

AGENDA PAPER

Item Number: 4
Date of Meeting: 28 January 2015
Subject: Revision of APES 310 *Dealing with Client Monies* Project Status

Action Required For Discussion For Noting For Information

Purpose

To provide an update to the Board on the project to revise APES 310 *Dealing with Client Monies*.

Background

APES 310 *Dealing with Client Monies* was originally issued in December 2010 to replace APS 10 *Trust Accounts* and GN 3 *Operation of Trust Accounts* issued in December 2003. A six month review of APES 310 was performed in February 2012 and as part of this review, stakeholders raised areas of concern that proposed amendments to the Standard. APES 310 was subsequently revised and re-issued in July 2013.

APES 310 sets out mandatory requirements and guidance for Members in Public Practice who deal with Client Monies or who act as an Auditor of Client Monies. The scope and application, definitions and fundamental responsibilities of APES 310 are common to all Members in Public Practice who deal with Client Monies or who act as Auditors of Client Monies. Thereafter Part A of the Standard specifies the professional obligations of a Member in Public Practice who deals with Client Monies whilst Part B specifies the professional obligations of an Auditor of Client Monies.

APES 310 makes reference to a number of documentation and communication requirements. At the May 2013 meeting, the Board discussed the impact of developments in e-commerce and considered whether the Standard appropriately addresses these developments. Given the increased use of electronic communication, electronic record keeping and electronic data processing in the business environment, the Board identified a need to review and potentially amend APES 310 to include the impact of developments in e-commerce.

In August 2013 the Board approved a project proposal to revise APES 310. The Board noted that obtaining more comprehensive input and perspectives on the developments in e-commerce from industry participants will assist in determining the appropriate scope of the revision. Accordingly, in September 2014 a working party consisting of Professional Body

representatives and industry participants was assembled to assist with the revision of APES 310.

In October 2014 Technical Staff met with working party participants. Separate meetings were held with participants nominated by CPA Australia, Chartered Accountants Australia and New Zealand and the Institute of Public Accountants to discuss issues and concerns that are relevant to the development of APES 310.

Technical Staff summarised and responded to the issues raised during the initial consultation meetings and presented the summary to working party participants for their comments. APESB Technical Staff have presented the current status of the issues summary for the Board's information at Agenda Item 4(a).

Material presented

Agenda Item 4(a) Issues raised by working party participants in respect of APES 310

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Date: 16th January 2015