



INSTITUTE OF  
**PUBLIC  
ACCOUNTANTS®**

**Submission to  
FASEA:  
Consultation on  
Code of Ethics  
Standard 3,  
conflict of  
interest**

November 2021

30 November 2021

The CEO  
Mr Stephen Glenfield  
FASEA

By Email: [consultation@fasea.gov.au](mailto:consultation@fasea.gov.au)

Dear Sir

**Code of Ethics Standard 3 – conflict of interest**

The Institute of Public Accountants (IPA) welcomes the opportunity to provide our comments on the consultation on the Code of Ethics Standard 3 relating to conflicts of interest.

The IPA is one of the three professional accounting bodies in Australia, with over 46,000 members and students. Approximately three-quarters of our members work in or advise the small business and SME sectors.

With respect to the options in the consultation paper, the IPA's preference is for option 1 with amendments to remove the words, 'which' and 'being', so it would read,

*You must only advise, refer or act where you do not have a conflict of interest or duty that could reasonably be expected to induce you to act other than in the client's best interest.*

We believe that from the perspective of consumers, advisers and licensees, that this option is the most practical in giving effect to the intent of Standard 3 that advisers must not advise, refer or act in any other manner where they have a conflict of interest or duty "that is contrary to the client's best interests". This also aligns with Standard 1 which allows conflicts of interest to be managed and reinforces that an adviser must not act if there is an actual conflict of interest, which is also in accordance with the *Corporations Act 2001*.

If you have any queries with respect to our submission, please don't hesitate to contact Vicki Stylianou at [vicki.stylianou@publicaccountants.org.au](mailto:vicki.stylianou@publicaccountants.org.au) or on mobile 0419 942 733.

Yours faithfully



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