

Review of Submissions – General Comments Table
Exposure Drafts 02/18 and 03/18 relating to proposed revisions to APES 110 Code of Ethics for Professional Accountants

Note: Specific comments relating to ED 02/18 and ED 03/18 are addressed in a separate table. This table excludes minor editorial changes.

Item No.	Paragraph No. in Exposure Draft	Respondent	Respondents' Comments
1	n/a	ACAG	<p>The Australasian Council of Auditors-General (ACAG) welcomes the opportunity to comment on the exposure draft.</p> <p>ACAG is an association established by Auditors-General of Australia, New Zealand, Fiji and Papua New Guinea. For more than 60 years ACAG has facilitated the sharing of information and intelligence between Auditors-General in a time of increasing complexity and rapid change.</p> <p>The views expressed in this submission represent those of all Australian members of ACAG.</p> <p>As requested in the Exposure Draft, on the whole, ACAG is supportive of the Accounting Professional & Ethical Standards Board's (APESB) proposed restructured code of ethics for accountants. ACAG also supports the process taken by APESB to follow the International Ethics Standards Board for Accountants' <i>Code of Ethics for Professional Accountants</i>.</p> <p>ACAG suggests the APESB consider this Exposure Draft in light of the Australian Accounting Standards Board's Invitation to Comment 39: <i>Applying the IASB's Revised Conceptual Framework and Solving the Reporting Entity and Special Purpose Financial Statement</i>.</p>
2	n/a	CA ANZ	<p>Thank you for providing us with the opportunity to comment on the Accounting Professional & Ethical Standards Board's (APESB) proposed changes to APES 110 Proposed Standard: APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code). Chartered Accountants ANZ (CA ANZ) is supportive of the proposed revised Code as a whole.</p> <p>We strongly encourage the APESB to complete a review of their document entitled "Due process and working procedures for the development and review of APESB pronouncements" to firstly update it for changes in drafting conventions such as using the letter R to refer to a requirement and secondly to clearly articulate the threshold or test required to vary from the base Code of Ethics issued by the International Ethical Standards Board for Accountants. I refer the Board to the examples issued by the Australian Auditing and Assurance Standards Board, the New Zealand Auditing and Assurance Standards Board and the New Zealand External Reporting Board, links are included at Appendix A.</p> <p>In the table at Appendix B we have provided our comments in relation to the proposed Code.</p> <p style="text-align: right;">Appendix A</p> <p>Links to other Standard Setters</p> <p>http://www.auasb.gov.au/admin/file/content102/c3/Aug14_IAASB-NZAuASB_Principles_of_Convergence_and_Harmonisation.pdf</p> <p>https://www.xrb.govt.nz/assets/DMSTemporaryUploads/Agreed-NZAuASB-AUASB-Communication-protocols-considerations-Aug-2014-178099.1.pdf</p> <p>https://www.xrb.govt.nz/reporting-requirements/policy-statements/</p>

Exposure Drafts 02/18 and ED 03/18 relating to proposed revisions to APES 110 Code of Ethics for Professional Accountants

Item No.	Paragraph No. in Exposure Draft	Respondent	Respondents' Comments
3	n/a	CPAA	<p>CPA Australia welcomes the opportunity to respond to the above Exposure Drafts. CPA Australia represents the diverse interests of more than 163,000 members working in 125 countries and regions around the world. We make this submission on behalf of our members and in the broader public interest.</p> <p>CPA Australia is supportive of amendments proposed to the existing standard in the Exposure Draft 02/18 and offers some additional matters to be considered by the Board with respect to Inducements, ED 03/18.</p> <p>The revised structure of the Code improves usability for all members by enhancing the prominence of Section B which applies to Members in Business, while creating a separate Part for the Independence Standards (extant Sections 290 and 291) and placing the Independence Standards after the new Part 3 which applies to Members in Public Practice.</p> <p>The removal of duplication in the Code is welcomed and should be further considered throughout the Code where applicable.</p> <p>CPA Australia encourages the alignment between international and domestic standards where possible and is supportive of the content contained in the AUST paragraphs of the Proposed Standards.</p>
4	n/a	Deloitte	<p>We appreciate the opportunity to comment on Exposure Draft 02/18 Proposed Amendments to Amendments to APES 110 Code of Ethics for Professional Accountants (including Independence Standards) ("the Australian Code") issued by the Accounting Professional & Ethical Standards Board (APESB) in May 2018 (the ED).</p> <p>Deloitte is supportive of the proposals in the ED and the adoption in Australia by the APESB of the International Code of Ethics for Professional Accountants (including International Independence Standards) ("the International Code").</p> <p>As stated in our correspondence on previous revisions to APES 110, we consider that the Australian Code should reflect the wording and structure of the International Code, preferably with no changes, unless changes are required for legislative or regulatory reasons.</p>
5	n/a	EY (Submission relating to amendments to the Code)	<p>Ernst & Young Australia welcomes the opportunity to comment on these Exposure Drafts. We fully support the principle of harmonisation of APES 110 with the international equivalent standard.</p> <p>We acknowledge the substantial efforts of the APES Board to harmonise the proposed APES 110 with the restructured international code of ethics, in particular giving due consideration to the specific legal provisions of the Corporations Act 2001 for partner rotation.</p>
6	n/a	EY (Submission relating to proposed inducement provisions)	<p>Ernst & Young Australia welcomes the opportunity to comment on the Exposure Draft. Further to our comment letter dated 09 August 2018 on <i>Exposure Draft 02/18 – Proposed Amendments to APES 110 Code of Ethics for Professional Accountants</i>, we wish to add our response to proposed Inducement provisions for APES 110 Code of Ethics for Professional Accountants.</p> <p>In principle, we support harmonisation of APES 110 with the equivalent international standard. In addition, we fully support all attempts to promote ethical behaviour by professional accountants, whether in business or public practice.</p> <p>Whilst we concur with the principle that improper inducements should never be offered or accepted, we offer specific comments with respect to assessing intent and the proposed applicability of the Code to immediate or close family members.</p>

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Item No.	Paragraph No. in Exposure Draft	Respondent	Respondents' Comments
7	n/a	KPMG	<p>We value the opportunity to provide comments to the Accounting Professional and Ethical Standards Board (APESB) regarding proposed changes to the APES 110 Proposed Standard: APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code). KPMG is generally supportive of the proposed revised Code.</p> <p>We note that KPMG has participated in discussions with representatives from Chartered Accountants Australia and New Zealand (CA ANZ) on this matter and have provided input into the submission that has been made by CA ANZ to the APESB.</p>
8	n/a	ACAG	ACAG appreciates the opportunity to comment and trust that you find the comments useful.
9	n/a	CA ANZ	Information about Chartered Accountants Australia and New Zealand can be found in Appendix C to this letter. If you have any questions regarding this submission, please contact Kristen Wydell on (02) 9290 5535 or kristen.wydell@charteredaccountantsanz.com
10	n/a	CA ANZ	<p style="text-align: right;">Appendix C</p> <p>About us</p> <p>Chartered Accountants Australia and New Zealand is a professional body comprised of over 117,000 diverse, talented and financially astute members who utilise their skills every day to make a difference for businesses the world over.</p> <p>Members are known for their professional integrity, principled judgment, financial discipline and a forward-looking approach to business which contributes to the prosperity of our nations.</p> <p>We focus on the education and lifelong learning of our members, and engage in advocacy and thought leadership in areas of public interest that impact the economy and domestic and international markets.</p> <p>We are a member of the International Federation of Accountants, and are connected globally through the 800,000-strong Global Accounting Alliance and Chartered Accountants Worldwide which brings together leading Institutes in Australia, England and Wales, Ireland, New Zealand, Scotland and South Africa to support and promote over 320,000 Chartered Accountants in more than 180 countries.</p> <p>We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents 788,000 current and next generation accounting professionals across 181 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications to students and business.</p>
11	n/a	CPAA	If you require further information on our views expressed in this submission, please contact Josephine Haste, Policy Advisor – Ethics and Professional Standards by email at josephine.haste@cpaaustralia.com.au or on +61 3 9606 9693.
12	n/a	Deloitte	We would be pleased to discuss our comments with you. If you wish to do so, please do not hesitate to contact me on (02) 9322 5258.
13	n/a	EY (Submission relating to amendments to the Code)	We would be pleased to discuss our comments with APESB and its staff. Should you wish to do so, please contact Kathy Parsons (Kathy.Parsons@au.ey.com or on (02) 8295 6882).

Exposure Drafts 02/18 and ED 03/18 relating to proposed revisions to APES 110 *Code of Ethics for Professional Accountants*

Item No.	Paragraph No. in Exposure Draft	Respondent	Respondents' Comments
14	n/a	EY (Submission relating to proposed inducement provisions)	We would be pleased to discuss our comments with APESB. Should you wish to do so, please contact Kim Morison (Kim.Morison@au.ey.com) or on (02) 9248 5466.
15	n/a	KPMG	Should you wish to discuss any aspect of this KPMG submission, please contact me on 03 9288 5790 or Andrew Bryant, KPMG's Head of Ethics and Independence, on 03 9288 6036.

RESPONDENTS

1	ACAG	Australasian Council of Auditors General
2	CA ANZ	Chartered Accountants Australia and New Zealand
3	CPAA	CPA Australia
4	Deloitte	Deloitte Touche Tohmatsu
5	EY	Ernst & Young (Submission relating to amendments to the Code)
6	EY	Ernst & Young (Submission relating to proposed inducement provisions)
7	KPMG	KPMG Australia