

26th June 2017

The Chairman  
Accounting Professional & Ethical Standards Board Limited  
Level 11, 99 William Street  
Melbourne VIC 3000  
E-mail: [sub@apesb.org.au](mailto:sub@apesb.org.au)

Dear Ms Roxon,

**Submission on APES230 Financial Planning Services**

I am writing to you concerning the APESB's current review of ethical standard APES230. I am a licensed financial adviser who operates my practice on a genuine fee for service basis (no commissions, no asset fees, no third party payments, no volume bonuses, no other product sales incentives).

I encourage the APESB to amend APES230 to mandate a genuine fee for service approach for accountants who offer financial planning services. This is the only approach which is consistent with a true profession acting in the public interest. It is also the only approach which is consistent with the creation of a relationship of unqualified trust between advisers and the public we are committed to serve as professionals.

No doubt, some will suggest that a genuine fee for service approach is impractical and unprofitable. This is not correct. There is a growing number of financial planning practices throughout Australia which adopt my approach to the offering of their professional advice. In fact, I have found my approach to be both liberating and professionally satisfying. My clients trust me unreservedly to act in their best interests (without remuneration conflicts) and are much more willing to pay genuine fees for service which they acknowledge as "value for money". As a result, my ability to gain referrals (not product sales prospects) from existing satisfied clients is significantly improved.

I acknowledge that some accountants who are currently receiving conflicted remuneration may need some time to make the transition. Therefore, I recommend that members be given a reasonable period of time in which to do so (perhaps, 2-3 years).

Of course, this will not be needed for the majority of accountants who do not offer financial planning services at present. Therefore, should they choose to do so (and this will be especially important for younger members of the accounting profession who are seeking to make a real difference in the community) the ethical standards required of them will be at highest level, as they would expect of their profession.

Thank you for the opportunity to make a submission on this important topic. Adoption of the reform that I am supporting will demonstrate significant leadership by the accounting profession in the public interest. In doing so, it will substantially improve the reputation of the accounting profession, influence much needed reform in the wider financial services industry and serve the best interests of the community that financial planners claim to serve.

If you have any questions, please contact me.

Yours sincerely,



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