

Meeting Highlights

3 DECEMBER 2018

1. Register of Interests

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

2. Update on the Royal Commission & impact on Financial Services

The Board noted Agenda Item 2 *Update on the Royal Commission & impact on Financial Services*.

The Board requested Technical Staff continue to keep a watching brief on the developments from the Royal Commission.

3. Annual reviews of APESB pronouncements

The Board noted Agenda Item 3 *Annual reviews of APESB pronouncements*.

The Board agreed that the matters raised during the annual reviews, which were already recorded on the Issues Register, be addressed in the next revision of the relevant pronouncements.

4. International and other activities

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

5. World Congress of Accountants – Highlights

The Board noted Agenda Item 5 *World Congress of Accountants – Highlights*.

The Board discussed the potential impact of artificial intelligence (AI), a major theme of the World Congress, on accounting ethics.

6. Project Update on APES GN 30 Outsourced Services

The Board noted Agenda Item 6 *Project Update on APES GN 30 Outsourced Services*.

The Board discussed the consultation undertaken so far with stakeholders on this project. The Board considered stakeholder feedback about the distinction between outsourced services and a service delivery centre (an offshore supplier owned by the firm utilising these services) as well as disclosure of the geographic location of outsourced service providers.

The Board considered a suggestion that it should be a requirement to obtain client approval on the use of outsourced services. It was noted that this would impose a higher level of obligation that set out for all services under APES 305 *Terms of Engagement*. The Board determined to consider this matter further and requested that further consultation be undertaken with stakeholders.

7. Proposed exposure draft on the revised pronouncements

The Board noted Agenda Item 7 *Proposed exposure draft on the revised pronouncements*.

The Board considered the proposed revisions undertaken to APES 210 *Conformity with Auditing and Assurance Standards*, APES 220 *Taxation Services* and APES 305 *Terms of Engagement*. The Board determined that these standards should be grouped with other pronouncements for exposure in early 2019.

8. Acknowledgement of outgoing Chairman and Director

The Board thanked The Hon. Ms Roxon and Ms Egan for their governance, energy and hard work throughout their respective tenures on the Board which both end on 31 December 2018.

The Board noted the appointment of Ms Nancy Milne OAM as Chairman from 1 January 2019.