Jeffrey John Lucy AM

Australia’s decision to adopt International Financial Reporting Standards (IFRS) changed forever Australian accounting. That decision, led by Jeffrey Lucy, then Chairman of the Financial Reporting Council (FRC) to push ahead demonstrated a commitment to global accounting standards and financial reporting, an understanding of the importance of being a first mover, a vision for the role Australian accountants could play on the global stage and a desire to ensure that Australian companies were not disadvantaged when seeking capital offshore.

Jeffrey Lucy’s public-practice career was in Adelaide where he was a partner in the firm of Lucy Noske & Lewis in the late 1980s. The firm was absorbed into Coopers and Lybrand in the early 1990s and Jeffrey eventually became Managing Partner of PricewaterhouseCoopers Adelaide from 1999 to 2001. During this time, he was active in The Institute of Chartered Accountants in Australia (ICAA) as Chairman of the State Council, and also the South Australian Secretary for the Taxation Institute of Australia from 1983 to 1994. He was a member of the Joint Standing Committee of the ICAA / CPA Australia from 1992 to 1995. In 1994 Jeffrey had the honour of being named National President of the ICAA.

Life as a regulator started early with his appointment as a member of the SA Legal Practitioners Conduct Board from 1990 to 1999. He was appointed to the Business Regulation Advisory Group (BRAG) in 1997, and served there for four years. BRAG’s mission was to advise government on amendments to the Corporations legislation as part of Corporate Law Economic Reform Program. He was also a Board member of the Australian Crime Commission from 2003 to 2007. Contemporaneously he was a member of the FRC in 1999, and went on to chair the Council for two periods, from 2001 to 2003, and again from 2007 to 2011. During his term on the FRC he was also appointed to the Australian Securities and Investment Commission (ASIC) as Deputy Chairman from 2003 to 2004. He then served as Chairman from 2004 to 2007 and as Commissioner during 2007. Jeffrey is the only accountant who has held the position of Chairman of ASIC.

"The verdict from business on Lucy is mostly that he has run a quietly effective regulator", wrote The Australian Financial Review on his retirement as Chairman of ASIC. In Jeffrey’s own words, he tried to "expand in the area of real-time regulation and influencing behaviour, as distinct from enforcing outcomes".

Specific events during Jeffrey’s time at ASIC, as noted in the annual reports, included:
- Convictions of former directors and executives of HIH
• Convictions of NAB currency traders
• Civil penalty proceedings against Stephen Vizard
• Matters involving Westpoint, James Hardie, One.Tel, Offset Alpine Printing, Sons of Gwalia and Project Wickenby
• CLERP 9, aimed at strengthening public confidence in corporate disclosure and audit
• New Memoranda of Understanding with ASX Ltd, the Australian Crime Commission, Australian Prudential Reporting Authority (APRA) and the FRC
• Worked with APRA to encourage high standards by super fund trustees, and with Australian Tax Office to shut down and deter illegal schemes in superannuation
• After reviewing financial planning files, accepted a legally binding commitment from AMP Financial Planning to modify key aspects of how it advises its customers
• Established structures within ASIC to undertake new responsibilities of regulatory oversight of the auditing profession
• Established formal working committee between representatives of ASIC, the major auditing firms and the accounting profession
• Set up a Business Consultative Panel to ASIC

During his time as Chairman of the FRC, and his tenure at ASIC, Jeffrey was acutely aware of the importance of keeping Australia at the forefront of global developments. As Chairman of the FRC, he was uniquely positioned to consider the merits of Australia’s proposed adoption of IFRS. In 2002 there was growing support for the development of international standards, and the Australian Accounting Standards Board was developing Australian accounting standards that largely harmonised with international standards. The FRC’s functions included oversight of the processes for setting accounting standards in Australia, and in July 2002, the FRC under the Chairmanship of Jeffrey Lucy formalised its support for IFRS to be adopted for financial reporting in Australia by 1 January 2005. This most dramatic development in Australian accounting positioned Australia as a first adopter of IFRS, along with the European Union. The benefits of this foresight have been many. Stuart Wilson, CEO of the Australian Shareholders Association, wrote the following after the appointment of Ian Mackintosh as Deputy Chair of the International Accounting Standards Board: "By taking the bold step to move early, Australia found itself with a fair degree of ability to influence, guide and mould the standards, and FRC Chairman Jeffrey Lucy has been able to build relationships with those that matter in this field". Further "... the FRC, through Lucy’s nous, were quick to realise that by creating a third leg to the Europe and US stool (an Asia-Oceania alliance), Australia would be able to impart its considerable experience. And an Australian in one of the most senior positions is a neat dividend."

Following his time at the FRC and ASIC, Lucy continued his support and active involvement in international accounting standards with his appointment as a Trustee of the IFRS Foundation, serving two terms from 2008 to 2013. His passionate belief in international accounting standards saw further expression in his work in bringing together the Trustees of the Asia-Oceania region to support the formation of the Asian-Oceanian Standard-Setters Group. At the opening of the first regional IFRS office in Tokyo in 2009, Michael Prada, Chairman of the Trustees, said "what started
as a vision has become a reality through the hard work and determination of my fellow trustees from this region, led by Jeffrey Lucy, our trustee from Australia." Yet again, Jeffrey had worked collegially and globally to bring about a milestone step forward in accounting. And in doing so, Jeffrey had further cemented Australia’s position as a leader in regional accounting.

Jeffrey's international influence, and thereby the respect given to Australia accounting, went beyond IFRS. He was appointed the inaugural Chairman of the International Forum of Independent Audit Regulators in 2006, and Australia's representative on the Executive and Technical Committees of the International Organization of Securities Commissions from 2003 to 2007. He was also a member of the Accounting Standards Review Board of New Zealand from 2007 to 2011.

Interestingly, Jeffrey Lucy was recognised early in his career as a serious contributor to his chosen profession. In 2001 he was appointed a Member of the Order of Australia for services to the accounting profession, particularly through the ICAA, and to the business sector as an advisor on corporate and taxation reform.