

17 November 2022

Chief Executive Officer  
Accounting Professional and Ethical Standards Board Limited (APESB)  
Level 11  
99 William Street  
Melbourne Victoria 3000  
Australia

By email: [sub@apesb.org.au](mailto:sub@apesb.org.au)

Dear Channa,

## **ED 06/22 – proposed quality management-related conforming amendments to APESB pronouncements**

CPA Australia represents the diverse interests of more than 170,000 members working in over a 100 jurisdictions and regions. We make this submission on behalf of our members and in the broader public interest.

CPA Australia supports the APESB's proposed quality management-related conforming amendments issued 28 October 2022, amending the following pronouncements:

- APES 315 *Compilation of Financial Information* (APES 315)
- APES 325 *Risk Management for Firms*
- APES 345 *Reporting on Prospective Financial Information prepared in connection with a Public Document*
- APES 350 *Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document*
- APES GN 31 *Professional and Ethical Considerations relating to Low Doc Offering Signoffs*.

### **Purpose of ED 06/22**

We note that the proposed amendments to the listed pronouncements are designed to:

1. align the pronouncements with the APES 320 *Quality Management for Firms that provide Non-Assurance Services* (reissued APES 320) and the new quality management standards issued by the Auditing and Assurance Standards Board (AUASB), and
2. amend APES 315 to conform with recent changes to APES 205 *Conforming with Accounting Standards* (APES 205).

We make the following general observations and comments for consideration by the APESB.

#### **1. Alignment with APES 320 and AUASB quality-management standards**

CPA Australia supported the changes contained in the reissued APES 320 in limiting its scope to non-assurance practices and engagements of firms and its high-level consistency with the newly issued AUASB quality management standards. On the basis that the pronouncements listed above have been revised to align definitions, terminology, concepts and principles with the reissued APES 320 and the newly issued AUASB quality management standards, CPA Australia supports the amendments.

#### **2. Amendment of APES 315 to conform with APES 205**

In a joint submission, CPA Australia and Chartered Accountants Australia and New Zealand supported the revision of APES 205 in light of recent changes made to several financial reporting frameworks introduced by Australian Accounting Standards Board. This included supporting the replacement of the term 'significant accounting policies' with the term 'material

accounting policies'. For this reason, CPA Australia supports the proposed amendments to APES 315 to align the language of the two standards with the new term 'material accounting policies'.

If you have any queries about this submission, please don't hesitate to contact Ms. Melissa Read, Senior Manager, Professional Standards, Professional Standards and Business Support on [melissa.read@cpaaustralia.com.au](mailto:melissa.read@cpaaustralia.com.au) or +61 (0) 481 476 275 or me on [gary.pflugrath@cpaaustralia.com.au](mailto:gary.pflugrath@cpaaustralia.com.au) or +613 9606 9941.

Yours sincerely,

Dr Gary Pflugrath  
Executive General Manager  
Policy and Advocacy