

Media Release

5 December 2007

Auditor independence requirements to be altered

In response to recent changes to auditor independence requirements in the *Corporations Act 2001*, the Accounting Professional & Ethical Standards Board (APESB) has released an exposure draft of proposed amendments to APES 110 *Code of Ethics for Professional Accountants* [the Code] for comment.

The proposed changes are expected to be operative from 15 February 2008.

In line with the Corporations Legislation Amendment (Simpler Regulatory System 2007) legislation passed in June 2007, the Code has been updated to reflect changes in multiple former audit firm partner and former audit partner “cooling-off” restriction and the adoption of a ‘covered person’ approach in relation to existing financial relationship restriction.

Ms Kate Spargo, Chairperson of APESB said “previous auditor independence requirements in the *Corporations Act 2001* resulted in a professional standard that perpetuated additional reporting obligations. Given the Simpler Regulatory System was introduced to reduce these reporting obligations, it is prudent that the Code be altered to align with these revised provisions.”

The exposure draft can be downloaded from the APESB website www.apesb.org.au. Printed copies are available on request. Comments are requested by 18 January 2008 and can be emailed to sub@apesb.org.au or mailed to:

The Chairperson
Accounting Professional & Ethical Standards Board (APESB)
Level 7, 600 Bourke Street
Melbourne, Vic, 3000

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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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