Detailed stakeholder feedback – Guidance on the use of AI in forensic accounting and valuation services

1. Comments on the Board version of the draft

Page references are to Agenda Paper 9(a)

Stakeholder type	Page	Comment	Response	Change made?
Accounting firm	3	Proposed tracked change (Page 3): "AI purports to offers numerous benefits, including faster analysis, predictive insights and automated reporting. For example, the International Valuation Standards Council (IVSC) in their July 2025 Perspectives Paper *Navigating the Rise of AI in Valuation: Opportunities, Risks, and Standards* noted the following areas in which there have been significant changes in valuations:"	Agree	Yes
Accounting firm	3	Proposed insertion (Page 3): "However, the use of AI also creates ethical challenges, as evidenced by recent incidents in Australia and globally which have reflected adversely on practitioners."	Sentence subsequently deleted.	No
Accounting firm	4 & throughout	Change can to may		No
Accounting firm	Throughout	Minor editorials		Yes
Accounting firm	7	Proposed insertion (Page 7): "Uses in which AI contributes to the substance of the work or to the output delivered to a client or a third party, for example, researching markets, analysing data, generating comparable evidence, or drafting parts of a report or an opinion. These uses affect the output more directly, including reliability, bias, the Member's responsibility for the conclusions, and whether the use of AI should be disclosed. Such uses may be inappropriate in some contexts, such as independent expert services."	The suggestion covers all independent expert services, which may not be appropriate in all cases.	No
Accounting firm	7–8	Proposed deletion (Page 6): ~~"District Court of New South Wales, *General Practice Note 2 – Generative AI Practice Note and Judicial Guidelines* which adopts the approach taken in Practice Note SC Gen 23 (above)."~~	Agree	Yes
Accounting firm	7–8	Proposed deletion (Page 6): ~~"Victorian Legal Services Board and Commissioner, *Statement on the use of artificial intelligence in Australian legal practice* to help lawyers understand their expectations when using AI tools to assist them in their legal work. The Statement notes that lawyers must continue to maintain high ethical standards and comply with professional obligations under relevant legal profession uniform laws."~~	Agree	Yes
Accounting firm	8	RECOMMEND INSERT Federal Court of Australia Practice Note (GPN-AI) dated 16-Apr-26 Use of Generative Artificial Intelligence https://www.fedcourt.gov.au/law-and-practice/practice-documents/practice-notes/gpn-ai GPN-AI dated 16-Apr-26 Generative AI Resources	Agree	Yes

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		https://www.fedcourt.gov.au/law-and-practice/practice-documents/practice-notes/gpn-ai/generative-ai-resources-gpn-ai Federal Circuit and Family Court of Australia Practice Direction (PD-AI) dated 29-May-26 Use of Artificial Intelligence https://www.fcfcoa.gov.au/pd/pd-ai		
FFDIG member (law enforcement)	4	Feedback on draft APESB Guidance on AI in forensic accounting I have just one suggestion for inclusion in the group's collective feedback, please. Page 2 – Key Considerations for the responsible use of AI (bottom of the page) …Members remain responsible for any opinion, the analysis, the underlying professional judgements and the outcomes of the professional activity provided to a client or employer. For those of us working for a law enforcement body, our output is really provided to the OPP, Senior Counsel, Defence Counsel and the Court. These parties are not clients or the employer. It is not uncommon for additional work to be commissioned directly to the individual forensic accountant by one of these parties during the trial process. Suggested amendment: output provided to the commissioning party.	Agree. Amended to 'or other relevant commissioning party'. However, noting that APES 215 and 225 only refer to Client or Employer. Note: subsequently amended and removed 'other commissioning party'. See section 2.3 below.	Yes
IVSC representative	8	Thanks for sharing the draft and for the opportunity to comment. Overall I think it is well-structured and correct in principle. A couple of comments: Court material The practice notes cited are all state-based. I suggest the following are also included: Federal Court of Australia, Use of Generative Artificial Intelligence Practice Note (GPN-AI), 16 April 2026. It applies more stringent requirements to evidence including expert reports, and requires disclosure at the start of the document where AI has been used to summarise, analyse or generate material informing evidence or opinion. FCFCOA Practice Direction: Use of Artificial Intelligence (PD-AI), 29 May 2026. It applies directly to private experts, requires lawyers engaging an expert to provide a copy and obtain the expert's certification that it has been read, and places a positive disclosure obligation on expert witnesses.	Added	Yes
IVSC representative	7	I also note that SC Gen 23 is under periodic review under clause 26, with submissions invited to 18 December 2025. The current version remains that of 28 January 2025. Given Example 2 turns on SC Gen 23, it may be worth framing the example so the principle holds if the practice note changes.	Noted. Comment added to the paper to highlight the practice notes are the current versions and subject to change.	In part
IVSC representative	Example 4 and 6	Members performing valuation services are generally also applying the IVS, which since January 2025 include dedicated General Standards on Data and Inputs and on Valuation Models. These already cover data provenance, model selection and validation, and the requirement that the valuer exercise judgement over the model rather than accept an automated output. I note the draft cites the IVSC's July 2025	Noted. No change made to cross-reference.	No

Stakeholder type	Page	Comment	Response	Change made?
		Perspectives Paper but not IVS itself and suggest express cross-references in Examples 4 and 6.		
APESB	2	Agenic should read agentic	Agree	Yes
APESB	2	First page, the point for APES 110 is missing the bullet point at the start.	Agree	Yes
Discussion group	n/a	Proposed additional example: Example: Documentation of AI Use in a Forensic Accounting Engagement Issue A Member must consider what documentation should be retained in the working papers regarding the use of Artificial Intelligence (AI) during a Forensic Accounting Engagement. Case Outline A Member is engaged to investigate allegations of employee fraud involving approximately 25,000 banking transactions and numerous witness statements. To improve efficiency, the Member uses an approved AI tool to summarise witness statements, prepare a draft chronology of events, identify recurring transaction descriptions and organise information for further review. The Member independently reviews and assesses all information generated by the AI tool before incorporating any information into the Engagement. Ethical Considerations Paragraph 7.3 of APES 215 states that the use of AI should be documented in the working papers. The Member remains responsible for the work performed, the evidence relied upon, and the findings, opinions and conclusions reached. Documentation of AI use promotes transparency and accountability and enables an experienced practitioner, having no previous connection with the Engagement, to understand how AI was used, the extent of its use, the procedures performed by the Member and how professional judgement was exercised. Appropriate documentation may be particularly important where the Engagement is subject to internal review, legal proceedings, expert witness scrutiny or regulatory examination. Appropriate Course of Action Before using AI, the Member documents the intended purpose of the AI use, the expected benefits and limitations, whether the proposed use is appropriate for the Engagement, any risks associated with its use, and the level of professional oversight and verification that will be applied. Prior to entering information into the AI system, the Member considers and documents whether confidential, sensitive, privileged or personal information will be used, the applicable legal, contractual, professional and organisational requirements, whether the AI tool is approved for the intended purpose, whether any approvals or additional	Agree to include additional wording relating to documentation to the existing Example 1, to highlight documentation further in the background, and added some additional wording on the application of para 7.3 to the draft guidance. The full example is not proposed to be used as staff consider it extends beyond the scope of the guidance, in particular to state the specific documentation that a Member should apply. Staff consider this level of judgement may be engagement specific.	Yes (in part)

Stakeholder type	Page	Comment	Response	Change made?
		safeguards are required and the measures implemented to protect confidentiality and privacy. Consistent with paragraph 7.3 of APES 215, the Member documents the use of AI in the working papers, including the AI tool used, the dates on which it was used, the purpose of its use, the nature of the information provided to the AI system, material prompts and outputs, verification and review procedures performed, discrepancies identified during review and any amendments made following assessment of the AI-generated outputs. The Member also retains sufficient working papers to demonstrate that all findings, analyses, opinions and conclusions were developed through the Member's professional judgement and assessment of the evidence. Disclosure Assessment Where relevant, the Member documents whether AI materially contributed to the Engagement deliverable, whether disclosure of AI use was considered, the rationale supporting any disclosure decision and the wording of any disclosure included in the final report. Outcome By documenting the use of AI in the working papers, the Member creates a clear record of: how AI was used during the Engagement; the risks and confidentiality considerations assessed before its use; the procedures performed to assess the reliability of AI-generated outputs; and the basis for the findings, opinions and conclusions reached. This documentation assists the Member in demonstrating compliance with APES 215 and supports the transparency, accountability and defensibility of the Engagement.		
Working group member	2	“description of common types of AI, references” Does this include, for instance, spell-check, Word Grammar editor etc.? Some of the court guidelines provide guidance on what it is - and what it is not.	Updated.	Yes.
Working group member	2	“guidance include: GenerativeAI (GenAI) which creates new content based on prompts or examples; Machine learning which analyses data to find patterns and make predictions, including forecasting trends, detecting unusual activity or support decisions; Automation…” Implies these are all separate elements, whereas - I think - there may be some cross over between these elements.	Agree. Added that the categories are not mutually exclusive.	Yes
Working group member	3	“AI offers numerous benefits,” Whilst it does, the paper referenced also talks about risks - we should also say there are risks as well as benefits	Updated.	Yes
Working group member	3	“creates ethical challenges” ...risks, including ethical challenges i.e. there are non-ethical risks as well as the ethical risks	Updated.	Yes

Stakeholder type	Page	Comment	Response	Change made?
Working group member	4	"when a Member uses AI" Whether or not a Member uses AI?	Updated.	Yes
Working group member	4	"rely on another person, or on an AI tool, to form an opinion." Cannot delegate professional responsibilities	Updated.	Yes
Working group member	3	"technology such as AI," This phrase suggests that this paper goes beyond AI - is it broader than AI - if so, explain how.	Updated as the guidance is limited to AI.	Yes
Working group member	4	"AI may assist and inform a Member's work; however, it cannot replace the Member's own expert reasoning and professional judgement" This assumes that AI is allowed to be used (either because of court rules and/or contractual limitations) may be reasons why that is not the case -should this be flagged at an earlier stage	Agree. New paragraph added above in call-out box.	Yes
Working group member	5	"Maintaining the confidentiality of information is critical in an AI environment" Suggests that is not the case if not an AI environment - should say 'in all circumstances and this has particular issues in an AI environment'	Agree, added.	Yes
Working group member	5	"A Member should therefore identify and assess the confidentiality risks arising from a proposed use of AI, decide whether a particular tool is appropriate for the information involved and apply appropriate safeguards. This assessment should be supported by…" Contractual issues as well	Agree. Added a reference to contractual, legal or client-imposed restrictions on the use of the information.	Yes
Working group member	5	"AI-generated or AI-sourced" This is a distinction that does not seem to be explained - are these different? Only one mentioned in the sub-heading? This is the first time that "AI-generated" is used, but not explained?	Agree. Added explanation.	Yes
Working group member	5	"calibrated" What is it being suggested it should be calibrated against (it is a comparative verb)	Updated.	Yes
Working group member	5	"monitored" How do you "monitor" output - what does that mean? Was this written by AI?!	Agree. Removed.	Yes
Working group member	5	"In addition" Is this really 'in addition'	Agree. Sentence reworded.	Yes
Working group member	5	"Consistent with the integrity principle (APES 110, paragraphs R111.1 and R111.2), a Member is required not to be knowingly associated with information that is materially false or misleading. Members are required, therefore, to be mindful of the extent of…" Need a reliable source to say it is true, rather than in the negative?	Agree. Reframed in the positive.	Yes
Working group member	5	"In relation to forensic accounting services," Intro words are unnecessary (same for next sub-para)	Agree. Removed.	Yes
Working group member	6	"Consistent with these documentation requirements, where relevant, the use of AI should be documented when it is used as part of the work performed in a forensic accounting service or valuation service." Need to document prompts	Agree. Added 'prompts and outputs'	Yes
Working group member	6	"Member should therefore: use AI to support" The use of the word "should" implies "must" - perhaps it should be "may" or say that 'if the Member decides to use AI, then …..	Agree. Reworded.	Yes
Working group	6–7	"can"	Agree. Updated.	Yes

Stakeholder type	Page	Comment	Response	Change made?
member		'may'?		
Working group member	7	"The distinction between the application of AI" Distinction between the application of AI and what? Does this mean "Differences in how AI is used are important.…"	Agree. Reworded.	Yes
Working group member	7	"Of particular importance in forensic and valuation services are any restrictions on the use of AI in Expert Reports. The requirements that apply to the use of AI differ across jurisdictions and continue to develop. Accordingly, a Member should identify and…" I agree with all of this, but do not think it sits well in this section on the application - the rules are about a) can you use it and b) if you do, what do you disclose.	Agree. New sub-heading "Court and tribunal requirements" added and wording amended.	Yes (in part)
Working group member	7	"in certain respects prohibits," Bit more than 'in certain respects' - its starting position is that one cannot unless express permission is granted in advance.	Agree. SC Gen 23 description amended to state that Gen AI must not be used to draft or prepare the content of an Expert Report (or any part of it) without the prior leave of the Court, and that use must be disclosed if leave is granted.	Yes
Working group member	7	"in which the Court prohibits the use of Gen AI to draft or prepare the content of an expert report (of any part of an expert report) without prior leave of the Court (para. 20). If an expert witness obtains prior leave to use Gen AI" Isn't this the same as the NSW Supreme Court - but read differently - should perhaps put the same comment for all of them?	Agree. Updated.	Yes
Working group member	7–8	"courts and tribunals. These guidelines have been developed to assist non-lawyers who represent themselves or others, ensuring the responsible use of Generative AI chatbots in court and tribunal proceedings. It emphasises that Generative AI is not a substitute…" Relevance for APES 215 or APES 225?	Deleted.	Yes
Working group member	7–8	"Victorian Legal Services Board and Commissioner, Statement on the use of artificial intelligence in Australian legal practice to help lawyers understand their expectations when using AI tools to assist them in their legal work. The Statement notes that…" For lawyers - relevance to the readers of this?	Deleted.	Yes
Working group member	8	"also" Why also?	Deleted.	Yes
Working group member	8	"utilised" Utilised has a different meaning to used, but they are used as if they are interchangeable in this document?	Updated to 'used'.	Yes
Working group member	8	"communicate to the Client the details of the AI tools used, the protocols in place, including how the Client's confidential information" I agree they should but not sure one can link that to "Terms of Engagement" per se?	Agree. Updated wording.	Yes
Working group member	8	"APES 215 and APES 225 also require disclosure of the methodology and the sources of information used to prepare reports, which would generally include the use of AI tools and AI-generated information." Wooly - this is key, so we should state where that requirement is	Agree. Updated wording.	Yes
Working group member	8	"In relation to" Filler - reads like AI!	Updated.	Yes

Stakeholder type	Page	Comment	Response	Change made?
Working group member	9	“Importantly, disclosure supports the integrity of the Member’s work and does not reduce the Member’s responsibility for the output.” And or but - what is being stressed to the reader?	Updated.	Yes
Working group member	10	“a mid-tier firm” Does the size matter?	Deleted.	Yes
Working group member	10	“chatbot” Is that the right example/phrase?	Updated.	Yes
Working group member	10	“Paragraph 3.18 – A Member who acquires Confidential Information in the course of performing a Forensic Accounting Service for a Client or Employer shall comply with Subsection 114 Confidentiality of the Code.Confidential or privileged information should not…” This seems to say the same thing at least twice and potentially three times?	Updated.	Yes
Working group member	10	“and Priya should remain alert to the possibility of inadvertent disclosure through the use of technology.” Why do we need the second part of this sentence - one should not do it - because it is, in and of itself, the disclosure of confidential inforrmation	Updated.	Yes
Working group member	10	“member proposes using an AI tool without understanding how the AI tool handles data.” How do you know - this is a presumption!	Updated.	Yes
Working group member	11	“an AI” “an AI”?	Updated.	Yes
Working group member	11	“the team should use an AI tool with appropriate data-security and no-retention settings and should restrict access within the firm to those working on the engagement, as confidentiality risks can also arise within an organisation where multiple users have…” Two points that are merged	Updated.	Yes
Working group member	11	“the chain of custody of the material ...” Seems an odd phrase to use - possession is not really an issue here?	Updated.	Yes
Working group member	11	“Application of AI, and Expert Reports” Inconsistent grammar/punctuation with the issue/headline?	Updated.	Yes
Working group member	11	“a generative AI” Already defined	Updated	Yes
Working group member	11	“Under APES 215, the report is required to reflect the Member’s own opinion and reasoning and a Member acting as an Expert Witness has specific obligations.” There is a threshold issue of complying with the relevant court guidelines	Updated.	Yes
Working group member	12	“James is required to identify and comply with any court rules, practice notes or directions governing the use of Gen AI in Expert Reports. For example, the Supreme Court of New South Wales Practice Note SC Gen 23 prohibits” This should be first - the other points then fall away!	Agree. Updated.	Yes
Working group member	12	“Preparatory uses of AI, such as summarising the brief for the Member’s own understanding, differ from uses that affect the substance of the report.” If this is done before the report is finalised, then significant risk of re-drafting based on AI - slippery slope!	Updated to note that James should not assume preparatory uses are permitted and that even preparatory uses carry a risk of influencing the content of the report.	Yes

Stakeholder type	Page	Comment	Response	Change made?
Working group member	12	“Consistent with Practice Note SC Gen 23 James is permitted to use Gen AI for preparatory tasks, such as summarising the brief for his own understanding or preparing a chronology, provided he safeguards confidential and protected information and those uses do…” Is this correct - many lawyers may disagree, and do you want to be so definitive and end up being quoted in court on this?!	Updated.	Yes
Working group member	12–13	“James should also confirm the position with the instructing solicitors. He should document his use of AI in his working papers and ensure the report meets the competence, objectivity and reporting requirements of APES 215.” Implies it can be used, which is moot at best.	Updated.	Yes
Working group member	13	“generating content in response to an AI prompt” But there must be some form of instructions - is this a real distinction?	Updated.	Yes
Working group member	13	“There is a risk that indicators of fraud the model was not designed to identify could go unflagged and be missed.” Or the model is showing ‘indicators’ that are not correct?	Agree. Added.	Yes
Working group member	13	“be competent to provide the service” Is this the relevant - it is the second part of the second part of the sentence is relevant, rather than the first.	Updated.	Yes
Working group member	14	“Rahul should obtain or develop a sufficient understanding of how the platform works and where it may be deficient before relying on it, drawing on appropriately qualified support if necessary.” This assumes that this is possible - some platform are opaque, which means this is not possible.	Updated.	Yes
Working group member	14	“Given that volume, this would ordinarily involve testing a sample of the platform’s results and performing independent procedures directed at the categories of transaction the platform was not designed to identify, rather than verifying each transaction…” There are a number of ways of approaching this - why do we need to talk about how to do it - the key is not to rely on AI, rather than the alternative. The risk is that practitioners focus on this issue, rather than the AI issue.	Updated to be more generic.	Yes
Working group member	14	“Where the use of the platform is material to the engagement,” Why introduce the issue of materiality - how does one know whether it is going to be material? I would sugges that the first part of this sentence should be removed.	Deleted.	Yes
Working group member	14	“The valuation is required to resolve a shareholder buy-out and the parties have agreed to be bound by his conclusion.” Is this relevant or determinative regarding the use of AI?	Agree in part. The buy-out context is kept because it explains why the sensitivity matters / the context.	Yes (in part)
Working group member	14	“so the assumptions that drive the model are significant.” That is always the case - why mention the value range initially identified?	Deleted.	Yes
Working group member	15	“should” That suggest that you MUST use the AI model - it is open to David to consider it and decide that it is not a good starting point - that option should be discussed.	Updated to ‘may use’.	Yes
Working group member	15	“Before the report is finalised, because some optimistic assumptions have been made in the report, it would be beneficial to also have the report reviewed by another experienced valuation practitioner.”	Updated to read: Before the report is finalised, because some optimistic assumptions have been made, it may	Yes

Stakeholder type	Page	Comment	Response	Change made?
		Don't like this phraseology - the reality is that all reports benefit from review by another experienced practitioner - not a function of AI?	be appropriate for the opinion to be subject to internal peer review.	
Working group member	16	"Emma used AI to review the data room, screen comparables and draft parts of the report. The methodology and the sources of information that paragraph 5.2 requires to be disclosed would generally include the use of AI tools and AI-generated information." "generally" - specifically what wording requires this to be disclosed?	Agree. Updated wording.	Yes
Working group member	4	"In addition," Is this "in addition" - not sure how this paragraph is different from the first paragraph?	Updated.	Yes
Working group member	16	"Because the engagement letter is silent on AI, there is no agreed position with the client on how AI will be used and what will be disclosed." Is this saying that para 4.1 REQUIRES the use of AI is a "Terms of Engagement" - is that correct? Seems that this is a broad reading of APES 225, but perhaps that needs to be discussed?	Agree. Updated wording.	Yes
Working group member	16	"should" Again, is the technically a requirement or is this something that is a good option, but not a requirement?	Updated.	Yes
Working group member	17	"with firm policy," This is the first time that any 'firm policy' is mentioned - perhaps needs to be referenced earlier. Unclear what this statement means?	Updated.	Yes
Working group member	17	"including the requirements of APES 320 Quality Management for Firms that provide Non-Assurance Services," Is this part of the policy - reads as if this is an optional part of a firm policy?	Updated.	Yes
Working group member	17	"any applicable professional or legal requirements on disclosure" What does this mean?	Updated.	Yes
Working group member	17	"AI-assisted information" This is the only time this phrase is used, but what is "AI-assisted information"?	Updated.	Yes
Working group member	18	"extent of AI use and avoid undue reliance on AI." These are two different concepts - the second point is absolutely relevant, however the first point is not determinative; if there is a lot of AI use, but it is verified and considered, then what is the issue with the extent of AI use per se?	Agree. Updated.	Yes
Working group member	18	"should also update its quality management processes" Not sure I understand this comment? There is, as far as I can see, no mention of their management processes earlier in the preamble?	Updated. Quality management is now introduced in the guidance (Bias, reliance and documentation section). Example reworded to say the firm should consider whether its system of quality management under APES 320 appropriately addresses the use of AI.	Yes
Working group member	7 & 9	Tracked editorial amendments: "The key question [in considering the use of AI] is whether [the] AI is being used to support…" and "[In relation to the use of AI, the] The nature and extent of appropriate disclosure of the use of AI is…"	Updated.	Yes

2. Comments on the updated draft (from 19/10/2026)

Changes made following stakeholder meetings on 19 and 20 October 2026 and feedback received via email from the CA ANZ Business Valuation Discussion Group.

2.1 Stakeholder meetings

Stakeholder type	Page	Comment	Response	Change made?
Working group members – meeting 20/10	4	Key considerations – "Before using AI…" paragraph: Court restrictions generally apply to particular uses (e.g. drafting an Expert Report) rather than all AI use. AI is embedded in most applications (e.g. AI-informed search), so the paragraph could be read as prohibiting any AI use, which would be impractical. Suggest referring to the type of use.	Inserted "whether, and to what extent, the particular type of AI use proposed is permitted" and added: "Restrictions may apply to some types of AI use but not others. For example, a court may restrict the use of GenAI to draft or prepare the content of an Expert Report, while other uses, such as editorial suggestions on a draft prepared by the Member, or AI functions embedded in commonly used software such as search engines, may be treated differently. As AI is increasingly embedded in commonly used software, a Member should consider each type of AI use proposed against the applicable requirements."	Yes
Working group member – meeting 20/10	4	Key considerations – paragraph on supervision and disclosure: Check for consistency between places where Members "should disclose" and where they "should consider disclosing".	Changed "Members should disclose when AI tools are used" to "Members should consider the appropriate disclosure of the use of AI tools (see 'Transparency and disclosure' below)".	Yes
Working group members – meeting 20/10	5	Bias, reliance on AI-sourced evidence and documentation – paragraph 1 Whether a Member briefs the AI tool with, or uploads, specific documents, or the tool relies on its own broad search, can be a significant driver of outcomes and is almost as important as the prompts used. Not currently addressed.	Added: "The reliability of AI output may also depend on whether the AI tool has been directed to specific documents or sources, such as documents provided by the Member, or whether it relies on its own broader search of sources." Added "the documents or other information provided to, or the sources accessed by, the AI tool" to page 5.	Yes
Working group members – meetings 19/10 and 20/10	6, 15 & 18	Documentation paragraph (Bias, reliance… section): Do not qualify prompts with "material", "key" or "relevant" – qualifiers give wriggle room, AI use is a conversation that builds, and courts will decide relevance. "May be particularly important" should be definitive. Refer to the "specific" AI tool used, as tools and versions differ. Avoid being overly prescriptive.	Deleted "material" (now "the prompts and outputs"); changed "may be particularly important" to "is particularly important"; inserted "specific" before "AI tool used". For consistency, also inserted "specific" in	Yes

Stakeholder type	Page	Comment	Response	Change made?
			Examples 4 and 6 ("record the specific AI tool used").	
Working group members – meetings 19/10 and 20/10	7	Professional judgement – final paragraph: Reproducibility of analysis: another practitioner should be able to reproduce the analysis. The same prompt may produce different outputs. Dynamic data (e.g. Capital IQ) is acceptable if sourced as at a date; the key principle is transparency so the work is not a "black box".	Added: "and the same prompt may produce a different output even when entered again at the same time. While the data inputs to an analysis may change over time and can only be identified as at a particular date, the Member's work should be sufficiently transparent that another practitioner could understand, and if necessary, reproduce, how the analysis was performed and the basis for the conclusions reached."	Yes
Working group members – meetings 19/10 and 20/10	7	Court and tribunal requirements – introduction to list of practice notes: Practice notes change over time (e.g. SC Gen 23 is under review). Add a caveat that the list is as at the date of publication and Members should check the current version. The caveat should come before the list so readers see it before reaching the court they are dealing with. Refer to "current" practice notes.	Added to the paragraph before the list: "The examples below are illustrative rather than exhaustive and reflect the position at the date of this publication. Court practice notes and guidance are amended from time to time and the position in each jurisdiction is subject to change. Members should confirm the requirements applicable at the time of the engagement, including that they are referring to the current version of any practice note or guidance." Changed "Examples of the practice notes" to "Examples of current practice notes"; deleted the caveat paragraph previously placed after the list.	Yes
Working group members – meetings 19/10 and 20/10	7–8	Court and tribunal requirements – Land and Environment Court bullet: The Land and Environment Court practice note is effectively the same as the Supreme Court of NSW practice note (SC Gen 23) and is derivative.	Deleted the Land and Environment Court of NSW bullet.	Yes
Working group members – meeting 19/10	12–13	Example 2 – table (paragraph 5.5) and Appropriate course of action: The reference "(paragraph 7.3)" does not make clear which standard is referred to. Documentation should signal details such as the prompts used.	Changed to "(APES 215, paragraph 7.3)" and added "including the specific AI tool used, the purpose of its use, the documents provided to it and the prompts and outputs" in the table. Same reference and wording added in the Appropriate course of action ("in his working papers (APES 215, paragraph 7.3), including …").	Yes

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Working group members – meetings 19/10 and 20/10; IVSC representative	13	Example 2 – closing note: SC Gen 23 is under review, so an example tied to it may date. Majority view: retain the specific example, as SC Gen 23 is the most stringent court guidance and puts Members on notice, but add a caveat. One participant preferred softening the direct link to SC Gen 23.	Retained the SC Gen 23 example. Added to the closing note: "as set out in Practice Note SC Gen 23 at the date of this publication."	Yes
Working group member – meeting 20/10	10, 11–12, 13 & 16	Example 3 (and Examples 1, 2 and 5) – table order: Paragraph 3.13 appears before paragraph 3.12 in the table.	Moved the paragraph 3.12 row above the paragraph 3.13 row. Also re-ordered the table rows into numerical order in Example 1 (paragraph 3.12 now before 3.18), Example 2 (paragraph 5.4 now before 5.5) and Example 5 (paragraph 4.1 now before 5.2).	Yes
Working group member – meeting 20/10	13–14	Example 3 – table (paragraph 3.12) and Appropriate course of action: Understanding the risk of false positives and negatives is not enough; findings should not be presented until the platform's output has been subject to human validation.	Added "The platform's outputs should be subject to human validation before any findings are presented." to the table, and "and human validation of the outputs" to the Appropriate course of action.	Yes
Working group member – meeting 19/10	5–6	Confidentiality and data security; documentation paragraph: Whether non-public (closed) AI tools are also needed for valuations, and the different tiers of tools (free, premium, open, closed).	No change (other than "specific AI tool used", addressed above).	No

2.2 FA and BV Specialist Advisory Groups

Stakeholder type	Page	Comment	Response	Change made?
CA ANZ Business Valuation Discussion Group member	General	Suggest that APESB provide example wording on compliance with the standards for the use of AI, for engagement letters and reports, that practitioners can use as a guide. Otherwise, no further comments.	Noted. The suggestion to provide example engagement letter and report wording extends beyond the guidance contained in the standards. Technical Staff propose to include this suggestion in the APESB Issues Register for consideration in future reviews of APES 305 *Terms of Engagement*.	No
CA ANZ Business Valuation Discussion Group member	General	Reviewed the documents and had no comments.	Noted. No change required.	No
CA ANZ Business Valuation Discussion Group member	Bias and reliance on AI-sourced evidence	Overall, both documents are looking very good. The section on bias and reliance on AI-sourced evidence could make clearer that the issue is not only reliability — AI can produce an opaque answer without it being clear how that answer was derived. The overarching message should be that, whatever analysis AI produces, the expert must be able to independently understand, substantiate and reproduce the analysis without	Agree. This point has been addressed on page 7 as part of the reproducibility under professional judgement.	Yes

Stakeholder type	Page	Comment	Response	Change made?
		relying on the AI itself.	The same input may not produce the same output at a later date, and the same prompt may produce a different output even when entered again at the same time. While the data inputs to an analysis may change over time and can only be identified as at a particular date, the Member's work should be sufficiently transparent that another practitioner could understand, and if necessary, reproduce, how the analysis was performed and the basis for the conclusions reached. An AI tool may also produce an output without it being apparent how that output was derived. A Member should be able to independently understand and substantiate any analysis and be able to reproduce the analysis where relevant.	
CA ANZ Business Valuation Discussion Group member	Bias and reliance on AI-sourced evidence / professional competence and due care	Members are increasingly presented with documents that clients have produced using AI (sometimes disclosed, sometimes only suspected). The guide could include a section on the steps a Member should take when presented with AI-generated documents — when to seek to understand how a document was created, the assumptions used and the underlying source records, and when (if ever) reliance can be placed on such a document where its basis is unclear. This could be addressed through a further example (e.g. a client-provided cash flow forecast that appears to have been produced using AI, with no commentary or links to assumptions and historical data). This is probably linked to professional competence and due care.	Agree. The guidance has been amended to add: Members may also be presented with documents or information that a client or another party has produced using AI, whether or not this has been disclosed. Consistent with the principle of professional competence and due care (APES 110, paragraph R113.1), a Member should seek to understand how the document was produced, the assumptions and source data on which it is based and whether those can be corroborated and should apply professional judgement to determine the extent to which reliance can be placed on the document. Where the basis of the information cannot be established or verified, the Member should not rely on the information. No additional example has been added.	Yes (in part)

2.3 Other commissioning parties

Stakeholder type	Page	Comment	Response	Change made?
Working group members – meetings 19/10 and 20/10	4	Key considerations for the responsible use of AI – paragraph 1: The proposed term "or other relevant commissioning party" (from an FFDIG member working for a law enforcement body) is not used in APES 215, APES 225 or other APESB standards, which apply to Members. Including it would go beyond the standards and could imply that the definitions of Client and Employer do not cover these situations. Suggestion to end the sentence at "outcomes of the professional activity undertaken". Avoids introducing a term that is not in the standards (guidance should not extend beyond the standard; any gap should be fixed in the standard first), while not restricting the statement to clients or employers, which addresses the law enforcement concern. Supported at both meetings. To be raised again at the FFDIG meeting on 28/10/2026 and reported back (see below for response). Original comment: Page 2 – Key Considerations for the responsible use of AI (bottom of the page) …Members remain responsible for any opinion, the analysis, the underlying professional judgements and the outcomes of the professional activity provided to a client or employer. For those of us working for a law enforcement body, our output is really provided to the OPP, Senior Counsel, Defence Counsel and the Court. These parties are not clients or the employer. It is not uncommon for additional work to be commissioned directly to the individual forensic accountant by one of these parties during the trial process. Suggested amendment: output provided to the commissioning party.	Deleted "provided to a client or employer, or other relevant commissioning party" and inserted "undertaken", so the sentence ends "…the outcomes of the professional activity undertaken."	Yes
Discussion group (members include AFP, VicPol, private practice and other government agency employees)	4	We had a number of AFP members attend along with VicPol, private practice and a few other govt agency employees. An FFDIG member has eloquently articulated the position on the "or other relevant commissioning party" suggested inclusion. Her email around this is included in this email trail below. The member is happy to be contacted if you need further clarity or information. FFIDG Members all felt that this was all an evolution of the thinking around APES215 and whilst we appreciated that it may not have been raised previously, there is a gap just having a focus on client or employer. We all agreed that adding in a term that is not included in APES215 was not ideal and we worked through some alternatives and then tried to utilise the existing language in APES 215 hence came up with "….. provided to a client or employer or in connection with proceedings." We felt that that was good compromise as it did not require any adjustment to APES215 itself but was broad enough to cover off . We did feel that if the above is adopted then at the next APES215 update/review that	Recommend including the matter on the issues register for clarification within APES 215. Additional wording added to the guidance to state that: ...and, in certain circumstances, a Member in Business may provide activities as part of their employment to a party other than their employer.	Yes

Stakeholder type	Page	Comment	Response	Change made?
		maybe some adjustments may need to be made to ensure absolute clarity that instructions or directions to undertake work can be obtained from the CDPP, OPP or directly from a judge/the court in some occasions. None of those are the employer of a forensic accountant working for a law enforcement agency like VicPol or the AFP. Further clarification received by email: All of the members this applies to and was raised by, are employed and paid by the law enforcement body and are expected to perform all the activities as and when required as part of their job. They just have some circumstances when someone other than their employer is providing instructions or asking them to undertake a particular activity e.g. CDPP, OPP or the court. Their employer would expect that they address these instructions and directions as part of their job.		

2.4 Comments on fatal flaw draft

Stakeholder type	Page	Comment	Response	Change made?
Working group member	7	On page 6 of the Pdf, under the heading "Court and tribunal requirements", it states that "*…court and tribunal requirements may determine whether AI can be used at all in preparing an Expert Report and, if it is used, what must be disclosed.*" I think the use of the word 'may' is inappropriate and should be removed. The court and tribunal requirements ***will*** determine whether AI can be used and, if so, what needs to be disclosed. Subsequent email confirmation that removing the word will/may is acceptable.	Technical Staff propose to remove the word such that the sentence reads as follows: ...court and tribunal requirements determine whether AI can be used at all in preparing an Expert Report and, if it is used, what must be disclosed."	Yes
Working group member	4	I am pretty much okay with the amendment used to address the suggestion from the FFIDG of the "…. Or other relevant commissioning party.' The only suggestion is that it may be wise to add in the word ***professional*** as per the below in paragraph 1 on page 3 [now page 4] *"Members remain responsible for any opinion, the analysis, the underlying professional judgements and the outcomes of the professional activity undertaken and, in certain circumstances, a Member in Business may provide* ***professional*** *activities as part of their employment to a party other than their employer."*	Agree with the proposed editorial.	Yes