

The Accounting Professional & Ethical Standards Board Ten Years on – Observations and Reflections

The Hon Nicola Roxon

Chairman



Accounting Professional & Ethical Standards Board

IPA VIC Congress

3 March 2017

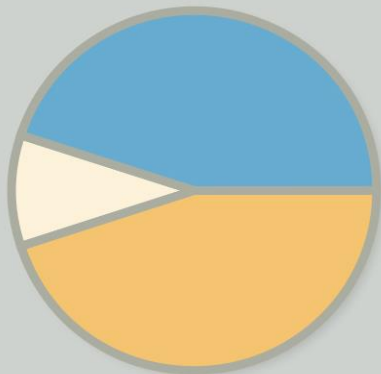
Overview

- APESB Highlights 2006 – 2016
- APESB apps
- The Code of Ethics for Professional Accountants
- Fundamental Principles & Threats to compliance
- APESB Pronouncements
- Changing role of the public accountant
- Non-Compliance with Laws and Regulations (NOCLAR)
- Further Information

APESB Highlights 2006 – 2016

Standards

Applicability of APESB's 20 Pronouncements



- All Members (45%)
- Public Practice (45%)
- Business (10%)

Engagement



APESB Taskforces

104 Members
128 Meetings



Over 1,300
app downloads

1st

Australian Accounting Standards Setter to develop an app

Influence



29

International submissions
to IESBA, IAASB, IFAC and EU



12

National submissions
National Standards Setters, government and regulatory agencies

Advocacy

Presentations

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

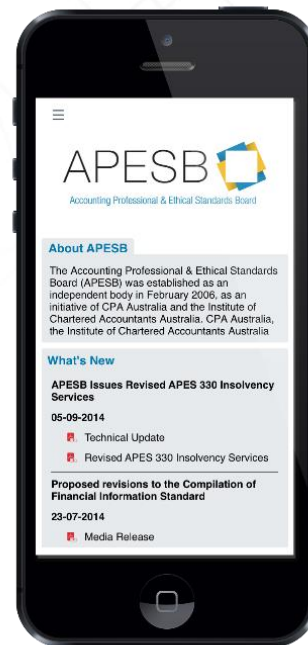
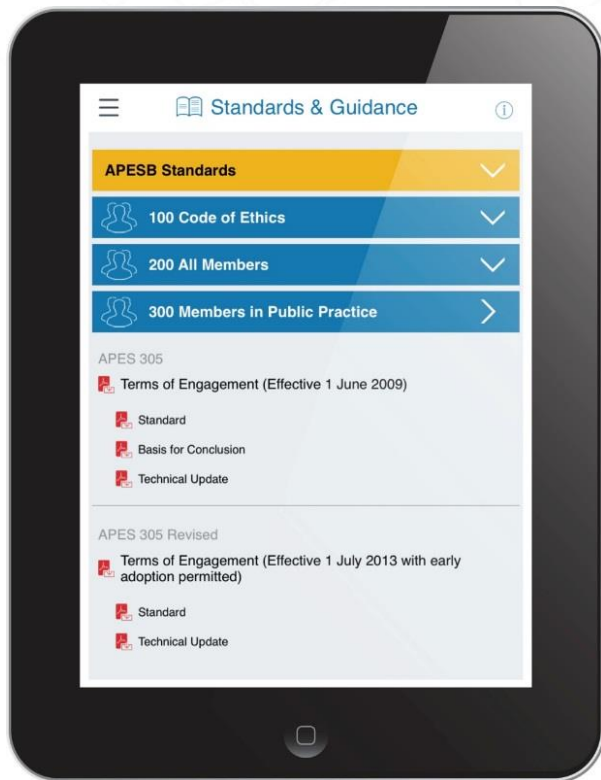


79

Technical articles for journals of the Professional Accounting Bodies

33

APESB's mobile apps



The Code of Ethics for Professional Accountants

APESB 110 Section 100.1:

“A distinguishing mark of the accountancy profession is its acceptance of the responsibility to act in the public interest.

Therefore, a Member’s responsibility is not exclusively to satisfy the needs of an individual client or employer.

In acting in the public interest, a Member shall observe and comply with this Code.”

Fundamental Principles

APES 110 *Code of Ethics for Professional Accountants* (the Code) identifies five robust fundamental principles:

- Integrity
- Objectivity (i.e. Independence)
- Professional Competence and Due Care
- Confidentiality
- Professional Behaviour

Threats to Compliance

The Code also identifies five threats that ***could compromise*** or ***appear to compromise*** compliance with the fundamental principles:

- Self-interest
- Self-review
- Advocacy
- Familiarity
- Intimidation

Safeguards can be used to eliminate or reduce these threats.

APESB Pronouncements

APES 110 Code of Ethics for Professional Accountants

(includes conceptual framework)

14 other 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 305 *Terms of Engagement*

APES 310 *Dealing with 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 Disclosure Document*

APES 350 *Participation by Members in Due Diligence Committees in connection with a Public Document*

5 Guidance Notes

APES GN 20 *Scope and Extent of Work for Valuation Services*

APES GN 21 *Valuation Services for Financial Reporting*

APES GN 30 *Outsourced Services*

APES GN 40 *Ethical Conflicts in the Workplace*

APES GN 41 *Management Representations*

The changing role of the public accountant

Cloud

Globalisation

Financial Services
Reform

Noclar

Digital Disruption

Future service offerings

Robo-advice

Non-compliance with Laws and Regulations (NOCLAR)

Internationally

- Issued by IESBA in July 2016
- NOCLAR sets out framework for professional accountants when they become aware of potential illegal acts committed by a client or employer
- Professional accountants should respond to NOCLAR – they cannot turn a blind eye
- Mandates that public interest is more important than confidentiality
- Fact Sheet and Q&As available at ifac.org



Non-compliance with Laws and Regulations (NOCLAR)

Australia

- APESB Due Process commenced with release of exposure draft ED 02/16
- Exposure Draft comment period closes 15 March 2017
- Provisions proposed to be effective from 15 July 2017.
- Whistleblower Protection

Further Information

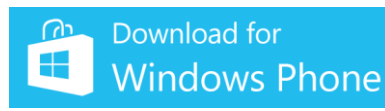
For more information:

Visit: www.apesb.org.au

For timely updates, follow the APESB page:

[LinkedIn](#)

To download APESB's mobile app:





Our Aim

To be recognised by our stakeholders for our leading contribution in achieving highest level of professional and ethical behaviour in the accounting profession.

The Accounting Professional & Ethical Standards Board (APESB) was established as an independent body in February 2006, as an initiative of CPA Australia and the Institute of Chartered Accountants Australia. CPA Australia, the Institute of Chartered Accountants Australia (ICAA) and the Institute of Public Accountants (IPA) are the three Members of the APESB as defined in APESB's Constitution.

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