

AGENDA PAPER

Item Number: 21
Date of Meeting: 21 – 22 November 2011
Subject: Proposed Guidance Note APES GN 30 *Outsourced Accounting Services*

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Purpose

To obtain Board approval to issue Exposure Draft ED 06/11 APES GN 30 *Outsourced Accounting Services* for public comment.

Background

At the August 2007 meeting, the Board agreed to establish a taskforce to oversee the development of a guidance note on outsourcing of accounting services. In April 2008, APESB engaged Mr Bruce Coombes of MYOB Resourcing to develop a discussion paper. The discussion paper was presented at the August 2008 Board Meeting. The discussion paper was then used by the taskforce to develop the proposed principles for outsourced accounting services. At the February 2010 Board meeting the proposed principles of Outsourced Accounting Services was presented to the Board. The Board considered the principles and requested that the taskforce consider whether the proposed pronouncement should be a professional standard or a guidance note. At the November 2010 Board meeting, the Board agreed with the taskforce's recommendation that the proposed pronouncement is more appropriately structured as a guidance note as opposed to a standard and directed staff to present a draft pronouncement at a subsequent meeting of the Board.

At the May 2011 Board meeting the taskforce presented a draft pronouncement for the Board's consideration. To enhance the Board members' understanding of the structure and content, the Board directed technical staff to prepare a framework diagram that provides an overview of the scope and application of the proposed guidance note. The Board further determined that the focus of the proposed guidance note should be on Members in Public Practice. Technical staff developed the framework document for the Board's consideration. Thereafter Technical staff revised the proposed APES GN 30 for the Board's consideration.

Consideration of Issues

Technical staff revised the current structure of the draft pronouncement to focus on Members in Public Practice. Members in Business are now encouraged to consider the guidance note when providing or utilising Outsourced Accounting Services.

Staff Recommendation

Subject to the Board's editorial comments, the Board approve the issue of Exposure Draft APES GN 30 *Outsourced Accounting Services* for public comment for a period of 60 days.

Material Presented

- Draft of the proposed Guidance Note APES GN 30 *Outsourced Accounting Services*;
- Diagram for determining the scope of APES GN 30 *Outsourced Accounting Services*; and
- Overview of the application of APES GN 30.

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Date: 15 November 2011