

27 October 2015

APESB issues revised APES GN 30 *Outsourced Services*

Accounting Professional & Ethical Standards Board Limited (APESB) today announced the issue of the revised APES GN 30 *Outsourced Services* (Revised APES GN 30) to replace the existing APES GN 30 (Issued March 2013).

Please refer to Appendix 1 of this technical update for details of the revisions. The revised APES GN 30 will be effective from the date of issue.

The revised guidance note is available from APESB's website: www.apesb.org.au

– ENDS –

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Appendix 1

Revisions to existing APES GN 30 (March 2013)

Accounting Professional & Ethical Standards Board Limited (APESB) has approved the following revisions to APES GN 30 *Outsourced Services* which was originally issued in March 2013.

Paragraph Reference	Revisions
1.1	<p>The objectives of APES GN 30 <i>Outsourced Services</i> are to provide guidance in relation to a Member in Public Practice's professional and ethical obligations in respect of:</p> <ul style="list-style-type: none"> • <u>fundamental responsibilities of the Member who provides or utilises an Outsourced Service;</u> • <u>management of risks associated with the performance or utilisation of Outsourced Services;</u> • <u>matters to be included in the Outsourcing Agreement pertaining to Outsourced Services;</u> • <u>management and monitoring of the Outsourced Services; and</u> • <u>documentation.</u>
1.4 2	<p>Accounting Professional & Ethical Standards Board Limited (APESB) issues <u>has revised professional guidance note APES GN 30 <i>Outsourced Services</i> (the Guidance Note) which is effective from the date of issue and supersedes APES GN 30 issued in March 2013.</u></p>
1.7 8	<p>All references to Professional Standards, and Guidance Notes <u>and legislation</u> are references to those provisions as amended from time to time.</p>
1.8 9	<p>Members in Public Practice should be familiar with relevant Professional Standards and Guidance Notes when providing Professional Services.</p>
1.9 10	<p>In applying the guidance outlined in APES GN 30, Members in Public Practice should be guided not merely by the words but also by the spirit of this Guidance Note and the Member's professional obligation to comply with the requirements of the Code.</p>
1.12	<p><u>In this Guidance Note, unless otherwise specified, words in the singular include the plural and vice versa, words of one gender include another gender, and words referring to persons include corporations or organisations, whether incorporated or not.</u></p>
2	<p>Client means an individual, firm, entity or organisation to whom or to which Professional Services <u>Activities</u> are provided by a Member in Public Practice in respect of Engagements of either a recurring or demand nature.</p> <p>Member means a Mmember of a Professional Body that has adopted this Guidance Note as applicable to their Mmembership as defined by that Professional Body.</p> <p>Member in Business means a Member employed or engaged in an executive or non-executive capacity in such areas as commerce, industry, service, the public sector, education, the not for profit sector, regulatory bodies or Pprofessional Bbodies, or a Member contracted by such entities.</p>

	<p>Member in Public Practice means a Member, irrespective of functional classification (e.g., audit, tax or consulting) in a Firm that provides Professional Services. The <u>This</u> term is also used to refer to a Firm of Members in Public Practice and means a practice entity <u>and a participant in that practice entity</u> as defined by the applicable Professional Body.</p> <p>Professional Activity means <u>an activity requiring accountancy or related skills undertaken by a Member, including accounting, auditing, taxation, management consulting, and financial management.</u></p> <p>Professional Bodies means the Institute of Chartered Accountants in Australia and New Zealand, CPA Australia and the Institute of Public Accountants.</p> <p>Professional Services means services requiring accountancy or related skills <u>Professional Activities performed for Clients by a Member including accounting, auditing, taxation, management consulting and financial management services.</u></p>
3.7	<p>Where a Member in Public Practice utilises Outsourced Services, the Member should disclose to the Client the geographical location of the Outsourced Service Provider and the nature and extent to which Outsourced Services are used in the delivery of the Professional Service to the Client. These factors impact the amount of risk associated with the Outsource Service being delivered and the management of the confidential information of the Client. Where a Firm uses Outsourcing on a regular basis with <u>many</u> a multitude of Clients, a standard form of disclosure may be used by the Firm.</p>
Appendix 3	<p>Summary of revisions to the previous APES GN 30 (Issued March 2013) – Added</p>