

Polemic Forensic Accountants & Business Advisers

Polemic Forensic is a CPA Practice



Forensic Accounting Standards

The service provided by expert witnesses has recently been raised as an issue by the judiciary. Hence, this article examines the professional standards that are applied to the reports prepared by forensic accountants.

The statement of forensic accounting standards, APS11, regulates the work performed by accountants who are members of both CPA Australia and the Institute of Chartered Accountants.

Forensic accounting includes the assessment of economic loss, share and business valuations, fraud and investigations.

APS11 emphasises that the accountant carrying out the forensic accounting work must be independent and not be in a position of a conflict of interest.

APS11 also imposes a condition that any assumptions entailed within a report are reasonable.

Finally, and most importantly, APS11 provides that remuneration to be received by a forensic accountant is not to be related to the outcome of the relevant matter. Accordingly, no win no fee arrangements offered by forensic accountants who are members of either CPA Australia or the Institute of Chartered Accountants infringe this standard.