



FINANCIAL PLANNING  
ASSOCIATION of AUSTRALIA

11 November 2019

Mr Channa Wijesinghe  
Chief Executive Officer  
Accounting Professional & Ethical Standards Board Limited  
Level 11, 99 William Street  
Melbourne, Victoria 3000

Dear Mr Wijesinghe

### Exposure Draft 04/19 - Revision of APES 230: Financial Planning Services

The Financial Planning Association of Australia<sup>1</sup> (FPA) welcomes the opportunity to provide feedback to the Accounting Professional & Ethical Standards Board on its proposed amendments to APES 230 *Financial Planning Services*.

The FPA notes that the Exposure Draft includes an amendment to provision 8.2(b)(iii) requiring:

*"Members to obtain an annual consent in writing from the client to continue to charge and collect the professional fee on a percentage basis".*

As per provision 1.2, this change will come into effect on 1 January 2020.

Under the proposed amendments to APES 230, Members would have 34 business days from the end of the public consultation period of the Exposure Draft, to change business practices, processes and systems from the current biennial opt-in to an annual client opt-in. The FPA suggest this is an unreasonable timeframe for such a significant change and strongly recommend an appropriate transition period is necessary.

The FPA recommend the APESB consider this change under its separate Consultation Paper due to be released in late 2019 in relation to the Government's implementation of recommendations from the *Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry*, and the introduction of the *FASEA Financial Planners and Advisers Code of Ethics*.

We would welcome the opportunity to discuss with the TPB the issues raised in our submission. If you have any questions, please contact me on [ben.marshan@fpa.com.au](mailto:ben.marshan@fpa.com.au) 02 9220 4500.

Yours sincerely

**Be Marshan CFP® LRS®**  
*Head of Policy and Standards*  
Financial Planning Association of Australia

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<sup>1</sup> The Financial Planning Association (FPA) has more than 14,000 members and affiliates of whom 11,000 are practising financial planners and 5,720 CFP professionals. The FPA has taken a leadership role in the financial planning profession in Australia and globally:

- Our first "policy pillar" is to act in the public interest at all times.
- In 2009 we announced a remuneration policy banning all commissions and conflicted remuneration on investments and superannuation for our members – years ahead of FOFA.
- We have an independent Conduct Review Commission, chaired by Dale Boucher, dealing with investigations and complaints against our members for breaches of our professional rules.
- The first financial planning professional body in the world to have a full suite of professional regulations incorporating a set of ethical principles, practice standards and professional conduct rules that explain and underpin professional financial planning practices. This is being exported to 26 member countries and the more than 175,570 CFP practitioners that make up the FPSB globally.
- We have built a curriculum with 18 Australian Universities for degrees in financial planning. Since 1st July 2013 all new members of the FPA have been required to hold, or be working towards, as a minimum, an approved undergraduate degree.
- CFP certification is the pre-eminent certification in financial planning globally.
- We are recognised as a professional body by the Tax Practitioners Board.