

Meeting Highlights

31 JANUARY 2011

1. The Board noted the proposed 2011-12 Technical work program. The Board directed Technical Staff to inquire from the professional bodies whether there are any other potential projects that should be included in the work program.
2. The Board noted the 2011 Issues Register which is now available for download from the APESB website at www.apesb.org.au.
3. The Board noted the annual review of APES 225 *Valuation Services* and agreed that additional guidance is required in relation to the three types of Valuation Services engagements addressed by the standard.
4. The Board approved the Project Proposal for APES GN 20 – 2X presented by the Business Valuation Special Interest Group (BVSIG) of the Institute of Chartered Accountants in Australia. The Board resolved to create a taskforce to develop a more comprehensive scoping document that identifies the specific additional guidance required for Valuation Services and determined that this same taskforce can address the additional guidance required in respect of the three types of Valuation Services for APES 225 noted above.
5. The Board noted the annual review of APES 350 *Participation by Members in Public Practice in Due Diligence Committees in Connection with a Public Document*. Further drafting amendments incorporating minor editorial changes were noted for inclusion in the revised standard to be issued later in 2011.

A sample materiality letter proposed for inclusion as Appendix 2 to the standard was presented to the Board for its consideration. The Board requested minor editorial changes to be done to the materiality letter and agreed to its inclusion in APES 350.

6. The Board received an update on the proposed Members In Business Guidance Note and considered the issues presented by the taskforce. The Board determined that the roles and responsibilities of senior finance personnel should be addressed by a separate project rather than incorporating it into this Guidance Note. The Board agreed with the proposed changes to the case study scenarios and requested that a revised Exposure Draft be presented at a future meeting of the Board.

7. The Board noted the Six Monthly Review of APES 330 *Insolvency Services* and considered proposed changes to the standard, which were primarily due to the amendments to the Code of Professional Practice of the Insolvency Practitioners Association of Australia (IPA).

The following issues were discussed by the Board:

- The definition of Network Firm and its application in the context of a liquidator's independence;
- Conflict of Interest where a Member in Public Practice has a business interest which is operating in the same market;
- Relationships dues to employment with previous or merged firms need to be addressed; and
- Pre-appointment advice and the implications of providing advice to the entity as well as its Directors.

The Board requested that further redrafting be done and proposed to issue an exposure draft to consult with stakeholders.

8. The Board received a APES 230 Project status update from Technical staff. The Board noted the Technical staff comments in respect of Tables 1, 2 and 5. The Board engaged in a general discussion relating to *Future of Financial Advice* (FoFA) reforms and the stakeholder engagement plan. Due to the large number of submissions received and the complexity of issues raised, the Board determined that it will have to hold additional Board meetings during 2011 to deal with the APES 230 Project.
9. The Board noted the annual review of APES 315 *Compilation of Financial Information*. This standard is based on the international standard ISRS 4410 and the Board noted that an exposure draft is currently on issue. The Board directed technical staff to prepare a submission in respect of the international exposure draft.
10. The Board noted the update on *International and Other Matters*.
11. The Board approved the revised version of APES 220 *Taxation Services*.