

## Media Release

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### Forensic accounting standard raises the bar for Court evidence

Forensic accountants giving or preparing evidence in legal proceedings will be subject to updated provisions under a revised professional standard issued today by the Accounting Professional & Ethical Standards Board (APESB).

Requirements for the role of expert witness will be mandatory and, for the first time, the standard will apply to accountants working in the corporate sector and in government, as well as those in accountancy firms, who are members of the three professional accounting bodies.

Forensic accounting draws on accounting, auditing, and investigative skills to examine a company's financial statements to prepare evidence for use in Court, and is used in both civil and criminal litigation and investigation.

The standard, APES 215 *Forensic Accounting Services*, will replace APS 11 *Statement of Forensic Accounting Standards* and GN 2 *Forensic Accounting*.

APESB Chairperson Kate Spargo said: "Forensic accounting services are employed in a range of legal matters including fraud investigations, damages claims, insolvency, valuations, insurance, trade practices, family law and professional negligence cases."

"A forensic accountant may provide services as an expert witness, lay witness, consulting expert or investigator."

"This revised standard aims to encourage members who practice in this highly specialised and complex area to maintain high professional standards when acting as forensic accountants," Ms Spargo said.

"It will create greater certainty and consistency for business and the accounting profession in how professional accountants provide forensic accounting services."

APES 215, now combining APS 11 and GN2, has mandatory requirements in relation to independence, the information required in expert witness reports, quality control and professional fees.

The APESB-convened Forensic Accounting Taskforce has provided significant input in the development of this professional standard.

The new standard is effective from 1 July 2009, with early adoption permitted. It will be enforced by the three Australian professional accounting bodies.

The standard is now available on the APESB website at [www.apesb.org.au](http://www.apesb.org.au)

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**Notes to Editors:** The APESB is an independent body that sets the code of ethics and professional standards by which members of Australia's three professional accounting bodies are required to abide.