

AGENDA PAPER

Item Number: 10.10
Date of Meeting: 16-17 November 2010
Subject: Annual Review of APES 215 *Forensic Accounting Services*

Action Required

For Information Only

Purpose

In accordance with APESB's constitution, a annual review of APES 215 has been performed to identify and resolve any issues identified by stakeholders.

Background

The Accounting Professional and Ethical Standards Board (APESB) issued APES 215 *Forensic Accounting Services* in December 2008 with an effective date of 1 July 2009. APES 215 replaced APS 11 *Statement of Forensic Accounting Standards* and GN2 *Forensic Accounting*.

The Six-Monthly review of APES 215 identified a number of minor editorial matters which have been carried forward to form part of the annual review of APES 215.

Consideration of Issues

The issues identified are considered in the attached Annual Review of APES 215. As noted previously a number of issues were carried forward from the Six Monthly review. Additionally the Australian Securities and Investments Commission (ASIC) has made a submission on APES 215 and raised a number of issues for the consideration of the Board.

APESB Technical staff have discussed the issues identified with the regulator and the issues have been resolved in the following manner:

- In Email 1 dated 23 July 2010 [refer to Materials Presented], issues 1, 5 and 7 were resolved;
- A meeting was held with the regulator, APESB Technical Staff and former APES 215 Taskforce members (Owain Stone and Geoff Crawford) on the 4th of October 2010 where issues 2 and 4 were discussed and resolved [refer to Material Presented-Email 2 dated 7 October];
- Subsequently another meeting was held with the professional bodies, representatives of the Forensic Accounting Special Interest Groups of the professional bodies and APESB Technical Staff on the 15th October 2010 to discuss issues 3 and 6. The representatives of the Forensic Accounting Special Interest Groups of the

professional bodies were of the view that it is difficult to specify the requirements of the lay witness report to suit the varied circumstances in practice (refer issue 7 in APES 215 Annual Review). However, there was unanimous agreement in respect of issue 6 reported by the regulator that further guidance should be developed to assist members via appendices to APES 215 (refer issue 9 in APES 215 Annual Review)

Staff Recommendation

The Board approve the Annual Review of APES 215 *Forensic Accounting Services* and adopt the proposed recommendation in the APES 215 Annual Review to commence a project to develop additional appendices to APES 215. The minor editorial matters identified in the Annual Review can be addressed in the next revision of APES 215.

Material Presented

- APES 215 Annual Review;
- ASIC Submission on APES 215 – Confidential; and
- Correspondence with ASIC – Confidential.

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Date: 31st October 2010