Disciplinary
Board, Past Member of the Auditing
Standards Board (1991-1995)*

Brian is the Principal of Morris Forensic and Chairman of the Audit & Risk Committee, Courts Administration Authority. He is a Member of the Stratco Group Advisory Board, and the Audit Committee of the Art Gallery of South Australia.



Mr Colin Murphy PSM

FCA, FCPA, GAICD

*1 May 2020 – to date
Auditor General for WA (2007 to 2018)
Past Member of the AUASB (2008-2017)*

Colin is a Director at Wajarri Enterprises Ltd, Winja Wajarri Barna Ltd, the Winston Churchill Memorial Trust Australia and a Board Member at ChemCentre Western Australia. He also chairs several audit and risk committees in the education and public sectors. Colin was awarded a Public Service Medal (PSM) in the 2010 Australia Day Honours.



Mr Kevin Osborn

FAICD, FIPA

*18 March 2013 – to date
Former CEO of BankOne Australia
Former Deputy Chair of Bendigo and
Adelaide Bank*

Kevin is Chairman at VUCA Pty Ltd, Beerenberg Farm Advisory Board, Coppin Capital Pty Ltd, Power Community Limited, and Deputy Chairman at the Port Adelaide Football Club. He is a Director of several private companies.



Ms Claire Mackay

LLB, LLM, FCA, CPA, CFP, CTA, GAICD

*1 July 2016 – to date
Former member of ASIC External
Advisory Panel, Member of SMSF
Committee at CA ANZ*

Claire is a Principal at Quantum Financial and a Director of the Australian Financial Complaints Authority Limited. She is a Member of the Professional Standards & Conduct Committee, Financial Planning Association (FPA), and Finance Audit and Compliance Committee, Surf Life Saving NSW.



Ms Rachel Grimes

FIPA, FCA, FCPA

*1 February 2019 – to date
Past President IFAC (2016-2018)
Past President ICAA*

Rachel is the CFO of Challenger Limited and Chair of the Finance and Risk Committee of Surfing Australia. She is a Director of the Loreto Ministries Committee. Previously Rachel spent over two decades with Westpac in senior finance roles and was the co-lead of the merger between Westpac and St George.

APESB Secretariat

Channa Wijesinghe GAICD, FCIS, FCPA, FCA – Chief Executive Officer & Company Secretary

Jacinta Hanrahan CA – Senior Technical Manager

Jon Reid CA – Technical Manager

Rozelle Azad CA – Accountant

Dolla Wilkinson AAT – Bookkeeper

Rebecca Williams – Administration and Communications Officer

Past Directors



Ms Kate Spargo

LLB (Honours), BA, FAICD

*Chairman
16 July 2007 – 30 September 2013
Public Interest Member IESBA 2010-14*



Mr Stuart Black AM

FCA, FAICD

*7 February 2006 – 30 June 2016
Member IFAC SMP Committee 2009-14
Past President of ICAA*



Mr W Peter Day

FCPA, FCA, FAICD

*15 April 2009 – 14 April 2016
Past Chairman of AASB
Past Deputy Chairman of ASIC*



Ms Catherine Mulcare

FCA, MAICD

*1 May 2010 – 30 April 2013
Past Regulatory Affairs Partner
of KPMG*



Ms Penny Egan

FCPA, GAICD

*21 April 2016 – 31 December 2018
Past Member and Chair IFAC
Compliance Advisory Panel 2016-19
Past President and Chairman
of CPA Australia*



The late Dr Kenneth Levy RFD

FCPA

*February 2006 – February 2009
Past President of CPA Australia*



The Hon. Nicola Roxon

BA/LLB Hons, GAICD

*Chairman
1 June 2014 – 31 December 2018
Attorney-General 2011-2013 and Health
Minister 2007 - 2011*



Mr Harley McHutchison

FCA

*7 February 2006 – 6 February 2015
Past Chairman & Partner of Deloitte*



Mr Bob Sendt

FCPA

*11 December 2006 – 23 December 2012
NSW Auditor-General 1999-2006
Past Deputy Chairman of AUASB*



Mr John Cahill

FCPA, GAICD

*1 February 2014 – 30 April 2020
Member IFAC PAIB Committee 2009-14
Past President and Chairman of CPA
Australia*



Professor Jack Flanagan

MBA, FCPA

*February 2006 – February 2010
Professor Emeritus Australian Catholic
University*

APESB 2006 → 2021

Standards

APESB Board

Board Directors 18

Board Meetings..... 104

APESB Staff

APESB Staff Members 20

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APESB Taskforce Members..... 107

Taskforce meetings held..... 144

Currency of Standards maintained

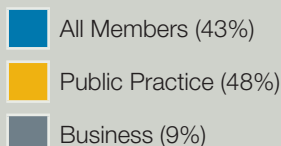
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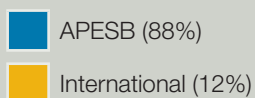
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Applicability of APESB's 21 Pronouncements



APESB Pronouncements – origins of development



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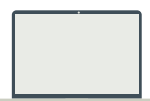
Technical articles

43



eNewsletters

28



16.1 million

website hits



Over 702,000

LinkedIn impressions



Over 2,750

app downloads

Fifteen years of setting standards for the accounting profession in the public interest

Influence



National submissions

to National Standards Setters, government and regulatory agencies



24

International submissions

to IESBA, IAASB, IFAC, EU and Monitoring Group



45

Annual IESBA National Standards Setters Meetings

12

APESB Board Members who have served concurrently on international boards/committees

4

Ethics Outreach



Presentations by APESB Board and staff at international and national conferences, CPD events and various stakeholder forums

134

Roundtable events to inform the development of APESB's international submissions



18



6

Major thought leadership events with around 100 guests at each event

APESB Events

2016

10 Year Event

APESB celebrated the completion of its first decade of operations as an independent national standard setter with an event at the RACV Club in November 2016.

1. A panel discussion on professionalism and ethics: current landscape and future challenges was the keynote event. Bill Edge, FRC Chairman; John Price, ASIC Commissioner; Dr Attracta Lagan, Principal, Managing Values; Ian McPhee AO PSM, IESBA Board Member, and the Hon. Nicola Roxon, APESB Chairman. **2.** Cath Mulcare, Former Director, APESB; Kate Spargo, Former Chairman, APESB; Merran Kelsall, Chairman & CEO, AUASB. **3.** Brendan Halligan, Principal, Halligan & Co.; Geoff Crawford, Assistant Director, Department of Justice & Regulation; Owain Stone, Partner, KordaMentha. **4.** Channa Wijesinghe, Chief Executive Officer, APESB; Susan Fraser, Director, Standards & Quality, Victorian Auditor-General's Office; Vicki Stylianou, Executive General Manager, Institute of Public Accountants. **5.** Richard Stewart OAM, Partner, PwC; Robert Brown AM, Chairman, ADF Financial Services Consumer Centre; John Gibson, Former Partner, Ernst & Young.



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2018

An evening with IESBA Chairman Dr Stavros Thomadakis

APESB hosted the IESBA Chairman, Dr Stavros Thomadakis, coinciding with the IESBA's visit to the World Congress of Accountants (WCOA), held in Sydney in November 2018.

6. The Hon. Nicola Roxon, Chairman, APESB and Dr Stavros Thomadakis, Chairman, IESBA, during Q&A. **7.** Ian McPhee AO PSM, IESBA Board member; Colin Parker, Principal, GAAP Consulting; Sylvie Soulier, IESBA Board member and Peter Jones, CEO, Institute of Internal Auditors. **8.** Kristian Koktvedgaard, CAG Chair, IESBA; Mark Jones AM, Partner, KPMG; Ken Siong, Senior Technical Director, IESBA and Kate Johnston, Director, PwC. **9.** Jane Bowen, National Head of Professional Standards, BDO Australia; Craig Farrow, Director, APESB; Kristen Wydell, General Manager, CA ANZ; Gary Pflugrath, Executive General Manager, IPA; Jacqueline Maroney, Director, EY; Kate Dixon, Manager, CA ANZ; Claire Grayston, Policy Advisor, CPA Australia and Jo Haste, Policy Advisor, CPA Australia. **10.** Willem Olivier, Director, BDO Australia; Robert Buchanan, Chair, NZAuASB and Warren Allen, Chief Executive, NZ XRB. **11.** Suzanne Haddan, Managing Director, BFG Financial Services.



2018 IESBA Global Roundtable

APESB collaborated with the NZ XRB to host the IESBA's fourth global roundtable on Non-Assurance Services (NAS) and Professional Scepticism in July 2018.

12. IESBA Deputy Chairman, Richard Fleck. **13.** IESBA Board member, Trish Mulvaney. **14.** APESB CEO, Channa Wijesinghe; IESBA Board member, Trish Mulvaney; APESB Chairman, The Hon. Nicola Roxon; NZ XRB Director Assurance Standards, Sylvia van Dyk and IESBA Deputy Chairman, Richard Fleck. **15.** NZAuASB Board member, Craig Fisher, addresses the roundtable.



2017-19 Roundtables on Monitoring Group Consultation

APESB, in collaboration with the professional accounting bodies, AUASB and the NZ XRB, held several roundtables during this period to inform stakeholders of the Monitoring Group proposals.

16. Monitoring Group presenters: Channa Wijesinghe, APESB; Roger Simnett, AUASB; Claire Grayston, CPA Australia; Dr Gary Pflugrath, IFAC; Merran Kelsall, former IAASB Board member and CPA Australia Deputy Chair and Doug Niven, ASIC. **17.** Channa Wijesinghe, APESB; Claire Grayston, CPA Australia and Mark Babbington, UK FRC. **18.** Rachel Grimes, APESB Director welcomes stakeholders at the Monitoring Group Roundtable. **19.** Gerben Everts, Co-Chair, Monitoring Group.



APESB's Professional and Ethical Pronouncements for the Accounting Profession

APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* is the foundation for professional accountants on professional and ethical behaviour. This foundation is then contextualised in APESB's other pronouncements based on the professional activity being undertaken.

APESB follows a rigorous process in developing professional and ethical standards, based on well documented processes adopted by international and national standard setting bodies.

As part of this process, APESB takes a proactive approach to review each professional pronouncement, to ensure each standard remains up-to-date and relevant. Stakeholders can provide input to these review processes by reporting matters to APESB via the online issues register on APESB's website.

In the APES series of 21 professional pronouncements developed to date, only 2 standards are direct international equivalents and another is partly based on an international pronouncement. The remaining 18 professional pronouncements have been developed in Australia by APESB with the assistance of APESB taskforces.

The current APESB series of professional pronouncements is opposite.

In June 2020, APESB launched its new-look website and mobile app. The new format provides our stakeholders with a more simplified and informative way to access our pronouncements, current projects and stakeholder engagement activities.



APESB's Professional Pronouncements

APES Series	Name of Pronouncement
-------------	-----------------------

ALL Members

APES 110	Code of Ethics for Professional Accountants (including Independence Standards)
APES 205	Conformity with Accounting Standards
APES 210	Conformity with Auditing and Assurance Standards
APES 215	Forensic Accounting Services
APES 220	Taxation Services
APES 225	Valuation Services
APES 230	Financial Planning Services
APES GN 20	Scope and Extent of Work for Valuation Services
APES GN 21	Valuation Services for Financial Reporting

Members in Public Practice

APES 305	Terms of Engagement
APES 310	Client Monies
APES 315	Compilation of Financial Information
APES 320	Quality Control for Firms
APES 325	Risk Management for Firms
APES 330	Insolvency Services
APES 345	Reporting on Prospective Financial Information prepared in connection with a Public Document
APES 350	Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document
APES GN 30	Outsourced Services
APES GN 31	Professional and Ethical Considerations relating to Low Doc Offering Sign Offs

Members in Business

APES GN 40	Ethical Conflicts in the Workplace – Considerations for Members in Business
APES GN 41	Management Representations

Key Milestones and Highlights 2016-2021

Standards

2016

New guidance note APES GN 21 *Valuation Services for Financial Reporting* issued providing clarification of professional and ethical obligations for valuation practitioners on matters to be disclosed in the valuation report.

New guidance note APES GN 41 *Management Representations* was issued providing guidance to members in business in relation to management representation responsibilities, using the work of others and acting with sufficient expertise in preparing management representations.

2017

APESB issued revised APES 315 *Compilation of Financial Information*, including updating referencing to ASIC Corporations (Audit Relief Instrument) 2016/784, which superseded ASIC Class Order CO 98/1417 *Audit relief for proprietary companies*.

A post-implementation review of APES 230 *Financial Planning Services* commenced to seek stakeholders' views of their implementation experience and to ensure the standard remained relevant in respect of significant changes in the financial services industry and environment.

An amending standard to the Code of Ethics on responding to non-compliance with laws and regulations (NOCLAR) was issued (effective from 1 January 2018). These amendments set the framework and guide members on acting in the public interest when becoming aware of NOCLAR or suspected NOCLAR.

New guidance note APES GN 31 *Professional and Ethical Considerations relating to Low Doc Offering Sign-offs* was issued (linked to APES 350) setting out key considerations for engagements involving low doc offerings and to provide for consistency in determining when the issue of due diligence sign off is possible.

A compiled version of the Code of Ethics was issued incorporating amending standards on the definition of Public Interest Entities (issued December 2011), definitions and auditor independence requirements (issued May 2013), conflicts of interest and breaches (issued November 2013), and NOCLAR (issued May 2017).

Amendments to Long Association of Personnel with an Audit or Assurance Client requirements in APES 110 Code of Ethics for Professional Accountants was issued, including provisions on audit partner rotation to strengthen auditor independence (effective 1 January 2019). APESB also issued practical guidance in *Audit Partner rotation requirements in Australia – Technical Staff Questions & Answers*.



APESB issued revised APES 325 *Risk Management for Firms*, including specifically mandating firms to document succession plans.

2018

APESB issued revised APES 225 *Valuation Services*, including a requirement to disclose the standard of value used in the valuation and its definition in the valuation report and added an example relating to the valuation of intellectual property in Appendix 1.

An amending standard to the Code of Ethics was issued to reflect revised provisions to the audit partner rotation requirements aligning requirements in Australia to the IESBA Code of Ethics.

Revised APES 310 *Client Monies* was issued, including the separation of requirements for trust accounts from client bank accounts and clarification of the obligations for client reporting, providing audit relief in certain circumstances, processes for changing auditors and changes to the auditor's report. APESB also developed an information sheet for accountants opening trust accounts.

APESB issued revised APES 220 *Taxation Services*, including revisions relating to requiring members acting as advocates before a court or tribunal to comply with professional and ethical obligations relating to conflicts of interest in the Code of Ethics. Reminding members providing taxation and assurance engagements to the same client of independence obligations in the Code of Ethics and referring to obligations to address NOCLAR.

APESB issued the restructured APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* with Australian specific additions. The Code was revised to facilitate greater useability and understanding of its requirements and enforcement by regulatory bodies.

2019

APESB revised all 14 standards predominantly to align to the restructured Code of Ethics, referring to obligations to address NOCLAR where relevant and other matters. The standards were published as interactive PDFs with dynamic features.

In addition, revisions to APES 330 *Insolvency Services* addressed insolvency legislative reforms, alignment with the ARITA Code, provided additional guidance on independence, and necessary and proper professional fees and expenses, and included a template for the *Declaration of Independence, Relevant Relationships and Indemnities*.

APESB issued two essential resources for auditors, audit firms, professional accountants and other stakeholders on the implementation of the restructured Code of Ethics:

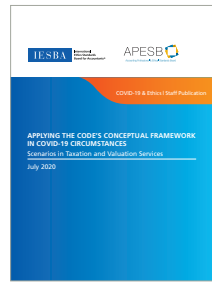
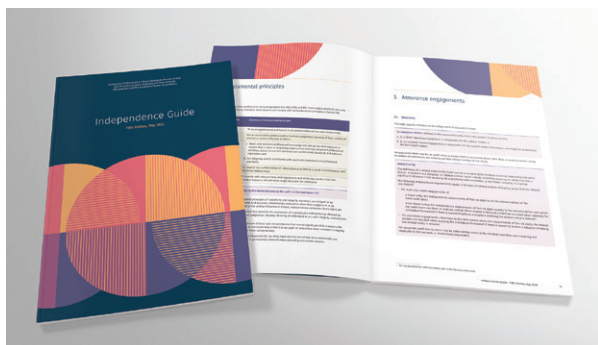
- APES 110 – *Prohibited Non-assurance Services, Interests and Relationships for Auditors of Public Interest Entities (PIEs)*; and
- *Revised Audit Partner rotation requirements in Australia Technical Staff Questions & Answers*.

A consultation paper on APES 230 *Financial Planning Services* was released seeking stakeholder feedback, including on the scope of the standard and fee for service requirements to ensure the standard remained up to date and appropriate given the significant developments in the financial services industry, legislation and regulatory changes.

2020

APESB revised all of its six guidance notes predominantly to align to the restructured Code of Ethics and other matters. The guidance notes were published as interactive PDFs with dynamic features.

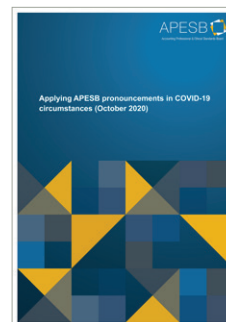
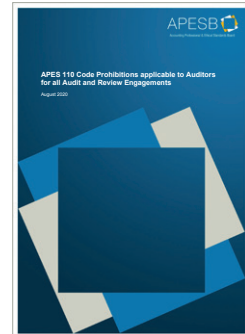
Publication of the revised *Independence Guide – Fifth Edition*. The guide was developed in collaboration between APESB, CA ANZ, CPA Australia and the IPA and is an essential tool for assisting members in public practice to understand their independence obligations under the restructured Code of Ethics.



APESB CEO, Channa Wijesinghe represented the APESB in the IESBA's COVID-19 National Standard Setters Taskforce. This initiative led to the first APESB/ IESBA joint publication to assist professional accountants in applying the IESBA Code of Ethics when facing issues created by the pandemic in respect of taxation and valuation services. The IESBA COVID-19 Taskforce has subsequently developed several valuable resources addressing fraud, money laundering, use of specialists' and ethical and auditing implications of government-backed business support schemes.

APESB issued expanded guidance for auditors, audit firms, professional accountants and other stakeholders in APES 110 *Code Prohibitions applicable to auditors for all Audit and Review Engagements*.

APESB issued an amending standard to Part 4B of the Code of Ethics to align to the terms and concepts used in the AUASB standard on assurance engagements. The amendments provided a clear distinction between the types of assurance engagements covered in the Code of Ethics, the parties to an assurance engagement and their roles and responsibilities and the application of independence requirements.



APESB issued additional guidance to support accountants applying APESB pronouncements when facing circumstances created by the COVID-19 pandemic, including scenarios covering taxation, valuation, insolvency and forensic accounting services for members in public practice and business.

APESB issued revised APES 305 *Terms of Engagement*, including key changes to enhance disclosures concerning the use of outsourced services and cloud computing.

2021

APESB released guidance to support accountants when dealing with whistleblowing and related confidentiality concerns. *Whistleblowing & Confidentiality – APESB Technical Staff Publication* provides guidance on applying the Code of Ethics and other APESB pronouncements to circumstances that may lead to whistleblowing, using eight hypothetical scenarios.



Engagement

In August 2016, APESB Chairman, The Hon. Nicola Roxon, was a panel member on discussions on *Ethics in Banking and Finance* at CA ANZ's Public Sector Symposium in Canberra.

APESB Chairman, The Hon. Nicola Roxon, presented in October 2016 on *Exemplary professionalism and ethics among accountants* at the CPA Australia Congress in Sydney.



APESB held Roundtable events in Melbourne and Sydney in March 2017 seeking stakeholder feedback

on the IESBA proposals to improve the structure of the International Code of Ethics, revise safeguards and applicability of provisions for members in business to members in public practice.

APESB Chairman, The Hon. Nicola Roxon presented in March 2017 on *The Accounting Professional & Ethical Standards Board Ten Years on – Observation and Reflections of the Chairman* at the Victorian Congress of the IPA.

During the period July 2017 to June 2018, APESB, in collaboration with the AUASB, BDO and the Professional Bodies, conducted eight NOCLAR awareness sessions resulting in engagement with over 1,000 professional accountants.



APESB Chairman, The Hon. Nicola Roxon and APESB CEO, Channa Wijesinghe held a Briefing and Information session in June 2018, providing stakeholders an overview of the key revisions on the proposed restructured Code of Ethics.



In July 2018, APESB and the New Zealand External Reporting Board (NZ XRB) collaborated to host the IESBA fourth global roundtable focused on Non-Assurance Services and Professional Scepticism. Discussions were led by IESBA Deputy Chairman, Richard Fleck and IESBA Board member, Trish Mulvaney.

APESB hosted a dinner event, *An Evening with IESBA Chairman, Dr Stavros Thomadakis*, in November 2018. Dr Thomadakis presented the essentials of the restructured International Code of Ethics, its fundamental principles, global positioning and present and future challenges faced by stakeholders in its adoption and implementation.



Joint APESB/IESBA information session on the restructured Code of Ethics was held in November 2018. The IESBA presented changes to the International Code of Ethics, and APESB focused on changes relevant to the Australian Code of Ethics and new interactive PDF features.



Between March and May 2019, APESB presented at the CA ANZ Audit Conferences across Australia. The presentations focused on the restructured Code of Ethics, NOCLAR and the importance of professional ethics. Presentations were made by APESB CEO, Channa Wijesinghe in Brisbane, Sydney, Melbourne and Perth and APESB Director, Brian Morris in Adelaide.



During May and June 2019, APESB CEO, Channa Wijesinghe and Technical Manager, Jon Reid undertook a series of webinars in collaboration with CPA Australia and CA ANZ to provide stakeholders information and guidance on proposed International Standards on Quality Management (ISQM 1 & ISQM 2).



During 2019-2020 APESB presented at conferences, forums and webinar events for CA ANZ, CPA Australia and the IPA on the restructured Code of Ethics and other professional standards-related matters.

APESB hosted a Roundtable for stakeholders in September 2019 on the PJC Inquiry into Regulation of Auditing in Australia, and APESB Chairman Nancy Milne OAM and IESBA Board Member, Ian McPhee AO PSM presented.



APESB CEO Channa Wijesinghe and IESBA Board Member and IESBA-IAASB Liaison Member Sylvie Soulier presented in January 2020 a Q&A webcast on IESBA Exposure Drafts on Non-assurance Services and Fees.



APESB and the IESBA collaborated to conduct two online Roundtable events in April 2020 for stakeholders focussing on the IESBA's Exposure Drafts on Non-assurance Services and Fees.



Influence

The IESBA National Standard Setters (NSS) Group's ninth annual meeting in New York in June 2017 was attended by APESB Chairman, The Hon. Nicola Roxon and CEO, Channa Wijesinghe. The meeting focussed on ethical implications on the global accounting profession from trends and developments in technology, artificial intelligence and innovation.

APESB Director, Craig Farrow and Senior Technical Manager, Jacinta Hanrahan represented APESB at the IESBA National Standard Setters Group's tenth Annual Meeting in Vienna in May 2018. The meeting focussed on global issues of auditor independence and professional standards in major jurisdictions.



APESB Chairman, Nancy Milne OAM and CEO, Channa Wijesinghe attended in May 2019 the eleventh IESBA National Standard Setters Group Annual Meeting in Paris.



They presented on *Insights from the Australian Banking Royal Commission* and had the opportunity to engage with global standard setters to discuss current issues.

APESB responded to the PJC Inquiry into Regulation of Auditing in Australia with multiple submissions, and APESB Chairman, Nancy Milne OAM and CEO, Channa Wijesinghe appeared before the inquiry hearing in Canberra in February 2020.

APESB hosted IAASB Chair, Mr Tom Seidenstein, at the APESB March 2020 Board meeting. Tom presented on key IAASB developments.

APESB Chairman, Nancy Milne OAM and APESB Technical Staff attended the twelfth IESBA National Standard Setters Group Meetings in May, October and November 2020 held virtually due to the COVID-19 pandemic.

From 2016 to 2021, APESB also:

- Contributed to the work program of the IESBA and IAASB with 20 submissions on international exposure drafts;
- Developed nine national submissions to respond to ethical matters raised by Treasury, the Tax Practitioners Board, AASB and the Financial Adviser Standards and Ethics Authority;
- Identified future trends and emerging issues with projects on Outsourced Services, Financial Planning, Artificial Intelligence and COVID 19; and
- Published 12 articles in Accounting journals and other media.

Ethics Outreach

APESB celebrated its 10-Year Anniversary as an independent national standard setter with a dinner event in November 2016 for stakeholders at the RACV Club in Melbourne. The event commemorated APESB's achievements and impact in its first decade and paid tribute to past and present APESB taskforce members, Board members, staff and other stakeholders.



APESB Technical Staff engaged with Deakin University undergraduate business students in August 2017 on the latest APESB developments.

In September 2017, APESB hosted the Jiangsu Institute of Certified Public Accountants China delegation, accompanied by Jane Gao, General Manager International Division, IPA, for a session on APESB's role as the Australian accounting professional and ethical standard setter.



Monitoring Group Consultations held in December 2017 and June 2018 focused on the future of international auditing and ethics standard-setting and proposed changes to governance and oversight of international standard-setting boards. APESB collaborated with the AUASB, CPA Australia and CA ANZ to facilitate these consultations with various stakeholders.

APESB CEO, Channa Wijesinghe presented to Monash University Masters of Professional Accounting students in May and October 2018 on the structure of APESB pronouncements and the importance of personal integrity and corporate ethics.

RMIT University invited the AASB, AUASB and APESB to discuss key issues and challenges facing national standard setters with the academic community in June 2018.

In October 2018, APESB welcomed the IPA China delegation from Hebei Certified Public Accountants, accompanied by Jane Gao, General Manager International Division of IPA. APESB CEO, Channa Wijesinghe presented on APESB's role as Australia's accounting professional and ethical standard setter.



In February 2019, APESB CEO, Channa Wijesinghe presented at RMIT's School of Accounting Ethical Innovation and Industry Transformation panel at the *Engaging for Impact* forum to raise awareness of the importance of professional ethics for the accounting profession.

APESB Senior Technical Manager, Jacinta Hanrahan presented in March 2019 to Monash University Master of Professional Accounting students on corporate ethics, professional and ethical standards, corporate misconduct, scandals and the Australian Royal Commission into Banking and Financial Services.



APESB collaborated with the NZ XRB to host Gerben Everts, Co-Chair of the Monitoring Group, at a Roundtable in Sydney in May 2019. The meeting, chaired by ASIC Senior Executive Leader Doug Niven, focused on the proposed governance and structure of the international standard-setting boards for audit and ethics and the Public Interest Framework.

During 2019, APESB provided significant input to RMIT University to develop an ethics game on the restructured Code of Ethics.

APESB's new-look website and mobile apps were launched in June 2020, providing stakeholders more simplified and informative ways to access pronouncements, current projects and stakeholder engagement activities.

APESB welcomed the Monitoring Group's report *Strengthening the International Audit and Ethics Standard-Setting System* in July 2020, which included recommendations maintaining many of the existing system's strengths, including the two board structures to develop high-quality global auditing and ethical standards.

APESB Taskforces

A taskforce is a management committee established by APESB for new or existing standards that require high-level development or review. The standards development work of the APESB is dependent on the valuable volunteer contributions from taskforce members who are either subject matter experts, representatives of a professional accounting body or a key stakeholder.

APESB acknowledged the major contributions made by its taskforce members at its 10 Year Anniversary Event, and the complete list of APESB Taskforce members for 2007 – 2016 is documented in the [10 Year Anniversary Booklet](#).

Following is the list of members of the Australian accounting profession and other stakeholders who have generously contributed their time to developing Australia's current accounting professional and ethical standards over the past five years.

APES 215 Forensic Accounting Services (2019)

Channa Wijesinghe
APESB (Chairman)

Owain Stone
KordaMentha

Brendan Halligan
Halligan & Co

Gregory O'Neil
Transport Accident Commission

Andrew Ross
KordaMentha

Keith Reilly
Consultant

APES 225 Valuation Services (2019)

Channa Wijesinghe
APESB (Chairman)

Richard Stewart OAM
PwC

Brendan Halligan
Halligan & Co

Tapan Parekh
Deloitte

Sean Collins
KPMG

Josephine Haste
CPA Australia

Alan Max
Pitcher Partners

Jim McDonald
Surety Accountants

APES 230 Financial Planning Services (2019 – 2020)

Channa Wijesinghe
APESB (Chairman)

Robert Brown AM
ADF Financial Services Consumer Council

Suzanne Haddan
BFG Financial Services

Bronny Speed
CA ANZ & Accountants IQ Pty Ltd

Vicki Stylianou
IPA

Keddie Waller
CPA Australia

APES 310 Client Monies (2016 – 2018)

Channa Wijesinghe
APESB (Chairman)

Rob Florence
Florence Audit & Assurance

Geoff Gray
Pitcher Partners

Hana Thompson
CA ANZ

Dr Eva Tshuridu
CPA Australia (2016 – 2017)

Caroline Karavias
CPA Australia

Sonya Sinclair
GAAP Consulting and IPA

APES 330 Insolvency Services (2019 – 2021)

Channa Wijesinghe
APESB (Chairman)

Kim Arnold
ARITA

Robyn Erskine
Brooke Bird

Stephen Longley
PwC

Dr John Purcell
CPA Australia

Julie Williams
Insolvency & Turnaround Solutions & IPA

Natasha McHattan
ARITA

Karen McWilliams
CA ANZ

APES GN 31 Low Doc Offering Sign-offs (2016 – 2019)

Channa Wijesinghe
APESB (Chairman)

Jeff Cook
KPMG

Claire Cardno
Ernst & Young

Marina Stuart
Deloitte

Jeffrey Luckins
William Buck

Mark Haberin
PwC (2016)

Andrew Parker
PwC (2017 – 2019)

Kristen Wydell
CA ANZ

Colin Parker
GAAP Consulting and IPA

Dr John Purcell
CPA Australia

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