



Annual Review of APES GN 30 *Outsourced Services*

Prepared by
Rozelle Azad
Margareth Lioe

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Background to the Guidance Note

Accounting Professional & Ethical Standards Board (APESB) issued APES GN 30 *Outsourced Services* (APES GN 30) in March 2013 to provide guidance for Members in Public Practice to manage risks associated with providing or utilising Outsourced Services in the delivery of Professional Services.

Reason for this report

In accordance with APESB's constitution, a review should be performed on an annual basis after a new Guidance Note is issued in order to identify any issues reported by stakeholders. This report includes a review of the issues reported to or identified by APESB and proposed recommendations to address the issues.

Review of Issues

1. *Defined terms*

Issue

The Technical Staff review identified that the Definitions section of APES GN 30 needs to be revised.

Analysis of Issue

The Definitions section in APES GN 30 requires revision due to amendments made to the IESBA's Code and subsequent changes made by APESB to APES 110 *Code of Ethics for Professional Accountants*.

Definitions to be revised

Client means an individual, firm, entity or organisation to whom or to which ~~Professional Services~~ Professional Activities are provided by a Member in Public Practice in respect of Engagements of either a recurring or demand nature.

Professional Services means ~~services requiring accountancy or related skills performed by a professional accountant including accounting, auditing, taxation, management consulting and financial management services.~~ Professional Activities performed for Clients.

Member in Public Practice means a Member, irrespective of functional classification (e.g. audit, tax or consulting) in a Firm that provides Professional Services. This term is also used to refer to a Firm of Members in Public Practice and means a practice entity and a participant in that practice entity as defined by the applicable Professional Body.

Definition to be added

Professional Activity means an activity requiring accountancy or related skills undertaken by a Member, including accounting, auditing, taxation, management consulting and financial management.

Impacted Stakeholders

Members, Firms and Professional Bodies.

Recommendation

The defined terms in APES GN 30 should be revised in a manner consistent with the Code and other APESB standards. It is recommended that these changes and any other consequential amendments be processed at the next revision of APES GN 30.