

ACCOUNTING PROFESSIONAL & ETHICAL STANDARDS BOARD LIMITED

**MINUTES OF THE 6th MEETING OF
APES 230 FINANCIAL ADVISORY SERVICES TASKFORCE**

10 March 2010 from 2:00 – 2:50pm

Teleconference

1. Present and Apologies

Present:

Mr Channa Wijesinghe (Chairperson), Mr Reece Agland, Mr Michael Davison, Mr Hugh Elvy, Mr Robert M.C. Brown, Ms Suzanne Haddan, and Ms Keddie Waller

In Attendance:

Ms Kate Spargo, and Mr Erik Hopp

Apologies:

Mr Harry Moyle

2. Minutes of previous meeting

The minutes of the 5th Financial Advisory Services Taskforce meeting held on 28 January 2010 were accepted without amendment.

3. Update from Board Meeting and discussion on Proposed Principles to be addressed in APES 230 Financial Advisory Services

Mr Channa Wijesinghe provided the taskforce with an update on the outcomes from the APES Board Meeting held on 8 February 2010. Subsequent to the Board meeting technical staff have revised the draft proposed principles paper in the following manner:

- Linking the definitions of *Australian Financial Services Licence*, *Authorised Representative*, *Financial Service* and *Statement of Advice* to the relevant sections of the *Corporations Act 2001*.
- A principles based definition of *Fee for Services* is provided as option B for the Board's consideration.
- Relocation of some material from the Member in Business section to other sections of the Proposed Principles paper.

Taskforce members agreed that definitions for *Australian Credit Licence* and *Credit Representative* should also be incorporated into the Proposed Principles paper. These terms can be defined by reference to the new *National Consumer Credit Protection Act 2009*.

As requested by the Board, the taskforce reconsidered the importance of the Fiduciary concept in Financial Advisory Services. The taskforce considered the issue and firmly believes that the Fiduciary concept must be included in the proposed APES 230 *Financial Advisory Services* standard. Technical staff undertook to perform desk research on the fiduciary concept and to provide the results of the research as background information to the next APES Board meeting.

4. Way forward

APESB technical staff to update the Proposed Principles document based on the discussions held at the taskforce and thereafter circulate it to the taskforce for further comments. The revised Proposed Principles document will be presented to the March 2010 APES Board meeting.

5. Close of meeting

The next meeting of the taskforce will be at a future date to be determined.