

# Meeting Highlights

18 FEBRUARY 2019

## 1. Register of Interests

The Board noted Agenda Item 1 *Board Register of Interests*.

## 2. APESB Issues Register

The Board noted Agenda Item 2 *APESB Issues Register*.

The Board discussed the matters on the issues register and requested Technical Staff include two additional matters:

- For APES 230 *Financial Planning Services* (APES 230), a matter to consider the implications of the Royal Commission into *Misconduct in the Banking, Superannuation and Financial Services Industry* (the Banking Royal Commission); and
- For APES 110 *Code of Ethics for Professional Accountants* (the Code), a matter on the potential impact to Auditor Independence requirements if a major jurisdiction such as the United Kingdom determines to prohibit auditors performing non-assurance services for audit clients.

## 3. Proposed Exposure Draft ED 01/19 to revise APESB pronouncements

The Board noted Agenda Item 3 *Proposed Exposure Draft ED 01/19 to revise APESB pronouncements*.

The Board determined to include in the exposure draft amendments to:

- clarify a Member's obligations in relation to non-compliance with laws and regulations (NOCLAR) in APES 215 *Forensic Accounting Services*;
- amend the definition of Valuation in APES 225 *Valuation Services* to include tangible assets in order to seek stakeholders' feedback;
- provide links to the Code when the term 'reasonable and informed third party' is used in a pronouncement; and
- Other editorial amendments.

Subject to inclusion of these amendments, the Board approved the issue of the Exposure Draft on select APESB pronouncements with a 45-day comment period.

**4. International and other activities**

The Board noted Agenda Item 4 *International and other activities*.

**5. Update on proposed revisions to Quality Control standards**

The Board noted Agenda Item 5 *Update on proposed revisions to Quality Control standards*.

The Board discussed the proposed substantive changes to quality management and control standards in the IAASB's exposure drafts and raised a concern about the ability of small to medium practices to implement the proposals. The Board supported the Technical Staff proposal to work with the AUASB and professional bodies to obtain feedback from members and firms.

**6. Update of Due process document**

The Board noted Agenda Item 6 *Update of Due process document*.

The Board requested the Due process document be updated to include commentary on the process APESB will undertake when it proposes differences to any base international pronouncement.

The Board will then consider the Due process document for approval out-of-session.

**7. Update on the Royal Commission & impact on Financial Services**

The Board noted Agenda Item 7 *Update on the Royal Commission & impact on Financial Services*.

The Board discussed the recent issue of both the final report of the Banking Royal Commission and the Code of Ethics for Financial Advisors by the Financial Advisers Standards and Ethics Authority (FASEA). The Board considered the potential impact of these developments on accountants who are financial planners.

The Board approved the commencement of a project to review APES 230 and to undertake engagement with key stakeholders.