



Professionalism

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APESB's first Adelaide Board meeting and networking event a great success



The Accounting Professional & Ethical Standards Board (APESB) held its first Adelaide Board meeting on Tuesday, 31 May 2016 at CPA Australia.

Alongside this meeting, the APESB hosted a networking event attended by over 70 stakeholders at the Chartered Accountants Australia and New Zealand (CA ANZ) office.

This event provided an invaluable opportunity to engage with our public and private sector stakeholders in South Australia, as well as the local academic community.

APESB would like to thank all stakeholders who attended this event.

Claire Mackay appointed to APESB

In May 2016 the APESB announced the appointment of award-winning independent financial adviser **Ms Claire Mackay** to the APESB

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Board - effective 1 July 2016.

Claire has been appointed following the retirement of Board member Mr Stuart Black AM. Claire is a business owner and Principal at Quantum Financial. This appointment brings equal numbers of men and women to the APESB for the first time. The Board also now has Directors from five states across Australia - enhancing its diversity in a number of ways.



APESB Chair, The Honorable Nicola Roxon said the Board welcomes Ms Mackay's range and depth of expertise which includes roles at Macquarie Bank and PwC.

"Claire brings with her a broad variety of skills and experience from the financial sector, as well as great energy and commitment," Ms Roxon said.

Read the [Media Release](#).

APESB farewells founding Board member Mr Stuart Black AM



The APESB would like to thank and farewell Board member Mr Stuart Black AM, who has recently retired after serving a decade on the APESB Board.

Stuart was a founding Board member in 2006 and since then has played a pivotal role in the APESB's establishment and development as an internationally recognised National Standards Setter.

The APESB Chair, The Honourable Nicola Roxon said that Stuart made a truly significant contribution to the APESB.

"Stuart's many achievements include bringing his particular expertise in small to medium practices, acting as Chair of APESB

during the first 18 months of the Board and serving concurrently a six year term as a member of the International Federation of Accountants (IFAC) SMP Committee.”

We wish him well in his retirement.

Revisions proposed to the client monies standard

The APESB is seeking feedback from stakeholders on proposals to revise the standard for professional accountants who deal with client monies.

The recently released Exposure Draft on APES 310 *Client Monies* (APES 310) contains proposed revisions to address matters raised by stakeholders and to bring the standard in line with the APESB Code of Ethics and the International Code.

One of the more significant proposals would allow an annual review of Client Monies to be conducted, rather than an audit, when the following conditions are met:

- the Member in Public Practice does not have to maintain a Trust Account to comply with APES 310; and
- the Member can only co-authorise transactions in a Client Bank Account in conjunction with the Client.

Stakeholders are encouraged to provide feedback on all the proposals in the Exposure Draft by **9 September 2016** either [online](#) or by sending an email to sub@apesb.org.au.

Read the [Exposure Draft](#).

New guidance aids fair value measurement in financial reporting

The APESB has issued a new guidance note to help professional accountants when providing valuation services for financial reporting.

With an increase in the use of fair value measurements in financial reporting, valuation services for the purpose of financial reporting now constitutes a large proportion of all valuation services. Additional guidance has therefore been provided for Members who provide these valuation services in line with APES 225 *Valuation Services* (APES 225) and APES GN 20 *Scope and Extent of Work for Valuation Services* (APES GN 20).

APES GN 21 *Valuation Services for Financial Reporting* (APES GN 21) provides specific guidance on valuation report disclosures where it relates to such areas as business combinations, impairment of goodwill and intangible assets, share-based payments, financial instruments and superannuation entities.

Read the [Media Release](#).

Read the [Guidance Note](#).

Read the [Basis for Conclusions](#).

IESBA National Standard Setters (NSS) Meeting in New York

The APESB Chair, The Honourable Nicola Roxon and Technical Director, Channa Wijesinghe both attended the 8th annual IESBA NSS Meeting in New York in June 2016. The meeting was attended by national ethics standard setters, predominantly from the G20 countries, to discuss projects on the IESBA's agenda and significant ethics-related developments affecting the global accountancy profession.

The topics discussed included:

- Jurisdictional developments of international relevance;
- Long Association of Personnel with an Audit Client;
- Structure of the Code;
- Safeguards in the Code;
- Responding to Non-Compliance with Laws and Regulations (NOCLAR);
- Part C of the Code; and
- EU Audit Reforms.

IESBA's Responding to Non Compliance with Laws and Regulations has been issued

IESBA has finalised its pronouncement Responding to Non-Compliance with Laws and Regulations (NOCLAR). This includes additional requirements and guidance on the International Code of Ethics regarding member's responsibilities when they encounter non-compliance, or suspected non-compliance, with laws and regulations. The provisions will be effective in the International Code from 15 July 2017.

The APESB will shortly commence a project to update the Australian Code to incorporate these provisions.

Read the [NOCLAR Fact Sheet](#).

May 2016 APESB Board meeting highlights

The following items were considered at the 31 May 2016 Board meeting in Adelaide:

- Proposed guidance note APES GN 21 *Valuation Services for Financial Reporting*;
- Proposed revision of APES 310 *Dealing with Client Monies*;

- Proposed guidance note APES GN 41 *Management Representations*;
- Annual Review of APES 205 *Conformity with Accounting Standards*;
- Annual Review of APES 210 *Conformity with Auditing and Assurance Standards*; and
- Annual Review of APES 345 *Reporting on Prospective Financial Information Prepared in Connection with a Public Document*.

Read the complete [highlights](#).

Register to attend the August 2016 Board meeting

The next APESB board meeting will be held on Monday, 29 August 2016 at APESB's new offices at Level 11, 99 William Street, Melbourne – [Register](#) to attend.

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Level 11, 99 William Street
Melbourne, Victoria 3000
www.apesb.org.au