



## AGENDA PAPER

**Item Number:** 14  
**Date of Meeting:** 9 February 2012  
**Subject:** International and other activities

---

<input type="checkbox"/>	<b>Action Required</b>	<input checked="" type="checkbox"/>	<b>For Information Only</b>
--------------------------	------------------------	-------------------------------------	-----------------------------

---

### Purpose:

To provide a quarterly update to the Board on:

- IESBA activities and International Exposure Drafts

### IESBA

#### Meetings

There have been no Board meetings of the IESBA held with the next meeting scheduled for 20-22 February 2012 in Dublin, Ireland.

#### **International Exposure Drafts**

The International Ethics Standards Board for Accountants has issued an exposure draft *Proposed Changes to the Code of Ethics for Professional Accountants Addressing Conflicts of Interest* that has a closing comment period of 31 March 2012.

The exposure draft seeks respondent's feedback on a number of specific issues including whether:

- respondents find the description and examples of conflicts of interest helpful;
- the reasonable and informed third party test is appropriate;
- the "reason to believe" threshold for network firms in evaluating conflicts of interest is appropriate;
- the guidance concerning safeguards to manage conflicts of interest and obtaining and documenting consent is appropriate;
- respondents agree with the conditions that need to be met before a professional accountant can proceed to accept or continue with an engagement where a conflict exists but consent cannot be obtained because it is a breach of confidentiality;
- respondents agree with the general requirement to identify, evaluate and manage conflicts of interest;
- the conforming changes proposed are useful, appropriate and adequate; and
- respondents agree with the impact analysis presented.

Technical staff will review the exposure draft and prepare a submission for the Board's consideration.

### **Technical Submissions**

IESBA recently issued an exposure draft *Proposed Changes to the Code of Ethics for Professional Accountants Related to Provisions Addressing a Breach of a Requirement of the Code* that had a closing comment period of 23 January 2012. APESB prepared a submission for IESBA's consideration that has been attached for information purposes.

### **Material Presented:**

Attachment 18(a) IESBA – ED *Proposed Changes to the Code of Ethics for Professional Accountants Addressing Conflicts of Interest*

Attachment 18(b) APESB Submission to IESBA on *Proposed Changes to the Code of Ethics for Professional Accountants Related to Provisions Addressing a Breach of a Requirement of the Code*

### **Recommendation:**

1. That the report on International and other activities be noted

**Authors:** Channa Wijesinghe  
Rozelle Azad

**Date:** 03<sup>rd</sup> February 2012