

12 December 2011

Ms Kate Spargo  
Chairman  
Accounting Professional & Ethical Standards Board Limited  
600 Bourke Street (Level 7)  
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Dear Ms Spargo

### **APES GN 40 - Ethical Conflicts in the workplace**

The Group of 100 (G100) which is an organization of chief financial officers from Australia's largest business enterprises with the purpose of advancing Australia's financial competitiveness, is pleased to comment on proposed Guidance Note APES GN 40 and appreciates the extension to enable us to finalise the submission.

The G100 considers that the proposed guidance is likely to provide a framework for members in business who are confronted by potential conflicts. While supporting the overall approach in APES GN 40, editorial comments on the document are outlined below:

#### **Paragraph 2 – Professional Bodies**

Should reference be made to the National Institute of Accountants or the Institute of Public Accountants? Should the full name of ICAA be preceded by 'The'?

#### **Paragraph 2 – Professional Services**

It is not clear whether the term 'financial management' is intended to include 'financial planning' which is likely to be a significant activity of members in business. It is suggested that financial planning be added here and in paragraph 3.3 or that the definition be amended to state "... performed by a member including, but not limited to, accounting ....".

#### **Paragraph 4.3**

The discussion refers to the member taking account of the materiality of the matter. This then raises the question whether there are some matters, such as attempts at bribery etc, which should be addressed irrespective of their materiality.

#### **Paragraph 13 –Case Studies**

Although the case studies provide examples of a range of circumstances the fact patterns in the cases tend to be unnecessarily repetitive. For example, the member is in 'first job', 'recently hired' etc. which gives the impression that longer term employees do not confront these issues.

In addition, it may be useful to review the recent Centro judgment to determine whether circumstances in that case provide a different form of potential conflict.

Yours sincerely  
**Group of 100 Inc**

**Peter Meehan**  
Chief Executive Officer