



Q&A: How do I maintain client confidentiality and other professional obligations when setting up a virtual accounting practice?

As accounting practices move to implement virtual workplaces, whether it be to adapt to the COVID-19 environment, or to create a more flexible workplace, a question commonly asked of the CA ANZ professional standards teams is what professional and ethical issues should I consider, and the impact on my practice's policies and procedures. This helpsheet highlights key professional obligations, includes tips to manage these for you and your team, and lists resources you may find useful in the transition.

1. Maintain confidentiality over client and personal information

The Code of Ethics imposes a duty of confidentiality on all members (APES 110 and NZICA Codes S 114). This is reinforced for Australian practices through CA ANZ Regulation CR3.7 *Public Practice Regulations*:

“A Member in Public Practice must provide an acceptable professional standard of facilities to ensure that communication with, and records of, clients are kept confidential and secure.”

DO:

1. Protect sensitive work: Can people overhear you / see your screen /read your documents?
2. Where practicable do your work on dedicated work equipment
3. Use secure internet connection to minimise cybersecurity risks
4. Remain aware and vigilant against cyber attacks
5. Lock your computer screen when you are not using it
6. Minimise the use of physical documents
7. Be aware of phishing attempts or cyber attacks
8. Use password protected WiFi
9. Connect with your software partners, and draw on their tips on working remotely
10. Ensure any hard copy documents (e.g. workpapers, client records, correspondence) are stored securely.

DON'T:

1. Print documents with personal information
2. Discard printed or hard copy documents with general rubbish
3. Let others use dedicated work equipment
4. Use personal devices, email or non-approved IT platforms
5. Use public internet connection
6. Click links from an email sent by unknown person.

2. Uphold the Code's other fundamental principles of integrity, objectivity, professional competence and due care, and professional behaviour

When making decisions and taking action, integrate the fundamental principles into your decision making. For example:

- As well as complying with your professional obligation to maintain confidentiality, ensure personal information remains secure and data breaches are reported, to comply with Privacy and other legislation
- Be open and honest with your clients and team about the arrangements being put in place, both during and after the transition phase.

DO:

1. Lead by example to maintain a collaborative workplace
2. Remind your team about data breaches: what constitutes a data breach and what to do if one occurs
3. Communicate openly and regularly with your teams so they feel supported in the new way of working, and so any potential issues surface quickly and can more easily be dealt with
4. Help your team with information on setting up their workspace, supply or reimburse for equipment, internet etc. if necessary
5. Pro-actively communicate with your clients so they know you are still there for them and acting to provide quality and timely services
6. Keep up to date with engagement specific issues arising in a virtual environment. Check your CA ANZ [preferences](#) and Opt In to be emailed the CA ANZ tax, reporting and assurance, superannuation and other newsletters relevant to your clients.

DON'T

1. Encourage exception reporting only, especially in the transition phase to your virtual workplace
2. Assume working remotely is easy. Some of your team may find more challenges than others.

3. Review and update your practice's risk management framework and quality control policies and procedures so they are effective in your virtual workplace

A practice is required to establish and maintain a system of quality control designed to provide it with reasonable assurance that the practice and its personnel comply with professional standards and applicable legal and regulatory requirements and that reports issued by the practice or partners are appropriate in the circumstances. In Australia this is set out in ASQC 1 for assurance practices, and APES 320 for all practices. Additionally, Australian practices are required to establish and maintain a risk management framework through APES 325 Risk Management for Firms. In New Zealand, the requirements for establishing a quality control system are set out in PES 3 for assurance practices, and PS 1 for all practices.

DO:

1. Review your practice risk framework and amend for new and emerging risks, to ensure your quality control policies and procedures remain effective
2. Reassess the key controls in your practice that could be impacted by implementing virtual teams
3. Keep supervising and reviewing your team's work, and documenting the review in workpapers
4. Track your equipment, remind your people to keep your equipment safe
5. Ensure your team has access to useful guides on how to use new apps or software effectively
6. Connect with CA ANZ and other Chartered Accountants working through the same transition.
 - Join the discussion on the online community hub [MyCA](#)
 - Attend virtual meet-ups (see [MyCA](#) for the latest details)
 - Keep abreast of what's happening through the CA ANZ [website](#).

DON'T:

1. Assume the old way of working is effective in the new environment
2. Assume your team reads every email or understands your written directions.
3. Feel you're the only one going through this.

Useful resources:

- CA ANZ Covid-19 resources hub <https://www.charteredaccountantsanz.com/news-and-analysis/news/covid19-updates>
- Safe Work Australia <https://www.safeworkaustralia.gov.au/covid-19-information-workplaces>
- Employment New Zealand <https://www.employment.govt.nz/about/news-and-updates/workplace-response-coronavirus-covid-19/>
- Australian Information Commissioner at <https://www.oaic.gov.au/privacy/guidance-and-advice/coronavirus-covid-19-understanding-your-privacy-obligations-to-your-staff/>. “The Privacy Act does not prevent employees from working remotely as a response to COVID-19, however the Australian Privacy Principles (APPs) will continue to apply.” (OAIC 2020)
- New Zealand Privacy Commissioner <https://privacy.org.nz/blog/faqs-on-privacy-and-covid-19/>
- Acuity article: 7 critical tips for leading teams from home <https://www.acuitymag.com/business/7-critical-tips-for-working-from-home>
- Cyber security for SMEs and practitioners <https://www.charteredaccountantsanz.com/tools-and-resources/practice-management/risk-management-and-quality-control/cyber-security-for-smes-and-practitioners>
- Access the CA ANZ [library](#) page, see the relevant collections collated at the bottom of the page including “Virtual teams - Surviving and thriving”
- CA ANZ Risk Management tool <https://www.charteredaccountantsanz.com/tools-and-resources/practice-management/risk-management-and-quality-control/risk-management-tool>
- CA ANZ Quality Control manual (Australia) <https://www.charteredaccountantsanz.com/tools-and-resources/practice-management/risk-management-and-quality-control/quality-control-guide>
- CA ANZ Quality Control Quality Control Manual Template: small to medium size firm with staff (New Zealand) <https://www.charteredaccountantsanz.com/tools-and-resources/practice-management/risk-management-and-quality-control/quality-control-manual-template-small-to-medium-size-firm-with-staff-new-zealand>
- Access the IFAC Practice Management Guide for more in depth guidance, particularly Module 5: leveraging technology and Module 7: risk management. CA members are provided access through the CA ANZ [library](#)
- APESB GN 30 *Outsourced Services*.

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