

9 June 2021

Shannon Fentiman MP  
Attorney-General and Minister for Justice  
Minister for Women and Minister for the Prevention of Domestic and Family Violence  
1 William Street  
Brisbane QLD 4001

By email [attorney@ministerial.qld.gov.au](mailto:attorney@ministerial.qld.gov.au) and [linda.buyers@justice.qld.gov.au](mailto:linda.buyers@justice.qld.gov.au)

Dear Shannon Fentiman MP,

### **Repeal of Trust Accounts Act 1973 (Qld) & Trust Accounts Regulation 1999 (Qld)**

On behalf of the Institute of Public Accountants (IPA), I am writing to you in response to your letter dated 24 May 2021 about the possible repeal of the *Trust Accounts Act 1973 (Qld)* and the *Trust Accounts Regulation 1999 (Qld)*.

The IPA believes that this legislation should be repealed as there are already sufficient regulations in place to manage the way members use trust accounts and to protect consumers.

All three professional accounting bodies in Australia are legislatively recognised in Section 88B of the *Corporations Act 2001*. These are the Institute of Public Accountants (IPA), Chartered Accountants Australia and New Zealand (CA ANZ) and CPA Australia (CPAA).

These three professional accounting bodies have created By-laws that require members to comply with the standards set down by the *Accounting Professional & Ethical Standards Board (APESB)*.

The APESB has two standards relevant to the use of member trust accounts:

- APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, and
- APES 310 *Client Monies*.

Both standards work together and mandate how members maintain their professional and ethical obligations and how they manage the operations of their trust account to ensure consumer protection.

APES 310 is very specific about the establishment and transactional operations of a member trust account. APES 310 also has requirements around the annual auditing of member trust accounts to ensure transparency, accountability and timeliness of all fund movements.

The IPA (CA ANZ and CPAA) have in place a member quality assurance review system to assess member compliance with the APESB standards. Members are reviewed every three to six years on their compliance with these standards and the IPA has a formal sanctioning process for members that do not comply with the APES standards.

As noted in your letter, the IPA has a formal complaints mechanism that consumers can use if they believe an IPA member has acted unprofessionally. The IPA also has a Disciplinary Tribunal that some member complaints are escalated to. The Tribunal makes determinations which may result in sanctions such as fines, suspension or forfeiture of membership.

In summary, the IPA believes that the regulations and processes mentioned above already provide a comprehensive network of consumer protection mechanisms, therefore repealing the *Trust Accounts Act 1973 (Qld)* and the *Trust Accounts Regulation 1999 (Qld)* will not have any detrimental effects on the regulation of member trust accounts or consumer protection.

If you would like to discuss further, please contact [andrew.best@publicaccountants.org.au](mailto:andrew.best@publicaccountants.org.au).

Yours sincerely



Vicki Stylianou  
Executive General Manager, Advocacy & Policy  
Institute of Public Accountants

### **About the IPA**

The IPA is a professional organisation for accountants recognised for their practical, hands-on skills and a broad understanding of the total business environment. Representing more than 42,000 members in more than 80 countries, including Australia, the IPA represents members and students working in industry, commerce, government, academia, and private practice. Through representation the IPA ensures that the views of its members are voiced with government and key stakeholders including the Australian Tax Office, Australian Securities & Investments Commission, and the Australian Prudential Regulation Authority on issues affecting our members, the profession, and the public interest. When the IPA merged with the UK's Institute of Financial Accountants, the IPA Group became the world's largest accounting body in the SMP/SME sector.