

### **Extracts from the proposed APES 310 *Client Monies***

This paper sets out specific provisions from APES 310 *Client Monies*. Technical Staff are referring to the [latest proposed version of APES 310](#) as presented at the November 2017 Board meeting. These provisions are consistent with the provisions in the extant version of APES 310.

#### **Provisions relating to changes to the Auditor of Client Monies**

**8.8 A Member in Public Practice who proposes to change the existing Auditor of Client Monies, shall first obtain the approval of the applicable Professional Body.**

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**9.9 A Member in Public Practice who wishes to resign from the position of Auditor of Client Monies shall first obtain the written approval of the applicable Professional Body.**

#### **Proposed provisions which provide relief in dual signatory situations**

1.7 This Standard does not apply in circumstances where a Member in Public Practice has no responsibility or authority to transact Client Monies and is only preparing or arranging banking transactions for subsequent Client approval.

...

**8.1 Subject to paragraph 8.3, a Member in Public Practice who Deals with Client Monies shall appoint another Member in Public Practice as Auditor of Client Monies and shall ensure that the Member's compliance with the requirements of this Standard is subject to an annual Reasonable Assurance Engagement within 3 months of the Applicable Year-End Date.**

...

8.3 Where a Member in Public Practice who is Dealing with Client Monies:

- (a) does not have to maintain a Trust Account to comply with this Standard; and
- (b) can only co-authorise transactions in a Client Bank Account in conjunction with the Client, then the Member may engage an Auditor of Client Monies to perform a Limited Assurance Engagement to comply with paragraph 8.1.

#### **Provisions which refer to the financial position of Client Monies**

7.2 A Member in Public Practice shall retain Records that:

- (a) enable transactions involving Client Monies to be audited;
- (b) disclose the **financial position of Client Monies**; and
- (c) clearly identify the transactions made on behalf of each Client.

...

## Agenda Item 5(b)

- 7.5 A Member in Public Practice shall keep Records in such a manner as to disclose clearly:
- (a) the details of all transactions involving Client Monies, including:
    - (i) details of all Client Monies paid direct to the Client, or to a third party nominated by the Client;
    - (ii) details of all cheques received and endorsed by the Member for disbursement to the Client, or to a third party nominated by the Client;
    - (iii) details of all electronic funds transfers of Monies received, and of Monies transferred direct to the Client, or to a third party nominated by the Client; and
    - (iv) details of any errors in transactions involving Client Monies;
  - (b) the details and basis of calculation of all interest earned on Client Monies held in a Trust Account and that the interest has been applied by the Member in accordance with paragraph 6.12;
  - (c) the financial position of a Member's Trust Account and Client's Bank Account and the Client Monies therein; and
  - (d) the signatories for each Client Bank Account when the Member in Public Practice is also an authorised signatory.