

## **Background Information and Guide for APES 230 ED Key stakeholders who are attending the APESB Board Meeting**

**Day 2 – 24 May 2011**

### **Format of APES 230 ED Key Stakeholder Presentations**

The time allocation of 45 minutes per key stakeholder should be used in the following manner:

- 15 minutes (maximum) – Key stakeholder presentation
- 30 minutes – Board Members Q & A and discussion

### **Key Points**

1. The key stakeholder's presentation should include the following matters as appropriate:
  - Key stakeholder's background and experience;
  - Brief high level summary of key matters raised in the submission;
  - Scope of the proposed standard;
  - Key stakeholders' views on Fiduciary Duty;
  - If applicable, the remuneration methods adopted by the key stakeholder's practice for Financial Advice, Insurance and Risk Products and Mortgage Broking;
  - If applicable, key stakeholder position in respect of soft dollar benefits;
  - If applicable, how the key stakeholder's remuneration methods complies with the fundamental principles of the Code, minimises conflicts of interest, and is in the best interest of the Client (Stakeholders may refer to the conceptual framework in the Code); and
  - Any other or new relevant matters that the key stakeholder would like to bring to the Board's attention.
2. The technical agenda items of APESB Board meetings are open to the public. Based on past experience, the public generally consist of representatives of the three professional accounting bodies (ICAA, CPA Australia and NIA), accounting firms and other interested parties.
3. The web link to APES 110 *Code of Ethics for Professional Accountants* is provided below. Key sections of the Code to consider are:
  - a. Section 1 – *Scope and Application*
  - b. Section 2 – *Definitions*
  - c. Section 100 – *Introduction and Fundamental Principles*
  - d. Section 110 – *Integrity*

- e. Section 120 – *Objectivity*
- f. Section 200 – *Members in Public Practice Introduction*
- g. Section 220 – *Conflicts of Interest*
- h. Section 240 – *Fees and Other Types of Remuneration*
- i. Section 280 – *Objectivity – all services*
- j. Section 310 – *Potential Conflicts*

## **Relevant Supporting Materials**

- Framework of the APESB Standards and Guidance Notes (refer Appendix 1)
- List of the APESB issued Standards and Guidance Notes as at May 2011 (refer Appendix 2)
- Link to APES 110 *Code of Ethics for Professional Accountants* – <http://apesb.org.au/attachments/1-APES%20110%20Code%20of%20Ethics%20for%20Professional%20Accountants%20December%202010%20-%20Final.pdf>
- Link to APES 230 ED - <http://apesb.org.au/attachments/APES%20230%20Exposure%20Draft.pdf>
- Profile of APESB Board Members' profile - <http://apesb.org.au/apesb-board-members>
- Guidelines for Public Meeting - <http://apesb.org.au/apesb-content/43/Guidelines-for-Public-Meetings> (Please find the APESB Board Meeting online registration form in this web link for those who wish to attend the Board meeting)

## Appendix 1: Structure of APESB pronouncements

### Conceptual Framework

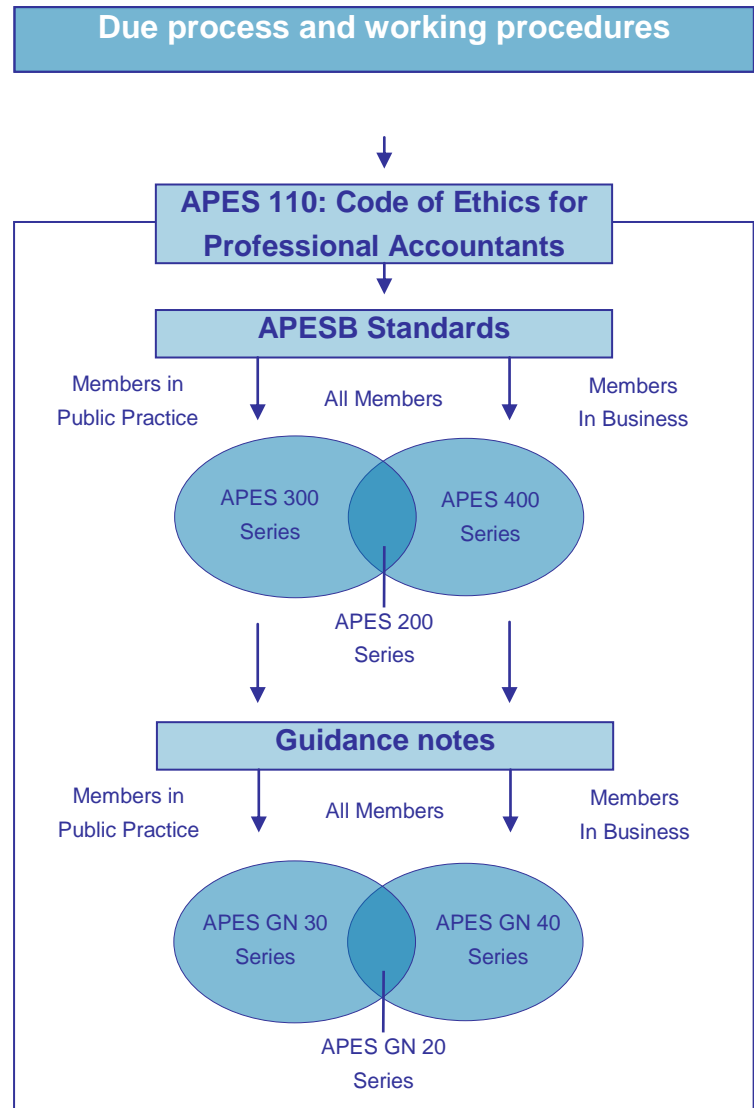
- Principles based
- Mandatory for professional accountants

### Standard

- Introduces principles
- Mandatory requirements in black letter
- Guidance and/or explanation in grey letter

### Guidance notes

- Do not introduce new principles
- Guidance on a specific matter on which the Principles are already stated in a Standard
- Guidance is only in grey letter



## Appendix 2: APESB issued and proposed pronouncements as at 1 May 2011

Professional Standards Classification and Range	APES Reference	Name of Standard or Guidance Note
<b>Introductory Conceptual Framework for all Members</b>	— <b>APES 110</b>	<i>Due process and working procedures</i> <i>The Code of Ethics for Professional Accountants*</i>
<b>Standards &amp; Guidance Notes for all Members</b>		
<b>APES 200-299</b>	<b>APES 205</b> <b>APES 210</b>  <b>APES 215</b> <b>APES 220</b> <b>APES 225</b> <b>APES 230</b>	<i>Conformity with Accounting Standards</i> <i>Conformity with Auditing and Assurance Standards</i>  <i>Forensic Accounting Services</i> <i>Taxation Services</i> <i>Valuation Services</i> <i>Financial Advisory Services*</i>
<b>APES GN 20-29</b>	<b>APES GN 20</b>	<i>Outsourcing of Accounting Services*</i>
<b>Standards &amp; Guidance Notes for Members in Public Practice</b>		
<b>APES 300-399</b>	<b>APES 305</b> <b>APES 310</b> <b>APES 315</b> <b>APES 320</b> <b>APES 325</b> <b>APES 330</b> <b>APES 345</b>  <b>APES 350</b>	<i>Terms of Engagement</i> <i>Dealing in Client Monies</i> <i>Compilation of Financial Information</i> <i>Quality control for Firms</i> <i>Risk Management for Firms*</i> <i>Insolvency Services</i> <i>Reporting on Prospective Financial Information prepared in connection with a Disclosure Document</i>  <i>Participation by Members in Public Practice in Due Diligence Committees in connection with a Public Document</i>
<b>APES GN 30-39</b>	-	
<b>Standards &amp; Guidance Notes for Members in Business</b>		
<b>APES 400-499</b>	-	
<b>APES GN 40-49</b>	<b>APES GN 40</b>	<i>Members in Business guidance statement *</i>

\* Projects are currently in progress either to develop or revise these pronouncements.