

## AGENDA PAPER

**Item Number:** 2  
**Date of Meeting:** 18 February 2019  
**Subject:** Review of APESB Issues Register

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Action required     For discussion     For noting     For information

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### Purpose

To provide the Board with the APESB Issues Register updated for all current issues as at 1 February 2019.

### Background

The APESB Issues Register is available on the APESB website to inform stakeholders of issues reported to the APESB or identified by an internal technical review in respect of each APESB professional pronouncement. The document is updated on a periodic basis to reflect the activities of the APESB Technical Work Program.

### Consideration of Issues

#### Resolved issues from 2018 Issues Register

The Restructured APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)*, issued in November 2018, includes guidance regarding the interaction of the Code's requirements with those of APRA Prudential Standards for audits of APRA-regulated entities.

#### Current issue affecting all pronouncements (excluding Code of Ethics)

As part of the Code restructure project, pervasive changes were made to the overall structure of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*. This has consequences for cross-references to the Code in all other APESB pronouncements, and this will be addressed as part of the revision of all APESB pronouncements planned for 2019.

This revision of the entire suite of pronouncements has provided Technical Staff with the opportunity to resolve outstanding editorial amendments currently included in the Issues Register, as well as other known consequential amendments (for example, NOCLAR)

Several pronouncement revisions incorporating these amendments have been presented for the Board's consideration in Agenda Item 3.

#### Other current matters

- *APES 205 Conformity with Accounting Standards*

Technical staff are aware that the AASB are currently undertaking a project on Differential Reporting, which will have an impact on the planned revision of APES 205. Technical staff will continue to monitor the progress of the AASB project and consider the potential impact on APES 205. A summary of the AASB's Roundtables for this project is available [here](#).

- *APES 225 Valuation Services*

Stakeholder input was received in March 2018 on expanding Appendix 1 to include guidance on whether providers of different valuation services should hold an AFSL. Technical staff have considered the purpose of the examples listed in Appendix 1, which is primarily to assist in determining the *type* of Valuation Service a Member may be performing.

Technical Staff are proposing to include a general comment within the introduction of Appendix 1 advising Members to consider the need for an AFSL (refer Agenda Item 3).

- *APES 230 Financial Planning Services*

Technical staff released an initial Consultation Paper (available [here](#)) in 2017 after implementation of APES 230, and are continuing to consult with Stakeholders regarding this on an ongoing basis.

APESB submitted a response to FASEA's consultation on the draft Legislative Instrument on the Code of Ethics in December 2018. The draft Legislative Instrument and related explanatory memorandum contained substantial improvements over the initial proposed Code of Ethics released in May 2018. The proposed Legislative Instrument now includes enhanced provision on remuneration compared to the initial Exposure Draft released by FASEA. The APESB submission can be found [here](#).

APESB has also been keeping a watching brief on the Hayne Royal Commission as part of the ongoing project to review APES 230. This has included updates at each Board meeting since June 2018, with the latest update provided at Agenda Item 7.

- APES GN 30 *Outsourced Services*

Technical staff provided an update on the project to revise APES GN 30, including consultation with stakeholders, at the December 2018 Board meeting. Technical staff continue to undertake further stakeholder engagement in relation to this project, and will provide further updates to the Board in 2019.

### **Staff Recommendation**

The Board note the 2019 APESB Issues Register.

### **Material presented**

Agenda Item 2(a): APESB Issues Register

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**Date:** 24 January 2019