

Meeting Highlights

4 NOVEMBER 2013

1. The Board noted the proposed Guidance Note APES GN 20 *Scope and Extent of Work for Valuation Services* (APES GN 20) and considered the three versions of the proposed Guidance Note. The Board determined to proceed with the Technical Staff version of the proposed Guidance Note.

The Board directed Technical Staff to make editorial amendments as discussed at the Board meeting and provide the taskforce with an opportunity to provide final comments. Once this process is complete, the Board directed Technical Staff to circulate APES GN 20 to the Board for approval out of session.

The Board agreed that re-exposure of the proposed Guidance Note is not required.

2. The Board noted respondents comments in respect of the proposed amendments to APES 110 *Code of Ethics for Professional Accountants* (the Code) due to IESBA's amendments to the international Code and:

- agreed that editorial amendments to paragraph 1.2 of the Code clarifies that legislation and regulation takes precedence over the requirements of the Code; and
- discussed the AUASB's recent decision to prohibit internal auditors providing direct assistance to the external auditor in ASA 610 *Using the Work of Internal Auditors* (November 2013). The Board agreed that the existing Code's definition of "Engagement Team" can be retained as it does not exclude internal audit staff.

Subject to other minor editorial comments, the Board approved the amendments to APES 110 *Code of Ethics for Professional Accountants* which will be effective from 1 July 2014 with early adoption permitted.

3. The Board noted the *Compiled Code of Ethics for Professional Accountants* and approved the compiled Code.

4. The Board noted the progress on the revision of APES 315 *Compilation of Financial Information* (APES 315). The Board considered the proposed APES 315 Exposure Draft with a particular focus on:
 - the drafting style and noted the importance of maintaining consistency of the drafting style with other APESB standards rather than its international equivalent ISRS 4410;
 - the proposed definition of “*Alternative Financial Reporting Framework*” and the need to explicitly define the term;
 - the need for additional guidance for small and medium practitioners; and
 - the appropriateness of including a disclaimer report.

The Board directed Technical Staff to incorporate the Board’s feedback to the proposed Exposure Draft. The Board also agreed with the Technical Staff recommendation to monitor the AICPA’s impending release of exposure drafts on Compilation Engagements and following this release, for the taskforce to reconsider the proposed APES 315 Exposure Draft and its content.

5. The Board noted the project update to revise APES 320 *Quality Control for Firms*. The Board is of the view, that if possible, the duplication between APES 320 and ASQC1 should be removed.

The Board directed Technical Staff to engage additional SMP representation on the taskforce, address the issues raised by the Board in respect of the Technical Staff proposal to remove the duplication and present a project update at a subsequent meeting of the Board.

6. The Board noted the six month review of APES GN 30 *Outsourced Services*.
7. The Board noted the revised scope of APES GN 41 *Roles and Responsibilities of Senior Finance Personnel* and IESBA’s current project to update Part C of the Code. The Board was of the view that it would be beneficial to delay this project until IESBA completes its process on the revision of Part C of the Code.

The Board further directed Technical Staff to present a project proposal that addresses management representation letters for consideration at a future meeting of the Board.

8. The Board noted the *International Update*.