

ACCOUNTING PROFESSIONAL & ETHICAL STANDARDS BOARD LIMITED

MINUTES OF THE 5th MEETING OF THE APES GN 40 MEMBERS IN BUSINESS TASKFORCE

17 February 2011 2.30 – 3:25 PM

Teleconference

1. Present and Apologies

Present:

Mr. Channa Wijesinghe (Chairman), Ms Jo-Ann Long, Ms Karen McWilliams, Mr. Paul Meredith, Mr. John Purcell, and Mr. Jeff O'Connell.

In Attendance:

Mr Geoff Williams, Mr. Peter Day (Board Member), Ms Rozelle Azad, Ms Si-Jia Li and Mr Nicholas Ng.

2. Minutes of previous meeting

The minutes of the 4th Members in Business taskforce meeting held by teleconference on 18 January 2011 were accepted without amendment.

3. Update from January Board meeting

The Chairman welcomed taskforce members and then provided the taskforce with an update from APESB January Board meeting. The Chairman noted that the Board determined to address the issue of the roles and responsibilities of senior finance personnel as a separate project. The Chairman also noted that the Board also suggested projects relating to management representation letters and members' roles in audit committees.

4. Revised draft of proposed APES GN 40

The taskforce noted the changes made to the current draft APES GN 40 and discussed the following issues:

- Page iii – change header to reflect name change
- Page iii – in the paragraph following the dot points, change '...the potential approach...' to '...an ethical decision making approach...'
- The taskforce discussed the use of a defined term "Independent Functional Advisor" rather than "independent advisor". The taskforce agreed that inclusion of the suggested defined term was not appropriate due to limitations it would place on the Member.

The current draft of the proposed APES GN 40 was considered by the taskforce with the following changes agreed:

- header of the draft guidance note to be updated to read "APES GN 40 *Dealing with Ethical Considerations for Members in Business*";
- the diagrammatic framework representation should incorporate reminders to:

1. discuss the issue with an independent adviser
 2. consider appropriate documentation of the ethical issue
- Case study 1- title to read “**Significant** personal expense claims as company expenses.”
 - integrity discussion requires a reference to whether or not processing of payments is legal and acceptable to tax authorities.
 - A reference needs to be made to the documentation of the ethical issue in a manner similar to the other cases.
 - Case study 2 - “Outline of the case” to be replaced with “Case outline”;
 - Potential issue of fraud needs to be clearly excluded from this case study to prevent excessive complication of issues;
 - A reference needs to be made to the documentation of the ethical issue in a manner similar to the other cases.
 - Case study 3 – title to read “Inappropriate **small** expense claims”;
 - Case study 6 - “Outline of the case” to be replaced with “Case outline”;
 - Case study 9 - “Outline of the case” to be replaced with “Case outline”;
 - Case study 11 - “Outline of the case” to be replaced with “Case outline”;
 - Case study 13 - “Outline of the case” to be replaced with “Case outline”;
 - Case study 14 - “Outline of the case” to be replaced with “Case outline”;
 - Case study 15 - “Outline of the case” to be replaced with “Case outline”;
 - Replace reference to “CA” in the case outline with “professional accountant”.
 - Case study 16 – Remove capitalisation of heading.
 - Bibliography – referencing style to be revised.
 - Acknowledgement of the source of case studies needs to be included in the Guidance Note.

5. Way forward

It was agreed that APESB technical staff will incorporate the changes discussed and recirculate the Guidance Note for review by taskforce members. The revised guidance note will then be presented to the APES Board at the 4th of March 2011 Board meeting for the Board’s consideration.

6. Close of meeting

The next meeting of the taskforce will be convened at a future date to be determined.
The meeting was closed at 3:25pm.