

AGENDA PAPER

Item Number: 6 (d)
Date of Meeting: 22 August 2017
Subject: Annual review of APES GN 30 *Outsourced Services*

Action required For discussion For noting For information

Purpose

In accordance with APESB's Constitution, an annual review of APES GN 30 *Outsourced Services* (APES GN 30) has been performed to identify and resolve any issues identified by stakeholders.

Background

APESB issued APES GN 30 in March 2013 and subsequently revised in October 2015.

Consideration of Issues

APESB Technical Staff have completed the following procedures to identify any issues associated with APES GN 30:

- Consultation with the Professional Bodies to identify whether Members or other stakeholders have raised any issues in respect of APES GN 30;
- Reviewed the APESB Issues Register to identify whether stakeholders have reported any matters in relation to APES GN 30; and
- Performed an internal technical review of APES GN 30 including considering the technological neutrality of the Guidance Note.

The issue identified through completion of the above procedures is noted below.

Use and effectiveness of APES GN 30

A Professional Body has raised the matter of whether APES GN 30 is effective and used by Members in Public Practice in a proper manner. The Professional Body has suggested that APESB conduct a survey of its use and consider whether transforming it into a Standard would make it more effective.

Technical Staff are of the view that there is merit to considering whether APES GN 30 should be transformed into a Standard. APES GN 30 was developed at a time when Outsourcing as a business practice was still evolving in Australia. Since then, technological advancements, such as cloud computing, have made it easier for practitioners to outsource some elements of

their services (e.g. compliance work such as tax preparation). More firms now see outsourcing as a strategy to manage their work efficiency and profitability.

Technical Staff propose to collaborate with the Professional Bodies and other stakeholders to gauge Member's views on APES GN 30's usefulness and effectiveness. This could be done via a survey of Members in Public Practice distributed via the APESB website and the Professional Bodies. The results of the survey should guide APESB in determining any potential revisions to APES GN 30 including whether there is a need to change the guidance note into a Standard.

Staff Recommendation

That the Board provide its views on the use of APES GN 30 and approve the proposal to develop and conduct a survey on APES GN 30.

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Date: 31 July 2017