

AGENDA PAPER

Item Number: 7
Date of Meeting: 3 December 2018
Subject: Proposed Exposure Draft XX/19 on revised APESB pronouncements

Action required For discussion For noting For information

Purpose

To obtain the Board's feedback the proposed Exposure Draft ED XX/19 *Revision of APESB pronouncements* (the Exposure Draft) that is comprised of the following standards:

- APES 210 *Conformity with Auditing and Assurance Standards* (APES 210);
- APES 220 *Taxation Services* (APES 220); and
- APES 305 *Terms of Engagement* (APES 305).

Background

The Board approved a [project plan](#) in March 2018 to revise all APESB pronouncements to incorporate changes required due to the upcoming release of the restructured APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code).

The restructured Code was issued by the APESB in November 2018.

Consideration of Issues

Technical Staff have prepared an Exposure Draft and Explanatory Memorandum for the first three APESB pronouncements to be revised as part of the restructure project. Refer to Agenda Item 7(a) for the proposed Exposure Draft on APES 210, APES 220 and APES 305.

The key proposed amendments incorporated into the relevant standards in the Exposure Draft include:

- updating of cross-references to the new restructured Code;
- updating or revising definitions to ensure consistency with the definitions in the restructured Code;
- revisions to address matters noted on APESB's Issues Register;

- revisions to address matters identified by Technical Staff to ensure consistency with other APESB pronouncements;
- updating the effective date of the standards to be operative from 1 January 2020 with early adoption permitted (which aligns with the effective date of the restructured Code);
- addressing minor editorial matters; and
- providing an update on interactive PDF features.

The details of these revisions and how they affect APES 210, APES 220 and APES 305 are set out in the Explanatory Memorandum to the Exposure Draft.

The Exposure Draft also includes a request for specific comments for respondents to comment on whether the proposed provisions in these pronouncements require amendment due to the use of digital technology and artificial intelligence.

Technical Staff seek the Board's feedback and review comments on the proposed Exposure Draft.

Staff Recommendations

The Board provide feedback and editorial comments on these three pronouncements. It is proposed that these pronouncements will form part of an Exposure Draft to be issued in the first quarter of 2019 in respect of the revision of APESB pronouncements.

Material Presented

Agenda Item 7 (a) Proposed Exposure Draft XX/19 Revision of APESB pronouncements.

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Date: 22 November 2018