

Media Release

5 December 2007

APESB issues three revised standards

The Accounting Professional & Ethical Standards Board (APESB) today announced the release of three revised standards; APES 205 *Conformity with Accounting Standards*, APES 305 *Terms of Engagement* and amended definition of network firm in Section 290 of APES 110 *Code of Ethics for Professional Accountants*.

Ms Kate Spargo, Chairperson of the APESB, said the revised standards have all been updated as part of the ongoing review and relaunch of professional and ethical standards by APESB.

“The issue of these three revised standards will not only ensure clarity between professional accountants and their clients as to the agreed scope of work to be conducted, but give confidence in auditor independence and compliance with requirements of the current Australian financial reporting framework,” Ms Spargo said.

Specifically, APES 205 *Conformity with Accounting Standards* replaces APS 1 and has been updated to reflect professional accountant responsibilities with respect to the preparation of general and special purpose financial statements under the current Australian financial reporting framework.

APES 305 *Terms of Engagement* replaces APS 2. From 1 July 2008 it will be mandatory for all professional accountants working in public practice to document and communicate the terms of engagement when providing professional services to clients.

Amendment to Network Firms in Section 290 of APES 110 Code of Ethics for Professional Accountants (the Code) is in line with the revision to the network firm definition of the Code issued by the International Ethics Standards Board for Accountants (IESBA).

The three revised standards, which apply from 1 July 2008, can be downloaded from www.apesb.org.au

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Notes to Editors:

The APESB is responsible for setting the Code of Ethics and professional standards with which members of CPA Australia, the Institute of Chartered Accountants in Australia (ICAA), and the National Institute of Accountants (NIA), are required to abide.

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