

Meeting Highlights

15 & 16 AUGUST 2011

1. The Board invited the following stakeholders to present on issues they have raised in their respective submissions on the proposed standard APES 230 ED *Financial Advisory Services*.
 - The Joint Accounting Bodies – Reece Agland, Paul Drum and Hugh Elvy
 - Choice – Jenni Mack
 - Quantum Financial – Clair MacKay and Tim MacKay
 - Accountant Financial Advisor Coalition/Count – Andrew Gale and Bianca Petrik
 - SMSF Professional Association of Australia – Sharyn Long
 - Independent Financial Advisers Association of Australia/Brocktons Independent Advisory – Daniel Brammall
 - Moore Stephens – Charlie Viola
 - Noble Chartered Accountants – Stephen Noble.

The Board discussed the following key issues with these stakeholders:

- Retrospective application of the proposed standard;
 - Fiduciary duty;
 - Remuneration methods;
 - Impact of proposed remuneration methods in APES 230 ED on financial advice and insurance products; and
 - Potential impact of APES 230 ED on Members in Public Practice and their practices.
2. The Board considered a proposed revision of APES 330 *Insolvency Services*, following the release of an exposure draft in July 2011 and the receipt of submissions on that draft. The proposed changes principally relate to the requirement to consider relationships that the insolvent entity had with firms in the same network as the insolvency practitioner's firm. The Board identified the need for some further revision to the proposed standard prior to its release.

3. The Board considered the respondents comments to the Consultation Paper issued in June 2011 in respect of the Public Interest Entity definition in APES 110 *Code of Ethics for Professional Accountants*. The Board resolved to add additional Australian provisions to APES 110 that incorporates the Board's views of what constitutes and is likely to constitute a Public Interest Entity in the Australian context. The Board agreed with the staff proposal to postpone the commencement date for the application of the Public Interest Entity provisions to 1 January 2013. The Board determined to issue an Exposure Draft of the proposed amendments to the Public Interest Entity for public comment shortly.
4. The Board considered the proposed Exposure Draft APES GN 40 *Members in Business* and agreed that only minor editorial changes are required to the proposed Guidance Note with an exposure draft to be issued shortly for comment.
5. The Board noted the international update which incorporated recent IESBA considerations and international developments.