

AGENDA PAPER

Item Number: 10.10
Date of Meeting: 8 February 2010
Subject: Update on Proposed Guidance Note APES GN 20 *Outsourced Accounting Services*

Action Required

For Information Only

Purpose

To provide an update to the Board on the progress of the outsourced accounting services project and to seek preliminary views from the Board on the proposed principles developed by the taskforce.

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.

Project Status

The APES GN 20 Outsourced Accounting Services Taskforce has held three meetings. Members of the taskforce identified broad principles that could be used to develop an outsourced accounting services guidance note. These principles are set out in the attached agenda paper *Proposed Principles to be addressed in APES GN 20 Outsourced Accounting Services* and address the following matters:

- the various roles and responsibilities of Members who are involved in providing and/or utilising outsourced accounting services, and other issues that require consideration dependent on whether the services are provided by an in-house service provider or by a third-party service provider via contracting and/or service level agreements;
- potential key definitions;
- references to the fundamental principles of APES 110 *Code of Ethics for Professional Accountants*;
- a potential structure and coverage for the proposed guidance note;
- particular areas of guidance categorised according to whether the Member is a provider or utiliser of the outsourced accounting service; and
- issues to consider in an outsourced contract and service level agreements.

Material Presented

- Draft Proposed Principles to be addressed in APES GN 20 *Outsourced Accounting Services*;
- Minutes of Taskforce meetings held on 5 August 2008 and 11 November 2009;

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Date: 29 January 2010