

Meeting Highlights

23 & 24 MAY 2011

1. The Board considered the proposed Exposure Draft APES 325 *Risk Management for Firms* and provided review and editorial comments on the proposed pronouncement. The Board directed Technical Staff to address the Board's review comments and thereafter circulate a revised draft for the Board's consideration.
2. The Board considered the proposed Exposure Draft APES GN 20 *Outsourced Accounting Services* and considered the scope of the proposed pronouncement. The Board determined that the focus of the Guidance Note should be on Members in Public Practice and directed Technical Staff to develop a framework on how this could be achieved for the Board's consideration.
3. The Board considered the proposed Exposure Draft APES GN 40 *Members in Business* and agreed that, with the exception of Section 12 *Disclosure of information and whistleblowing*, only minor editorial changes are required to the proposed Guidance Note. In relation to Section 12 of the proposed Guidance Note the Board directed Technical Staff to address the Board's review comments and arrange for another legal review to be performed prior to the release of the Exposure Draft.
4. The Board considered the draft *Public Interest Entity (PIE) Consultation Paper* and the six potential options for the definition of a PIE in the Australian context. The Board agreed that APESB should form an opinion in relation to what is considered an appropriate definition of PIE and to limit the number of options in the Consultation Paper. The Board directed Technical Staff to revise the Consultation Paper to incorporate the Board's review comments and thereafter circulate a revised draft for the Board's consideration.
5. The Board noted the project update of the proposed APES 230 *Financial Advisory Services* and the recent government announcement in respect of FoFA reforms.
6. The Board noted the international update which incorporated recent APESB submissions as well as IESBA's activities.

7. 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*.
- Roskow Independent Advisory – Matthew Ross
 - Pitcher Partners – Sue Dahn
 - KPMG – Cheri Ong, Jeff Cook and Joanne Ottaway
 - Suzanne Hadden & Robert Brown
 - Industry Super Network – Robbie Campo
 - William Buck – Chris Kennedy & Dennis Laundry
 - Hewison Private Wealth – John Hewison
 - Bongiorno Group – Tony Bongiorno.

The Board discussed the following key issues with these stakeholders:

- Scope of the proposed standard;
- Fiduciary duty;
- Remuneration methods;
- Impact of proposed remuneration methods in APES 230 ED on financial advice and insurance products;
- Transition issues; and
- Potential impact of APES 230 ED on Members in Public Practice and their practices.