


The ACCA logo is a red square with the letters 'ACCA' in white, bold, sans-serif font.

ACCA

The background of the cover is a photograph of The Shard skyscraper in London, taken from an elevated perspective at sunset. The sky is a warm orange and red, and the city lights are beginning to glow. The Shard is the central focus, its glass facade reflecting the sunset. A semi-transparent white rectangle is overlaid on the image, containing the title text.

PRACTICE INFORMATION HANDBOOK

Think Ahead

CONTENTS

Introduction	3
1 The practising certificate	5
Who must have a practising certificate?	5
What is public practice?	6
What is not regarded as public practice?	6
How to obtain a practising certificate	7
Ongoing conditions for holding a practising certificate	8
Other useful information	9
Practising certificate fees – 2022	12
2 The audit qualification and firm’s auditing certificate – UK	13
The individual’s UK practising certificate and audit qualification	13
How to obtain the UK practising certificate and audit qualification	14
The UK firm’s auditing certificate	15
Ongoing conditions for holding a UK practising certificate and audit qualification and UK firm’s auditing certificate	17
Other useful information	19
Practising certificate and audit qualification fees – 2022	21
Firm’s auditing certificate fee – 2022	21
3 The audit qualification and firm’s auditing certificate – Ireland	22
The individual’s Irish practising certificate and audit qualification	22
How to obtain the Irish practising certificate and audit qualification	23
The Irish firm’s auditing certificate	24
Ongoing conditions for holding an Irish practising certificate and audit qualification and Irish firm’s auditing certificate	26
Other useful information	28
Practising certificate and audit qualification fees – 2022	29
Firm’s auditing certificate fee – 2022	29
4 The practising certificate and audit qualification – Zimbabwe	30
The practising certificate and audit qualification	30
How to obtain the audit qualification	30
How to obtain the practising certificate	31
Ongoing conditions for holding a practising certificate and audit qualification	31
Other useful information	32
Practising certificate and audit qualification fees – 2022	32
5 Exempt regulated activities in the UK	33
Introduction	33
Eligibility criteria	33
What activities can firms undertake?	34
Credit-related regulated activities	35
Conduct of business regulations	35
Overseas branches or offices and jurisdictions	35
Renewal of firms’ exempt regulated activities registration	35

INTRODUCTION

The Practice Information handbook gives guidance to members, particularly those members who are new to practice or thinking of setting up in practice in the future. The guidance is based on legislation and ACCA's regulations and rules.

The handbook has no regulatory status. It is for guidance only. If it conflicts with the *ACCA Rulebook*, the latter takes precedence. Therefore, you should not regard the handbook as a substitute for reading the regulations or, where necessary, taking advice about a specific situation.

Some of the regulations mentioned in the handbook are specific to the UK, Ireland, Zimbabwe, Australia or South Africa. However, unless otherwise stated, the content applies to practitioners globally. Nevertheless, you should always have regard to local legislation which, for practical reasons, the handbook cannot cover.

You can find relevant application forms on ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

THE ACCA RULEBOOK

The handbook refers to ACCA's Regulations and Code of Ethics and Conduct which you can find in the *ACCA Rulebook*. You can access the *ACCA Rulebook* via the ACCA website at www.accaglobal.com/rulebook

APPLYING FOR YOUR FIRST PRACTISING CERTIFICATE

To apply for your first practising certificate (or practising certificate and audit qualification), you should submit your Approved Employer Practising Certificate Experience Requirement (PCER) confirmation form or Practising Certificate Experience Form (PCEF) by email to authorisation@accaglobal.com. If you are applying for a practising certificate and audit qualification you should also submit Part 3 (audit units) of your PCEF.

ACCA will assess your eligibility for a practising certificate (and audit qualification where applicable) and notify you of the outcome. You may wish to forward a completed practising certificate application form at the same time, or wait until we have approved your Approved Employer PCER confirmation form or PCEF before submitting your application. Section 1 gives more details about the confirmation/experience forms.

APPLYING FOR A FIRM'S AUDITING CERTIFICATE

A firm that holds, or intends to hold, audit appointments in the UK or Ireland will need to obtain audit registration from a Recognised Supervisory Body in the UK or a Recognised Accountancy Body in Ireland. ACCA can register firms in this respect through an auditing certificate. You can download an application form from the ACCA website. Section 2 gives details of applications for UK firms' auditing certificates and section 3 gives details of applications for Irish firms' auditing certificates.

EXEMPT REGULATED ACTIVITIES REGISTRATION (UK)

Section 4 gives details about registering for investment business and credit-related regulated activities in the UK.

OTHER INFORMATION

You should also read the following factsheets, which you can download from ACCA's website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

- Code of Ethics and Conduct
- Continuing professional development (CPD) for practising members
- Continuity of practice requirements
- Control and description requirements
- Disciplinary procedures
- Am I in public practice?
- Internal complaints handling procedures
- Monitoring requirements and global quality assurance
- Notification requirements
- Obtaining professional work
- Professional conduct in relation to tax
- Professional indemnity insurance requirements
- Professional liability of accountants and auditors
- The legal ownership of, and rights of access to, books, files, working papers and other documents
- Transfer information
- Guidance on ethical matters for members in business
- Honorary work.

For more information, contact the appropriate department of ACCA. For advice about eligibility for a practising certificate, auditing certificate, exempt regulated activities registration or completing the application forms, please contact Authorisation on +44 (0)141 534 4175 or authorisation@accaglobal.com; for advice on legislation, practice or technical issues, please contact Technical Advisory on:

+44 (0)20 7059 5920, or
+353 (0)1 498 8907 (for Ireland only).

1 THE PRACTISING CERTIFICATE

The Chartered Certified Accountants' Global Practising Regulations 2003 (GPRs) set out the eligibility criteria for obtaining a practising certificate. They also detail the continuing obligations placed on practising certificate holders.

WHO MUST HAVE A PRACTISING CERTIFICATE?

Any ACCA member performing work under ACCA's definition of public practice in a designated territory or who is a partner/director of a firm that undertakes public practice in a designated territory must hold an ACCA practising certificate. In some countries there may also be a local legislative and/or regulatory requirement to hold an ACCA practising certificate. ACCA issues:

- a practising certificate, and
- a practising certificate and audit qualification.

This section explains when a practising certificate is required, details of the eligibility requirements and the ongoing conditions for holding the certificate. The differences between a practising certificate and a practising certificate and audit qualification are explained in sections 2 and 3.

Practising certificates are available to members who meet the eligibility requirements, wherever they are based. ACCA may issue practising certificates and audit qualifications in the UK (including Jersey, Guernsey and Dependencies and the Isle of Man), Ireland and Zimbabwe. In these areas ACCA has specific legislative responsibility to regulate its members providing audit services.

A member who holds an insolvency licence issued by a Recognised Professional Body or engages in activities other than insolvency and falling within ACCA's definition of public practice (outlined below) will need to hold an ACCA practising certificate.

Firms that wish to carry on reserved legal activities in England and Wales (eg probate), or to be held out as available to carry on such activities, and individuals who intend to be responsible for a firm's reserved legal activities work, are required to hold authorisation from an approved regulator.

WHAT IS PUBLIC PRACTICE?

ACCA defines public practice as:

- accepting an appointment as an auditor; and/or
- signing or producing any accounts or report or certificate or tax return concerning any person's financial affairs, whether an individual sole trader, an unincorporated body or a firm, in circumstances where reliance is likely to be placed on such accounts or report or certificate or tax return by any other person (the 'third party'), or doing any other thing which may lead the third party to believe that the accounts or report or certificate or tax return concerning the financial affairs of such a person have been prepared, approved or reviewed by the practitioner; and/or
- holding oneself or itself out, or allowing oneself or itself to be held out, as being available to undertake the activities referred to above (and allowing oneself to be known as a, or a firm of, 'Chartered Certified Accountant(s)', 'Certified Accountant(s)', 'Chartered Accountant(s)', 'Accountant(s)' or 'Auditor(s)' or any similar description or designation standing for any such description in the context of the practitioner's business shall be regarded as an example of such a holding out); and/or
- holding oneself out, or allowing oneself to be held out, as a sole proprietor, partner or director of a firm, or designated member or member of a limited liability partnership, where public practice is carried on.

Although members may not consider themselves to be in public practice, it is easy to stray into areas where the nature of the work is unclear. Some of these areas are discussed in the next section.

WHAT IS NOT REGARDED AS PUBLIC PRACTICE?

Basic bookkeeping services, for example the preparation of accounting records to trial balance stage and the recording of VAT, and payroll transactions, are not public practice work. If you are self-employed and only carrying out tasks outside the definition of public practice, you need not hold a practising certificate, provided your firm is not described as a firm of Chartered Certified Accountants (or similar) and your business stationery cannot be reasonably understood to be that of a practising Chartered Certified Accountant. (These would be examples of 'holding out' as detailed above.)

If you work on the fringes of the definition of public practice you will need to carefully assess whether you should hold a practising certificate as protection. This would enable you to undertake work within the definition of public practice, that may be incidental to your regular activities.

If you work on a self-employed basis in the areas of bookkeeping and management consultancy services, where the work will be used solely by the client, this would be regarded as being outside the definition of public practice. However, if a third party could rely on your accounts, reports, certificates or tax returns (eg a cash flow statement provided to a bank to support a loan application), you would need a practising certificate. Most forms of communication with the tax authorities (even completing a tax return that will be signed by the client) or banks/other financial institutions on clients' financial affairs would be regarded as coming within the definition of public practice. ACCA's factsheet 'Am I in public practice?' outlines the common areas where a practising certificate is required. You can download it from ACCA's website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Members in the UK who provide accountancy services within the terms of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 by way of business, including those that fall outside the meaning of public practice (for example book-keeping) will be subject to supervision for compliance with the anti-money laundering provisions under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. In such cases, eligible members should consider obtaining a practising certificate from ACCA in order to be supervised by ACCA. Alternatively, members must register with HM Revenue and Customs or another body recognised for such purposes.

Similar regulations apply to members in Ireland under the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2021 and eligible members should consider obtaining a practising certificate from ACCA in order to be supervised by ACCA. Alternatively, members must register with the Minister for Justice, Equality and Law Reform in Ireland or another body recognised for such purposes.

If you are unsure about your position, ask for guidance from ACCA by writing with full details of your proposed areas of work to Authorisation (authorisation@accaglobal.com).

Honorary public practice work exemption

ACCA recognises that members may want to help out friends, family or local charities by preparing accounts etc. Therefore, if the following conditions are met, this 'honorary' work is not public practice:

- no fee or other benefit is receivable in consideration for the work performed; and
- the gross income of the entity for the year prior to the year in question does not exceed £250,000; and
- the member does not hold himself out, or allow himself to be held out, as being in public practice.

The honorary public practice exemption allows members to use their skills to make a contribution to their local communities or to help family, friends and local charities as a favour. It should not be seen as an entry route into public practice. It is not acceptable to produce business stationery in connection with such work.

Even though you accept work in an honorary capacity, you can still be sued for professional negligence. So you should carefully assess whether the type of work means you should hold professional indemnity insurance cover or do appropriate continuing professional development. You can find out more about honorary work in ACCA's factsheet 'Honorary work', which you can download from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

HOW TO OBTAIN A PRACTISING CERTIFICATE

The practising certificate is available to members in all countries. It confers the right to undertake general practice work but not work reserved for registered auditors (see above).

To obtain a practising certificate, you must meet ACCA's practical training requirements and complete the Approved Employer Practising Certificate Experience Requirement (PCER) confirmation form or Practising Certificate Experience Form (PCEF). However, you need not hold an ACCA practising certificate if you intend to practise only in a non-designated territory or in a territory where there is no local regulatory requirement for you to hold an ACCA practising certificate. In this case you must still notify ACCA that you are engaged in public practice and you will be placed on a register of practitioners. The online registration form is available on ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

If you intend to practise in a designated territory or in a territory where there is a local regulatory requirement for you to hold an ACCA practising certificate you can download the Approved Employer PCER confirmation form or PCEF and practising certificate application form from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

To be eligible for a practising certificate, you must have been a member continuously for at least two years and must comply with 1 or 2 below:

- 1 have completed three years' practical training with an ACCA Approved Employer – practising certificate development, under the supervision of a suitably experienced member or another person having, in the opinion of Council, adequate qualification (working as either an employee or sub-contractor). At least two of the three years must have been completed after admission to membership and this post-admission to membership training must cover mandatory and optional units of competence. The remaining period may be completed before or after, or partly before and partly after, admission to membership. Members must record their experience in an Approved Employer PCER confirmation form or PCEF.
OR
- 2 have previously held an equivalent certificate issued by ACCA.

ONGOING CONDITIONS FOR HOLDING A PRACTISING CERTIFICATE

Fit and proper status

ACCA will only issue practising certificates to applicants who are 'fit and proper' persons.

In deciding whether you are fit and proper, the Admissions and Licensing Committee will look at any matter that relates to you, including whether:

- you have been convicted of a criminal offence
- you are or have been bankrupt, or you have ever signed a trust deed for creditors or entered into a deed of arrangement, scheme or composition regarding your financial affairs (or any similar event)
- you are or have been the subject of a bankruptcy restriction order or bankruptcy restriction undertaking under the Insolvency Act 1986
- you are or have been removed from the office of liquidator, trustee, administrative receiver, administrator or supervisor
- you are or have been the subject of a disqualification order or disqualification undertaking made under the Company Directors Disqualification Act 1986
- you are or have been excluded from or refused membership of a professional body on disciplinary grounds
- you have been found to have failed to ensure that the experience and competence of your employees and practice associates are adequate, having regard to the nature of the work involved
- you are or have been a patient under the Mental Health Act 1983
- you are or have been the subject of a disciplinary order made by ACCA or another professional body
- you are or have been the subject of an investigation, whether criminal, disciplinary or otherwise, regarding conduct
- you are or have been in breach of an applicable regulation of ACCA
- you are or have been found to have given ACCA false, inaccurate or misleading information or failed to co-operate with ACCA.

(For countries outside the UK, references to legislation mean their corresponding legislation of the country in question.)

The Admissions and Licensing Committee may also take into account any matter regarding any person who is or will be employed by you or who is or will be in partnership/directorship with you in connection with public practice.

Professional indemnity insurance

Holders of practising certificates must hold professional indemnity insurance (PII). If you employ full and/or part-time staff, fidelity guarantee insurance (FGI) must be held for all partners, directors and employees. Members ceasing to practise must arrange the continued existence of PII and, if applicable, FGI for six years.

You are responsible for getting adequate cover, which you may buy from any reputable insurance company or underwriter. For more information on PII, including details of the limit of indemnity and a list of brokers, please read ACCA's factsheet 'Professional indemnity insurance requirements' which you can download from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

A liquidator of a company in Ireland must obtain minimum cover of 1,500,000 euros (exclusive of defence costs) in respect of each and every claim, and obtain cover for defence costs, in compliance with the Companies Act 2014 (Professional Indemnity Insurance) (Liquidators) Regulations 2016 (S.I. 2016/127).

Continuity of practice

If you carry on public practice, you must enter into and keep in force for all the period during which you hold a practising certificate, a written agreement with a 'nominee', which means at least one other individual or firm. The agreement must provide for the nominee to be responsible for your practice in the event of your death or incapacity. For partners/directors, the agreement may be made with another equivalent-level practising certificate holder in the practice.

You must state the name and address of the individual or firm responsible for continuity on the practising certificate application form. A written agreement must be made and this may be inspected by ACCA. You can find out more on continuity of practice in ACCA's factsheet 'Continuity of practice requirements', which you can download from the website at www.accaglobal.com/uk/en/member/regulation/factsheets.html

ACCA has developed a search tool to enable members in the UK and Ireland to find firms prepared to provide continuity of practice arrangements. The search tool can be found in the 'Find a firm' section of the ACCA website at www.accaglobal.com/find-accountant. To participate in the scheme your firm must contain at least one ACCA practising certificate holder. An opt-in form is available on the website at www.accaglobal.com/practising. ACCA is unable to recommend specific firms and will not get involved in drawing up continuity of practice agreements. Members are strongly recommended to seek independent legal advice when drawing up a continuity agreement as the agreement will be legally enforceable upon the parties. It is, therefore, important that all parties are clear in their understanding of their responsibilities under the agreement, and that the document records accurately all matters agreed by the parties.

Notification

You can find out more on notifiable events and the time requirements for notification (some changes must be notified 28 days in advance) in ACCA's factsheet 'Notification requirements' which you can download from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Continuing professional development

All members must undertake continuing professional development (CPD), in accordance with Membership Regulation 4(4). There are four alternative routes to satisfactory CPD, all explained on ACCA's website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Most members in practice will follow the unit route, and must undertake at least 40 units of relevant CPD each year, of which 21 should be verifiable CPD. Practising members should be able to demonstrate that they have maintained competence in the specialised areas of their practice.

You can read more about CPD in ACCA's factsheet 'Continuing professional development (CPD) for practising members', which you can download from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Conduct

Holders of ACCA practising certificates must comply with ACCA's Code of Ethics and Conduct. You can download ACCA's factsheet 'Code of Ethics and Conduct' from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Monitoring, quality assurance and compliance

Practising certificate holders must co-operate with ACCA in its monitoring and enforcement of compliance with the bye-laws and regulations. ACCA will monitor and enforce its bye-laws and regulations by analysing practitioners' annual returns and carrying out monitoring visits.

You can find out more on monitoring in ACCA's factsheet 'Monitoring requirements and global quality assurance', which you can download from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

OTHER USEFUL INFORMATION**Renewal of practising certificates**

All practising certificates are renewable annually. Practising certificates for the UK, Ireland, Jersey, Guernsey and Dependencies and the Isle of Man are valid only until 31 December in the year of issue. Renewal notifications for these practising certificates are usually sent in October each year. Practising certificates for all other countries are valid until 30 June after the date of issue. Renewal notifications for these certificates are usually sent in April of each year.

Members who are on the register of practitioners are also required to confirm to ACCA on an annual basis that they hold a practising certificate from a recognised national regulator or are otherwise compliant with all local legislative requirements.

Spare-time certificates

ACCA regards you as being in spare-time practice if you hold a practising certificate while employed in industry, commerce, public service or employed (as opposed to being a principal) in a practice. The experience requirements for obtaining spare-time practising certificates are exactly the same as for full-time certificates.

Generally, if you hold a spare-time certificate, you must comply with the above to retain your certificate. There is a reduced annual fee, in the UK and Ireland, where practice income does not exceed £5,000 a year. (In other countries, there is currently no fee for a full practising certificate in any event.)

ACCA holds on file details of a member's residential and business addresses and that of the spare-time practice if it is a third address. When reporting changes in business details or addresses, you must make clear which address is to be amended.

Transferring from a practising certificate to a practising certificate and audit qualification

Regarding the UK and Ireland, you can transfer from a practising certificate to a practising certificate and audit qualification if you meet the eligibility requirements (ie get the necessary supervised audit experience with an ACCA Approved Employer – practising certificate development (audit) and pass the required ACCA examinations). Sections 2 and 3 give more information about the practising certificate and audit qualification.

Anti-money laundering

Holders of practising certificates must comply with the relevant anti-money laundering legislation and regulations. For example, a practitioner in the UK, Ireland or the Isle of Man must ensure that:

- their practice has a nominated officer to take responsibility for compliance
- they conduct an anti-money laundering assessment of their business
- there are procedures and controls in place to gather and retain evidence of the identification of all clients and to adequately address the money laundering risk profile of their clients
- principals and staff in their practice receive appropriate training
- ongoing compliance monitoring is carried out, and
- suspicions of money laundering are reported as required by law.

In the UK any person who provides audit, insolvency, tax, accountancy or trust and company services must be supervised by a recognised supervisory authority under the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (employees do not require supervision). ACCA gives more guidance on the website at www.accaglobal.com/gb/en/technical-activities/data-and-information-security.html (Similar statutory requirements exist in Ireland and the Isle of Man.)

Members in the UK who provide accountancy services within the terms of the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 by way of business which fall outside the meaning described by regulation 4 of the Global Practising Regulations (for example book-keeping) are subject to supervision for compliance with the anti-money laundering provisions under the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. In such cases, eligible members should consider obtaining a practising

certificate from ACCA in order to be supervised by ACCA. Alternatively, members must register with HM Revenue and Customs (HMRC) or another body recognised for such purposes.

Members in Ireland who provide such services within the terms of the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2021 will also be subject to supervision for compliance with anti-money laundering provisions. In such cases, eligible members must obtain a practising certificate from ACCA in order to be supervised by ACCA.

If your firm in the UK or Ireland is controlled by ACCA members (ie at least half of the partners/directors are members of ACCA and the ACCA partners/directors control at least 51% of the voting rights) or holds an auditing certificate from ACCA, you/your firm are automatically supervised by ACCA. If your firm does not meet these requirements, you must be supervised by another recognised supervisory authority, or register with HMRC in the UK or the Minister for Justice, Equality and Law Reform in Ireland.

Firms must appoint a money laundering compliance principal (MLCP) and that individual must be on the board of directors (or equivalent management body), or a member of senior management, where appropriate to the size and nature of the business. Sole practitioners with no employees are exempt from this requirement. Firms must also appoint a nominated Money Laundering Reporting Officer (MLRO) (ie the individual nominated to receive internal suspicious activity reports and who assesses whether a suspicious activity report should be made to the National Crime Agency (NCA)). This can be the same person as the MLCP.

Practices that provide services of a Trust or Company Service Provider (TCSP) must advise ACCA of this so that a register can be maintained. Records of such members will be provided to HMRC as per our Regulatory Requirements.

Practices must apply to ACCA for the approval of Beneficial Owners, Officers and Managers (BOOMs) that do not hold an active ACCA practising certificate. Only individuals who have not been convicted of a relevant offence (as set out in schedule 3 of the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017) will be approved. It is the responsibility of the practice to ensure that all BOOMs submitted for approval are fit and proper and have not been convicted of a relevant offence.

Practitioners must respond promptly to information requests received from ACCA's AML Supervisory Team to enable an effective AML supervision.

ACCA gives more guidance about anti-money laundering requirements at www.accaglobal.com/gb/en/technical-activities/data-and-information-security.html

In the UK, ACCA is required to pay an annual levy to OPBAS (the Office of Professional Body Anti-Money Laundering Supervision). OPBAS is funded entirely by the professional body supervisors (PBS), of which ACCA is one. The OPBAS levy is a substantial new regulatory cost that has arisen because ACCA supervises its practising members for anti-money laundering in the UK. ACCA recovers these costs from supervised firms in the UK and invoices are usually raised in October each year at the same time as the practising certificate renewal invitations. Further information about the OPBAS levy is available on our website at www.accaglobal.com/gb/en/technical-activities/data-and-information-security.html

Registering for investment business and credit-related regulated activities in the UK

ACCA is a Designated Professional Body (DPB) under the Financial Services and Markets Act 2000. This enables member firms to carry out a limited range of regulated activities, without having to obtain direct authorisation from the Financial Conduct Authority (FCA), provided those activities are 'incidental' to the core accounting, auditing, taxation and business advice services provided to the clients concerned. This limited range of regulated activities is known as exempt regulated activities. The scope of the exempt regulated activities and the application process to be able to perform exempt regulated activities are set out in section 4. You can download an application form from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Any ACCA firm carrying out, or planning to carry out, a regulated activity (except an exempt regulated activity) must have direct FCA authorisation.

ATOL Reporting Accountants scheme

ACCA is approved by the Civil Aviation Authority (CAA) to licence members as ATOL reporting accountants (ARA). To register as an ARA a member must hold an ACCA practising certificate and have completed a professional examination covering assurance work as approved by the CAA (eg Audit and Assurance or Advanced Audit and Assurance or previous equivalents of ACCA's professional examinations). Members must also have

successfully completed the online ATOL training module. To register for the training members are required to email caa.arascheme@caa.co.uk and provide their name, professional body and membership number. There is no fee for an ACCA member to register under the ARA scheme.

The firm must also apply to become a ARA firm. A firm must contain at least one ACCA principal and the fee in 2022 is £487 for each principal who is neither a member of ACCA nor licensed as an ARA by ACCA.

ACCA can also register individuals who are not members of ACCA. The fee for non-members in 2022 is £538.

Application forms for individuals and firms can be downloaded from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Further information about the ATOL scheme can be found on ACCA's website at www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2016/january/caa-atol-reporting.html

Probate registration

With effect from 1 January 2022 ACCA has withdrawn all regulatory arrangements for probate activities and cancelled its designation as an approved regulator in respect of probate activities under the Legal Services Act 2007. This means that ACCA can no longer authorise members and firms to undertake the reserved legal activity of probate in England and Wales.

ACCA has partnered with CILEx and CILEx Regulation to provide ACCA practitioners access to a range of support services and a pathway for eligible ACCA practitioners to achieve legal services authorisation.

By partnering with CILEx and CILEx Regulation, ACCA can continue to support members in practice and provide greater opportunities for small and medium sized practitioners in legal services, while managing the risks posed by changes in the regulatory landscape in this area. ACCA will also be able to offer a pathway for eligible practitioners to achieve reserved legal activities authorisation beyond non-contentious probate work and, in turn, support practitioners to diversify their service offerings in a cost-effective way. Further information is available on our website at <https://www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/legal-services.html>

PRACTISING CERTIFICATE FEES – 2022

UK, Ireland, Jersey, Guernsey and Dependencies and the Isle of Man

Practising certificate – full-time £538

Practising certificate – spare-time, where practice income is less than £5,000 a year £108

Other countries

All categories – free of charge.

2 THE AUDIT QUALIFICATION AND FIRM'S AUDITING CERTIFICATE – UK

The Chartered Certified Accountants' Global Practising Regulations 2003 (GPRs) and Annex 1 set out the eligibility criteria for obtaining a UK practising certificate and audit qualification, and detail the continuing obligations placed on holders of the UK audit qualification. They also lay down the conditions for the issue of, and the ongoing requirements for holding, UK firms' auditing certificates.

THE INDIVIDUAL'S PRACTISING CERTIFICATE AND AUDIT QUALIFICATION

The practising certificate and audit qualification is available only to members in the UK (including Jersey, Guernsey and Dependencies and the Isle of Man), Ireland and Zimbabwe. This section is about applying for a practising certificate and audit qualification for the UK (including Jersey, Guernsey and Dependencies and the Isle of Man). Information about applying for a practising certificate and audit qualification for Ireland is included in section 3. Information about applying for a practising certificate and audit qualification for Zimbabwe is included in section 4. Members who intend to do audit work in the UK must apply for a practising certificate and audit qualification for the UK and members who intend to do audit work in Ireland must apply for a practising certificate and audit qualification for Ireland. The eligibility requirements are different and separate application forms must be completed. If audits are to be done, a firm's auditing certificate must also be held.

Before applying for the UK audit qualification, you must record your experience in

- an Approved Employer Practising Certificate Experience Requirement (PCER) confirmation form and
- Part 3 (audit units) of the Practising Certificate Experience Form (PCEF).

You can download the Approved Employer PCER confirmation form and Part 3 of the PCEF from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practising-certificate-experience-forms-pcef.html. The next steps in obtaining the UK audit qualification are set out below.

HOW TO OBTAIN THE UK PRACTISING CERTIFICATE AND AUDIT QUALIFICATION

To obtain the practising certificate and audit qualification in the UK (see below for Jersey, Guernsey and Dependencies, the Isle of Man), you must:

- obtain ACCA's recognised professional qualification (see below) or
- have previously held an equivalent certificate issued by ACCA*.

* Before ACCA can re-issue a UK practising certificate and audit qualification, you must demonstrate adequate competence in UK audit work by giving details of recent UK audit experience and recent audit-related CPD achieved. The 'Audit Experience Form' is available on our website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Recognised professional qualification

To obtain the recognised professional qualification you must have completed three years of practical training in a public practice with an ACCA Approved Employer – practising certificate development (audit), working as an employee or sub-contractor, two years of which must be post-membership. (Members must record their experience in an Approved Employer PCER confirmation form and Part 3 (audit units) of the PCEF.)

(Training obtained in a practice with 'approved' status granted by another Recognised Qualifying Body under the UK Companies Act 2006 does not count unless the practice has also been registered and accepted by ACCA.)

The training must cover: audit and other mandatory and optional units of competence. At least 44 weeks of training must be in audit work. This should include at least 22 weeks specifically in statutory audit.

You must obtain at least two years of training under the supervision of:

- i a member holding a practising certificate and audit qualification; or
- ii any other person having, in Council's opinion, adequate qualifications and experience and who is a fully qualified statutory auditor under paragraph 9(4) of Schedule 11 to the Companies Act 2006 of the UK, such as statutory auditors practising in EEA states and Gibraltar, subject to the relevant authorisations (or equivalent persons in relation to applicants for certificates relating to countries other than the UK).

Before ACCA can award a UK practising certificate and audit qualification, you must also demonstrate adequate competence in UK audit work by giving details of recent UK audit experience and recent audit-related CPD. Audit experience achieved some time ago may meet the practical training requirements outlined above, but ACCA also needs to be satisfied that your audit knowledge is up to date, and that you remain competent to do audit work.

You may choose to simply 'bank' your experience, and not apply for a practising certificate and audit qualification straight away. However, if you decide to apply in the future you may have to demonstrate how you have remained competent to do audit work.

In addition, you must have passed the UK variants of the following ACCA exams:

- Advanced Audit and Assurance (or an equivalent paper under previous examination syllabi).
- The UK tax and law variants. If you were granted exemptions from these papers when you registered as an ACCA student but your prior qualification lacked sufficient coverage of UK tax and/or law, you will need to pass the UK variants of the tax and/or law papers.
- Strategic Business Reporting (or an equivalent paper under previous examination syllabi) if this paper was completed on or after 1 January 2011.

(NB CIPFA members (unless they have passed the exams specified within CIPFA's professional accountancy qualification to be eligible for its audit qualification) admitted to ACCA membership under Membership Regulation 3(e), must pass these exams.)

Students who registered prior to 1 January 2016 and who were awarded exemptions from all papers in the Fundamentals level of the syllabus must complete the Professional level within five years if they wish to subsequently apply for an ACCA practising certificate and audit qualification for the UK.

Similarly, for a UK practising certificate and audit qualification, students who first registered on or after 1 January 2010 and are eligible for exemption from all or part of the Fundamentals level based on qualifications gained more than five years before the date of their initial registration as an ACCA student will lose these exemptions and must pass the Fundamentals level exams.

For all students registering from 1 January 2016 the rules are as follows:

- you must complete the Applied Knowledge Level and Applied Skills Level examinations within five years from the date you become eligible to sit these examinations
- you must complete the Strategic Professional Level examinations within five years from the date on which you complete the Applied Knowledge Level and Applied Skills Level examinations
- if you are awarded any exemptions from the Applied Knowledge and Applied Skills Level examinations on the basis of qualifications gained more than five years before registering as a student you will need to forfeit these exemptions and complete those exams

Jersey, Guernsey and Dependencies and the Isle of Man

To obtain a practising certificate and audit qualification specifically for Jersey, Guernsey and Dependencies and the Isle of Man, you must have:

- been an ACCA member for at least two consecutive years;
- completed three years' practical training in a public practice with an ACCA Approved Employer – practising certificate development (audit), working either as an employee or sub-contractor, under the supervision of:
 - i a member holding a practising certificate and audit qualification; or
 - ii any other person having, in Council's opinion, adequate qualifications and experience and who is a fully qualified statutory auditor under paragraph 9(4) of Schedule 11 to the Companies Act 2006 of the UK;

Training must cover: audit, and other mandatory and optional units of competence. The training must be recorded in an Approved Employer Practising Certificate Experience Requirement confirmation form and Part 3 (audit units) of the PCEF, available on our website at www.accaglobal.com/practising

Before ACCA can award a practising certificate and audit qualification specifically for Jersey, Guernsey and Dependencies and the Isle of Man, you must also demonstrate adequate competence in audit work by giving details of recent audit experience and recent audit-related CPD. Audit experience achieved some time ago may meet the practical training requirements outlined above, but ACCA also needs to be satisfied that your audit knowledge is up to date, and that you remain competent to do audit work.

You may choose to simply 'bank' your experience, and not apply for a practising certificate and audit qualification straight away. However, if you decide to apply in the future you may have to demonstrate how you have remained competent to do audit work.

Transferring from a practising certificate to a practising certificate and audit qualification

You can transfer from a practising certificate to a practising certificate and audit qualification if you meet the eligibility requirements (ie obtain the necessary supervised audit experience in an ACCA Approved Employer – practising certificate development (audit) and pass the required ACCA exams).

Generally, you cannot transfer a practising certificate and audit qualification between countries.

THE UK FIRM'S AUDITING CERTIFICATE

A firm in the UK (being a partnership, company, limited liability partnership or even a sole practitioner) that holds, or intends to hold, audit appointments will need to obtain audit registration from a Recognised Supervisory Body (RSB) in the UK. ACCA can register firms in this regard through a firm's auditing certificate. You can download an application form from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Applying for a UK firm's auditing certificate

The GPRs provide the basis for ACCA's compliance with the provisions relating to the registration of auditors in the UK Companies Act 2006. The GPRs are published in the *ACCA Rulebook*. The legislation permits audit appointments to be held in the names of firms (sole proprietorships and partnerships) and incorporated firms (limited companies and limited liability partnerships), rather than in the names of individual partners/directors/members within those firms. Firms wishing to act as registered auditors must obtain audit registration from an RSB, such as ACCA. ACCA can grant registered auditor status by issuing firms' auditing certificates.

Firms in the UK wishing to hold audit appointments in Ireland must apply separately for Irish auditing certificates (see section 3).

Control qualifications necessary for an auditing certificate to be granted

Firms' auditing certificates may be held by any firm controlled by holders of the ACCA practising certificate and audit qualification for the UK or equivalent certificates issued by the Institute of Chartered Accountants in England and Wales (ICAEW), the Institute of Chartered Accountants of Scotland (ICAS) and Chartered Accountants Ireland (CAI). This includes sole proprietorships and any partnership or incorporated firm regardless of whether or not the firm contains any ACCA principals, partners or directors.

Individuals holding an audit qualification from CPA Ireland and after passing a UK aptitude test, can have that qualification recognised for the purpose of becoming a UK statutory auditor.

Eligible firms (ie controlled by ACCA/ICAEW/ICAS/CAI members) may hold firms' auditing certificates for both the UK and Ireland but must complete separate application forms. The eligibility requirements for Irish firm's auditing certificates are different from the UK (see section 3).

Sole practitioners

If, (as an ACCA member) you hold a UK practising certificate and audit qualification and wish to carry out UK audit work, you must also hold a UK firm's auditing certificate. This applies even if your sole practice trades in your name. Audit work includes the audits of UK registered companies, other statutorily regulated entities and other assignments requiring a registered auditor. Only a firm (including any sole proprietor practising in their own name) holding a firm's auditing certificate may describe itself as Registered Auditor(s) and will have its details placed on the Register of Statutory Auditors in the UK.

ACCA sole practitioners must complete an application form for the firm's auditing certificate but no additional fee is payable. A sole practitioner Chartered Accountant who holds a UK practising certificate and audit qualification from ICAEW, ICAS or CAI is eligible to apply for an ACCA firm's auditing certificate for their firm, and to continue to describe their practice as a firm of Chartered Accountants. They need not become a member of ACCA but may do so if they wish. You can download an application form for direct admission to membership from ACCA's website at www.accaglobal.com/gb/en/member/membership/administration.html. The firm's auditing certificate fee for a non-member is £538 in 2022.

Partnerships, LLPs and incorporated firms

Partnerships, incorporated firms and limited liability partnerships wishing to hold audit appointments must apply for ACCA firms' auditing certificates (or seek authorisation from another RSB). However, for a firm composed wholly of partners or directors holding ACCA practising certificates, there is no fee for a firm's auditing certificate.

Mixed firms, composed wholly of Chartered Certified and Chartered Accountant partners or directors, are eligible for ACCA firms' auditing certificates. In this case, the 2022 fee is calculated on the basis of £538 for each non-ACCA partner or director.

Other mixed firms (perhaps containing non-qualified partners or directors) are eligible for ACCA firms' auditing certificates if they are controlled by holders of equivalent qualifications (as detailed above). Control is determined by the distribution of votes within the firm on all material matters, and holders of relevant qualifications must control at least 51% of such votes. (There need not be an ACCA member as a partner or director of a firm.) Firms controlled by Chartered Accountants may be authorised by ACCA while continuing to describe their practices as 'Chartered Accountants'. Again, the 2022 fee is based on £538 for each partner or director who is not an ACCA member. (Chartered Accountants who are partners or directors in firms with ACCA firms' auditing certificates may, if they wish, apply for direct admission to membership of ACCA. You can download an application form for direct admission from ACCA's website at www.accaglobal.com/gb/en/member/membership/administration.html)

Non-ACCA partners/directors who wish to be responsible for audit work in a firm applying for an ACCA auditing certificate must complete an 'Audit Experience Form' to demonstrate to ACCA that their UK audit experience and audit knowledge is up to date. The form is available on our website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Where these requirements apply to a limited liability partnership, 'partner' means a member of the limited liability partnership.

Regarding a firm's auditing certificate granted to a limited liability partnership or an incorporated firm, there is an additional control requirement – that the majority of votes on its board of directors (or of the members of a limited liability partnership) must be held by holders of relevant qualifications.

Other conditions necessary for the issue of a firm's auditing certificate

Within each partnership, limited liability partnership or incorporated firm, a nominated contact partner/director will have overall responsibility for the firm's compliance with the conditions detailed below.

Responsibility for audit work – Each of the partners or directors and others responsible for the firm's audit work must hold an ACCA practising certificate and audit qualification for the UK or an equivalent certificate.

Control – In exercising control, the firm must have in place arrangements to prevent unqualified individuals and persons (whether members of the firm or not) exerting influence over the way in which audits are conducted.

ONGOING CONDITIONS FOR HOLDING A UK PRACTISING CERTIFICATE AND AUDIT QUALIFICATION AND UK FIRM'S AUDITING CERTIFICATE

Fit and proper status

Every partner or director must be a fit and proper person so that the firm may hold an auditing certificate. ACCA may take into account any matter that relates to any of the partners or directors of the firm or anyone employed by, or associated with it, in connection with public practice. This includes such matters as failure to co-operate with ACCA or providing false, inaccurate, misleading or incomplete information to ACCA.

Section 1 sets out a list of situations in which a practising certificate holder would fail to meet the fit and proper criteria. In addition to these criteria, regarding the issue of a practising certificate and audit qualification, the Admissions and Licensing Committee will consider whether an individual has broken any provision of law on the seeking of an appointment or acting as auditor or to the carrying on of exempt regulated activities.

Responsibility and control

The above control qualifications necessary for ACCA to grant an auditing certificate must be maintained as long as the firm holds an auditing certificate. ACCA provides a factsheet giving more details on the control of the firm and rules about how the firm may be described; you can download the factsheet 'Control and description requirements' from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Each of the partners or directors responsible for the firm's audit work must continue to hold an ACCA practising certificate and audit qualification for the UK or an equivalent certificate. The firm must also maintain its arrangements for ensuring that the independence and integrity of its audit work are not influenced by unqualified individuals.

Professional indemnity insurance

Firms must hold professional indemnity insurance (PII). Cover must also include fidelity guarantee insurance (FGI) for any partners, directors and employees. PII should provide cover for all civil liability incurred in connection with the conduct of the firm's business by the partners, directors or employees. The FGI should include cover against any acts of fraud or dishonesty by any partner, director or employee for money or goods held in trust by the firm. Members ceasing to practise must arrange for the continued existence of PII and, where applicable, FGI for six years.

The firm is responsible for getting adequate cover and may buy it from any reputable insurance company or underwriter. ACCA provides a factsheet saying more about PII, including details of the limit of indemnity; you can download 'Professional indemnity insurance requirements' from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Continuity of practice

A firm must provide for continuity of practice. Provision for continuity should be made within the firm's partnership agreement or articles of association, provided at least two partners/directors are registered auditors, or by entering into a written agreement with another firm of registered auditors. (The name and address of another firm responsible for continuity must be given on the application form for an auditing certificate.) There must be a written agreement, which may be inspected by ACCA.

If the firm practises in both the UK and Ireland, continuity arrangements must be made with a firm (or firms) in both countries. You can find more on continuity of practice in ACCA's factsheet 'Continuity of practice requirements' which you can download from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

ACCA has developed a search tool to enable members in the UK and Ireland to find firms prepared to provide continuity of practice arrangements. The search tool can be found in the 'Find a firm' section of the ACCA website at www.accaglobal.com/find-accountant

To participate in the scheme your firm must contain at least one ACCA practising certificate holder. An opt-in form is available on the website at www.accaglobal.com/practising. ACCA is unable to recommend specific firms and will not get involved in drawing up continuity of practice agreements. Members are strongly recommended to seek independent legal advice when drawing up a continuity agreement as the agreement will be legally enforceable upon the parties. It is, therefore, important that all parties are clear in their understanding of their responsibilities under the agreement, and that the document records accurately all matters agreed by the parties.

Notification

ACCA must supply information to the Register of Statutory Auditors (www.auditregister.org.uk). Each entry in the register will include the firm's name and a business address. In addition, in the case of incorporated firms, the register will include the name and business address of each person who is a director or holds shares in the firm. In the case of a partnership (including limited liability partnerships) or sole proprietorship, the register will include the name(s) and address(es) of the proprietor or partners/members.

To enable ACCA to keep this register up to date, firms must notify ACCA of a number of different events or changes.

ACCA's factsheet 'Notification requirements' says more about this. You can download it from ACCA's website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Continuing professional development

All members must undertake continuing professional development (CPD), in accordance with Membership Regulation 4(4). There are four alternative routes to obtaining satisfactory CPD, all are explained on ACCA's website at www.accaglobal.com/gb/en/member/cpd/routes.html

Members following the unit route must undertake at least 40 units of relevant CPD each year, of which 21 units should be verifiable CPD. Practising members should be able to demonstrate they have maintained competence in the specialised areas of their practices.

ACCA's factsheet 'Continuing professional development (CPD) for practising members' says more on CPD; you can download it from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

IFAC has issued International Education Standard (IES) 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised).

IES 8 became effective on 1 July 2016. It prescribes the professional competence that professional accountants are required to develop and maintain when performing the role of an Engagement Partner responsible for audits of financial statements.

Under the revised IES 8 professional accountants performing the role of an Engagement Partner will be required to develop and maintain professional competence that is demonstrated by the achievement of learning outcomes. They will also be required to undertake CPD that develops and maintains the professional competence required for this role. It is the responsibility of the professional accountant performing the role of an engagement partner to develop and maintain professional competence by undertaking relevant CPD activities, which include practical experience. Further information can be found on ACCA's website at www.accaglobal.com/uk/en/member/cpd/your-guide-to-cpd/cpd-for-practising-members.html and on IFAC's website at www.ifac.org/publications-resources/ies-8-professional-competence-engagement-partners-responsible-audits-financ-0

Conduct of public practice

All partners/directors and others responsible for audit work must comply with ACCA's Code of Ethics and Conduct, especially in connection with the proper conduct of public practice, integrity and independence. The Code of Ethics and Conduct is available from the ACCA Rulebook. You can download ACCA's factsheet 'Code of Ethics and Conduct' from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Technical standards

All partners/directors and others responsible for audit work must comply with ACCA's Technical Standards. In particular, firms must comply with the International Standards on Auditing issued by the Financial Reporting Council.

Monitoring

All partners/directors and others responsible for audit work must co-operate with ACCA in its monitoring and enforcement of the bye-laws and regulations.

ACCA will monitor and enforce its bye-laws and regulations by analysing firms' annual returns and carrying out monitoring visits. The visits will normally take place every six years, but they may be more frequent if necessary as a result of complaints or significant changes in a practice. More visits or follow-up action may result from a visit that revealed inadequacies.

ACCA's factsheet 'Monitoring requirements and global quality assurance' says more about monitoring. You can download it from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Competent authority

In the UK, the competent authority is the Financial Reporting Council (FRC) and firms are bound by the procedures, rules and guidance, as may be issued from time to time by FRC in the exercise of its statutory functions.

Descriptions

Firms holding an ACCA auditing certificate may include the following statement on their business stationery:

'Registered as auditors in the United Kingdom by the Association of Chartered Certified Accountants'.

Firms may also use the description 'Registered Auditors'.

ACCA's factsheet 'Control and description requirements' says more; you can download it from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

OTHER USEFUL INFORMATION

Spare-time certificates

ACCA regards you as being in spare-time practice if you hold a practising certificate and audit qualification while employed in industry, commerce, public service or employed (as opposed to being a principal) in a practice. The experience requirements for obtaining a spare-time practising certificate and audit qualification, and the ongoing conditions, are exactly the same as for full-time certificates.

Renewal of a UK practising certificate and audit qualification

All practising certificates (including the practising certificate and audit qualification) are renewable annually. Practising certificates for the UK are valid only until 31 December in the year of issue. Renewal notifications for them are usually sent in October of each year.

Renewal of firms' auditing certificates

All firms' auditing certificates are valid only until 31 December in the year of issue. All firms' auditing certificates are renewable annually. A firm that ceases to hold a firm's auditing certificate will be eligible to resume holding one if it meets the fitness and propriety requirements and other ongoing conditions at the time of the fresh application.

Jurisdiction

The legislation referred to does not extend to the Channel Islands or Isle of Man. Firms' auditing certificates are not, therefore, necessary in these jurisdictions. A firm based outside the UK may, if it is eligible, hold a firm's auditing certificate if it wishes to hold UK audit appointments. In such cases the fees and conditions referred to above apply. However, firms' auditing certificates are not issued if you propose to hold audit appointments only of companies registered outside the UK.

ACCA issues separate firm's auditing certificates for Ireland. Firms wishing to apply for a firm's auditing certificate for Ireland must complete a separate application form and meet the eligibility requirements. Section 3 provides further information.

Anti-money laundering

Holders of practising certificates and audit qualifications must comply with the relevant anti-money laundering legislation and regulations. For example, a practitioner in the UK or the Isle of Man must ensure that:

- their practice has a nominated officer to take responsibility for compliance
- they conduct an anti-money laundering risk assessment of their business
- there are procedures and controls in place to gather and retain evidence of the identification of all clients and to adequately address the money laundering risk profile of their clients
- principals and staff in their practice receive appropriate training
- ongoing compliance monitoring is carried out, and
- suspicions of money laundering are reported as required by law.

In the UK any person who provides audit, insolvency, tax, accountancy or trust and company services must be supervised by a recognised supervisory authority under the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (employees do not require supervision). ACCA gives more guidance on the website at www.accaglobal.com/gb/en/technical-activities/data-and-information-security.html (Similar statutory requirements exist in the Isle of Man.)

Members in the UK who provide accountancy services within the terms of the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 by way of business which fall outside the meaning described by regulation 4 of the Global Practising Regulations (for example book-keeping) are subject to supervision for compliance with the anti-money laundering provisions under the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. In such cases, eligible members should consider obtaining a practising certificate from ACCA in order to be supervised by ACCA.

Alternatively, members must register with HM Revenue and Customs (HMRC) or another body recognised for such purposes.

If your firm is controlled by ACCA members (ie at least half of the partners/directors are members of ACCA and the ACCA partners/directors control at least 51% of the voting rights) or holds an auditing certificate from ACCA, you/your firm are automatically supervised by ACCA. If your firm does not meet these requirements, you must be supervised by another recognised supervisory authority, or register with HMRC.

Registering for investment business and credit-related regulated activities in the UK

ACCA is a Designated Professional Body (DPB) under the Financial Services and Markets Act 2000. This enables member firms to carry out a limited range of regulated activities, without having to obtain direct authorisation from the Financial Conduct Authority (FCA), provided those activities are 'incidental' to the core accounting, auditing, taxation and business advice services provided to the clients concerned. This limited range of regulated activities is known as exempt regulated activities. The scope of the exempt regulated activities and the application process to be able to perform exempt regulated activities are set out in section 4. You can download an application form from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Any ACCA firm carrying out, or planning to carry out, a regulated activity (except an exempt regulated activity) must have direct FCA authorisation.

ATOL Reporting Accountants scheme

ACCA is approved by the Civil Aviation Authority (CAA) to licence members as ATOL reporting accountants (ARA). To register as a ARA a member must hold an ACCA practising certificate and have completed a professional examination covering assurance work as approved by the CAA (eg Audit and Assurance or Advanced Audit and Assurance or previous equivalents of ACCA's professional examinations). Members must also have successfully completed the online ATOL training module. To register for the training members are required to email caa.arascheme@caa.co.uk and provide their name, professional body and membership number. There is no fee for an ACCA member to register under the ARA scheme.

The firm must also apply to become a ARA firm. A firm must contain at least one ACCA principal and the fee in 2022 is £487 for each principal who is neither a member of ACCA nor licensed as an ARA by ACCA.

ACCA can also register individuals who are not members of ACCA. The fee for non-members in 2022 is £538.

Application forms for individuals and firms can be downloaded from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Further information can be found on ACCA's website at www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2016/january/caa-atol-reporting.html

Probate registration

With effect from 1 January 2022 ACCA has withdrawn all regulatory arrangements for probate activities and cancelled its designation as an approved regulator in respect of probate activities under the Legal Services Act 2007. This means that ACCA can no longer authorise members and firms to undertake the reserved legal activity of probate in England and Wales.

ACCA has partnered with CILEx and CILEx Regulation to provide ACCA practitioners access to a range of support services and a pathway for eligible ACCA practitioners to achieve legal services authorisation.

By partnering with CILEx and CILEx Regulation, ACCA can continue to support members in practice and provide greater opportunities for small and medium sized practitioners in legal services, while managing the risks posed by changes in the regulatory landscape in this area. ACCA will also be able to offer a pathway for eligible practitioners to achieve reserved legal activities authorisation beyond non-contentious probate work and, in turn, support practitioners to diversify their service offerings in a cost-effective way.

Further information is available on our website at <https://www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/legal-services.html>

PRACTISING CERTIFICATE AND AUDIT QUALIFICATION FEES – 2022

The fee for a practising certificate and audit qualification valid in the UK, Jersey, Guernsey and Dependencies or the Isle of Man is £538.

FIRM'S AUDITING CERTIFICATE FEE – 2022

The fee for a UK firm's auditing certificate is calculated on the basis of £538 for each non-ACCA principal of the firm.

3 THE AUDIT QUALIFICATION AND FIRM'S AUDITING CERTIFICATE – IRELAND

The Chartered Certified Accountants' Global Practising Regulations 2003 (GPRs) and Annex 2 set out the eligibility criteria for obtaining an Irish practising certificate and audit qualification, and detail the continuing obligations placed on holders of the Irish audit qualification. They also lay down the conditions for the issue of, and the ongoing requirements for holding, Irish firms' auditing certificates.

THE INDIVIDUAL'S PRACTISING CERTIFICATE AND AUDIT QUALIFICATION

The practising certificate and audit qualification is available only to members in Ireland, UK (including Jersey, Guernsey and Dependencies and the Isle of Man), and Zimbabwe. This section is about applying for a practising certificate and audit qualification for Ireland. Information about applying for a practising certificate and audit qualification for the UK is included in section 2. Information about applying for a practising certificate and audit qualification for Zimbabwe is included in section 4. Members who intend to do audit work in the Ireland must apply for a practising certificate and audit qualification for Ireland and members who intend to do audit work in the UK must apply for a practising certificate and audit qualification for the UK. The eligibility requirements are different and separate application forms must be completed. If audits are to be done, a firm's auditing certificate must also be held.

Before applying for the Irish audit qualification, you must record your experience in:

- an Approved Employer Practising Certificate Experience Requirement (PCER) confirmation form and
- Part 3 (audit units) of the Practising Certificate Experience Form (PCEF).

You can download the Approved Employer PCER confirmation form and Part 3 of the PCEF from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practising-certificate-experience-forms-pcef.html. The next steps in obtaining the Irish audit qualification are set out below.

HOW TO OBTAIN THE IRISH PRACTISING CERTIFICATE AND AUDIT QUALIFICATION

To obtain the practising certificate and audit qualification in Ireland, you must:

- obtain ACCA's recognised professional qualification (see below) or
- have previously held an equivalent certificate issued by ACCA*.

If you are an EEA auditor, you must:

- (i) hold an appropriate qualification; and
- (ii) meet the conditions for approval as a statutory auditor in accordance with Part 27 of the Companies Act 2014 of the Republic of Ireland; and
- (iii) have passed an aptitude test (unless an aptitude test is not required); or

If you are a third country auditor, you must:

- (i) meet the conditions for approval as a statutory auditor in accordance with Part 27 of the Companies Act 2014 of the Republic of Ireland; and
- (ii) have passed an aptitude test unless an aptitude test is not required.

* Before ACCA can re-issue an Irish practising certificate and audit qualification, you must demonstrate adequate competence in Irish audit work by giving details of recent Irish audit experience and recent audit-related CPD achieved. The 'Audit Experience Form' is available on our website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Recognised professional qualification

To obtain the recognised professional qualification you must have completed three years of practical training in a public practice with an ACCA Approved Employer – practising certificate development (audit) that is a statutory auditor or an audit firm approved in any EEA state, working as an employee or sub-contractor, two years of which must be post-membership. (Members must record their experience in an Approved Employer Practising Certificate Experience Requirement (PCER) confirmation form and Part 3 (audit units) of the PCEF.)

(Training obtained in a practice with 'approved' status granted by another Recognised Accountancy Body under the Irish Companies Act 2014 does not count unless the practice has also been registered and accepted by ACCA.)

The training must cover: audit and other mandatory and optional units of competence. At least 44 weeks of training must be in statutory audit work. Statutory audit work only includes audit work of:

- (a) companies established under the Companies Acts,
- (b) credit unions,
- (c) friendly societies or industrial and provident societies/ co-operatives.

You must obtain at least two years of training under the supervision of a statutory auditor approved in any member state.

Before ACCA can award an Irish practising certificate and audit qualification, you must also demonstrate adequate competence in Irish audit work by giving details of recent Irish audit experience and recent audit-related CPD. Audit experience achieved some time ago may meet the practical training requirements outlined above, but ACCA also needs to be satisfied that your audit knowledge is up to date, and that you remain competent to do audit work.

You may choose to simply 'bank' your experience, and not apply for a practising certificate and audit qualification straight away. However, if you decide to apply in the future you may have to demonstrate how you have remained competent to do audit work.

In addition, you must have passed the Irish variants of the following ACCA exams:

- Advanced Audit and Assurance (or an equivalent paper under previous examination syllabi).
- The Irish tax and law variants. If you were granted exemptions from these papers when you registered as an ACCA student but your prior qualification lacked sufficient coverage of Irish tax and/or law, you will need to pass the Irish variants of the tax and/or law papers.
- Strategic Business Reporting (or an equivalent paper under previous examination syllabi) if this paper was completed on or after 1 January 2011.

Students who registered prior to 1 January 2016 and who were awarded exemptions from all papers in the Fundamentals level of the syllabus must complete the Professional level within five years if they wish to subsequently apply for an ACCA practising certificate and audit qualification for Ireland.

For all students registering from 1 January 2016 the rules are as follows:

- you must complete the Applied Knowledge Level and Applied Skills Level examinations within five years from the date you become eligible to sit these examinations
- you must complete the Strategic Professional Level examinations within five years from the date on which you complete the Applied Knowledge Level and Applied Skills Level examinations
- if you are awarded any exemptions from the Applied Knowledge and Applied Skills Level examinations on the basis of qualifications gained more than five years before registering as a student you will need to forfeit these exemptions and complete those exams

For all students registering after 1 January 2019, if you have been awarded exemptions from Corporate and Business Law and/or Taxation and these are based on a qualification which is accredited at a level lower than level 7 on the National Framework of Qualifications in Ireland, you are required to forfeit these exemptions and sit the relevant ACCA examinations should you wish to subsequently apply for an ACCA Irish practising certificate and audit qualification.

A previous qualification may be regarded as being equivalent to university level in Ireland if it is, or forms part of, an award which is accredited at:

- Level 7 or above on the National Framework of Qualifications in Ireland;
- Level 6 or above on the Framework for Higher Education Qualifications in England, Wales and Northern Ireland; or
- Level 9 or above on the Scottish Credit and Qualifications Framework.

Members who hold an EU statutory audit licence can apply directly for an Irish practising certificate and audit qualification by completing the initial practising certificate application form (Ireland), available on our website at <https://www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html>

Members who have come through an ACCA direct membership route and do not hold an EU (or equivalent third country) statutory audit qualification or a statutory audit qualification from an Irish Recognised Accountancy Body must pass the Irish variants respectively of papers Corporate and Business Law, Taxation and the Strategic Professional Examinations, including the Irish variants respectively of paper Strategic Business Reporting and

Advanced Audit and Assurance. Those direct members who hold an EU (or equivalent third country) statutory audit qualification or a statutory audit qualification from an Irish Recognised Accountancy Body (and do not currently hold an EEA statutory audit licence) will have their statutory audit qualification considered for exemptions from the Strategic Professional Examinations. If exemptions are awarded, the applicant must also complete the Aptitude Test.

Transferring from a practising certificate to a practising certificate and audit qualification

You can transfer from a practising certificate to a practising certificate and audit qualification if you meet the eligibility requirements (ie obtain the necessary supervised audit experience in an ACCA Approved Employer – practising certificate development (audit) and pass the required ACCA exams).

Generally, you cannot transfer a practising certificate and audit qualification between countries.

THE FIRM'S AUDITING CERTIFICATE

A firm in Ireland (being a partnership, company or even a sole practitioner) that holds, or intends to hold, audit appointments will need to obtain audit registration from a Recognised Accountancy Body (RAB) in Ireland. ACCA can register firms in this regard through a firm's auditing certificate. You can download an application form from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Applying for a firm's auditing certificate

The GPRs provide the basis for ACCA's compliance with the provisions relating to the registration of auditors in the Irish Companies Act 2014. The GPRs are published in the *ACCA Rulebook*. The legislation permits audit appointments to be held in the names of firms (sole proprietorships and partnerships) and incorporated firms (limited companies), rather than in the names of individual partners/directors/members within those firms. Firms wishing to act as registered auditors must obtain audit registration from an RAB, such as ACCA. ACCA can grant registered auditor status by issuing firms' auditing certificates.

Firms in Ireland wishing to hold audit appointments in the UK must apply separately for a UK auditing certificate (see section 2).

Control qualifications necessary for an auditing certificate to be granted

Firms' auditing certificates may be held by any firm controlled by holders of the ACCA practising certificate and audit qualification for Ireland or equivalent certificates issued by Chartered Accountants Ireland (CAI) or CPA (Ireland). This includes sole proprietorships and any partnership or incorporated firm regardless of whether or not the firm contains any ACCA principals, partners or directors.

ACCA will also consider applications from firms controlled by members of the Institute of Certified Public Accountants in Ireland. Such firms should read the rest of this section and complete the relevant form.

Eligible firms (ie controlled by ACCA/CAI/ICPA Ireland members) may hold firms' auditing certificates for both the UK and Ireland but must complete separate application forms. The eligibility requirements for UK firm's auditing certificates are different from Ireland (see section 2).

Sole practitioners

If, (as an ACCA member) you hold an Irish practising certificate and audit qualification and wish to carry out Irish audit work, you must also hold an Irish firm's auditing certificate. This applies even if your sole practice trades in your name. Audit work includes the audits of Irish registered companies, other statutorily regulated entities and other assignments requiring a registered auditor. Only a firm (including any sole proprietor practising in their own name) holding a firm's auditing certificate may describe itself as Registered Auditor(s) and will have its details placed on the CORE register in Ireland.

ACCA sole practitioners must complete an application form for the firm's auditing certificate but no additional fee is payable. A sole practitioner Chartered Accountant who holds an Irish practising certificate and audit qualification from CAI is eligible to apply for an ACCA firm's auditing certificate for their firm, and to continue to describe their practice as a firm of Chartered Accountants. They need not become a member of ACCA but may do so if they wish. You can download an application form for direct admission to membership from ACCA's website at www.accaglobal.com/gb/en/member/membership/administration.html. The firm's auditing certificate fee for a non-member is £538 in 2022.

Partnerships and incorporated firms

Partnerships and incorporated firms wishing to hold audit appointments must apply for ACCA firms' auditing certificates (or seek authorisation from another RAB). However, for a firm composed wholly of partners or directors holding ACCA practising certificates, there is no fee for a firm's auditing certificate.

Mixed firms, composed wholly of Chartered Certified and Chartered Accountant partners or directors, are eligible for ACCA firms' auditing certificates. In this case, the 2022 fee is calculated on the basis of £538 for each non-ACCA partner or director.

Other mixed firms (perhaps containing non-qualified partners or directors) are eligible for ACCA firms' auditing certificates if they are controlled by holders of equivalent qualifications (as detailed above). Control is determined by the distribution of votes within the firm on all material matters, and holders of relevant qualifications must control at least 51% of such votes. (There need not be an ACCA member as a partner or director of a firm.) In addition, the management body of the firm must contain a majority of Irish audit qualified persons. Firms controlled by Chartered Accountants may be authorised by ACCA while continuing to describe their practices as 'Chartered Accountants'. Again, the 2022 fee is based on £538 for each partner or director who is not an ACCA member. (Chartered Accountants who are partners or directors in firms with ACCA firms' auditing certificates may, if they wish, apply for direct admission to membership of ACCA. You can download an application form for direct admission from ACCA's website at www.accaglobal.com/gb/en/member/membership/apply-from-other-bodies/uk-bodies.html)

Non-ACCA partners/directors who wish to be responsible for audit work in a firm applying for an ACCA auditing certificate must complete an 'Audit Experience Form' to demonstrate to ACCA that their Irish audit experience and audit knowledge is up to date. The form is available on our website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

Regarding a firm's auditing certificate granted to an incorporated firm, there is an additional control requirement – that the majority of votes on its board of directors (or of the members of a limited liability partnership) must be held by holders of relevant qualifications. In addition, the management body of the firm must contain a majority of audit qualified persons in Ireland or, if the body consists of only two persons, at least one of them is a qualified person and has a casting vote.

Other conditions necessary for the issue of a firm's auditing certificate

Within each partnership, limited liability partnership or incorporated firm, a nominated contact partner/director will have overall responsibility for the firm's compliance with the conditions detailed below.

Responsibility for audit work – Each of the partners or directors and others responsible for the firm's audit work must hold an ACCA practising certificate and audit qualification for Ireland or an equivalent certificate.

Control – In exercising control, the firm must have in place arrangements to prevent unqualified individuals and persons (whether members of the firm or not) exerting influence over the way in which audits are conducted.

ONGOING CONDITIONS FOR HOLDING AN IRISH PRACTISING CERTIFICATE AND AUDIT QUALIFICATION AND IRISH FIRM'S AUDITING CERTIFICATE

Fit and proper status

Every partner or director must be a fit and proper person so that the firm may hold an auditing certificate. ACCA may take into account any matter that relates to any of the partners or directors of the firm or anyone employed by, or associated with it, in connection with public practice. This includes such matters as failure to co-operate with ACCA or providing false, inaccurate, misleading or incomplete information to ACCA.

Section 1 sets out a list of situations in which a practising certificate holder would fail to meet the fit and proper criteria. In addition to these criteria, regarding the issue of a practising certificate and audit qualification, the Admissions and Licensing Committee will consider whether an individual has broken any provision of law on the seeking of an appointment or acting as auditor or to the carrying on of exempt regulated activities.

Responsibility and control

The above control qualifications necessary for ACCA to grant an auditing certificate must be maintained as long as the firm holds an auditing certificate. ACCA provides a factsheet giving more details on the control of the firm and rules about how the firm may be described; you can download the factsheet 'Control and description requirements' from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Each of the partners or directors responsible for the firm's audit work must continue to hold an ACCA practising certificate and audit qualification for Ireland or an equivalent certificate. The firm must also maintain its

arrangements for ensuring that the independence and integrity of its audit work are not influenced by unqualified individuals.

Professional indemnity insurance

Firms must hold professional indemnity insurance (PII). Cover must also include fidelity guarantee insurance (FGI) for any partners, directors and employees. PII should provide cover for all civil liability incurred in connection with the conduct of the firm's business by the partners, directors or employees. The FGI should include cover against any acts of fraud or dishonesty by any partner, director or employee for money or goods held in trust by the firm. Members ceasing to practise must arrange for the continued existence of PII and, where applicable, FGI for six years.

The firm is responsible for getting adequate cover and may buy it from any reputable insurance company or underwriter. ACCA provides a factsheet saying more about PII, including details of the limit of indemnity; you can download 'Professional indemnity insurance requirements' from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Continuity of practice

A firm must provide for continuity of practice. Provision for continuity should be made within the firm's partnership agreement or articles of association, provided at least two partners/directors are registered auditors, or by entering into a written agreement with another firm of registered auditors. (The name and address of another firm responsible for continuity must be given on the application form for an auditing certificate.) There must be a written agreement, which may be inspected by ACCA.

If the firm practises in both Ireland and the UK, continuity arrangements must be made with a firm (or firms) in both countries. You can find more on continuity of practice in ACCA's factsheet 'Continuity of practice requirements' which you can download from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

ACCA has developed a search tool to enable members in the UK and Ireland to find firms prepared to provide continuity of practice arrangements. The search tool can be found in the 'Find a firm' section of the ACCA website at www.accaglobal.com/find-accountant

To participate in the scheme your firm must contain at least one ACCA practising certificate holder. An opt-in form is available on the website at www.accaglobal.com/practising. ACCA is unable to recommend

specific firms and will not get involved in drawing up continuity of practice agreements. Members are strongly recommended to seek independent legal advice when drawing up a continuity agreement as the agreement will be legally enforceable upon the parties. It is, therefore, important that all parties are clear in their understanding of their responsibilities under the agreement, and that the document records accurately all matters agreed by the parties.

Notification

ACCA must supply information to the audit register on the CORE in Ireland (www.core.cro.ie). Each entry in the register will include the firm's name and a business address. In addition, in the case of incorporated firms, the register will include the name and business address of each person who is a director or holds shares in the firm. In the case of a partnership or sole proprietorship, the register will include the name(s) and address(es) of the proprietor or partners/members.

To enable ACCA to keep this register up to date, firms must notify ACCA of a number of different events or changes.

ACCA's factsheet 'Notification requirements' says more about this. You can download it from ACCA's website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Continuing professional development

All members must undertake continuing professional development (CPD), in accordance with Membership Regulation 4(4). There are four alternative routes to obtaining satisfactory CPD, all are explained on ACCA's website at www.accaglobal.com/gb/en/member/cpd/routes.html

Members following the unit route must undertake at least 40 units of relevant CPD each year, of which 21 units should be verifiable CPD. Practising members should be able to demonstrate they have maintained competence in the specialised areas of their practices.

ACCA's factsheet 'Continuing professional development (CPD) for practising members' says more on CPD; you can download it from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Non-ACCA members who wish to be responsible for audit work in a firm holding an Irish auditing certificate from ACCA must to comply with the CPD requirements outlined in Membership Regulation 4(4) as if they were members. They must keep up to date in the Irish audit

framework, financial reporting standards in use in Ireland and Irish and EU legislation relevant to the preparation of financial statements and to statutory audit and auditors. In addition, they must keep CPD evidence for six years and comply with IES8 even if not currently acting as an Engagement Partner. Further information is available on our website at <https://www.accaglobal.com/gb/en/member/cpd/your-guide-to-cpd/cpd-for-practising-members.html>

IFAC has issued International Education Standard (IES) 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised).

IES 8 became effective on 1 July 2016. It prescribes the professional competence that professional accountants are required to develop and maintain when performing the role of an Engagement Partner responsible for audits of financial statements.

Under the revised IES 8 professional accountants performing the role of an Engagement Partner will be required to develop and maintain professional competence that is demonstrated by the achievement of learning outcomes. They will also be required to undertake CPD that develops and maintains the professional competence required for this role. It is the responsibility of the professional accountant performing the role of an engagement partner to develop and maintain professional competence by undertaking relevant CPD activities, which include practical experience. Further information can be found on ACCA's website at www.accaglobal.com/uk/en/member/cpd/your-guide-to-cpd/cpd-for-practising-members.html and on IFAC's website at www.ifac.org/publications-resources/ies-8-professional-competence-engagement-partners-responsible-audits-financ-0

Conduct of public practice

All partners/directors and others responsible for audit work must comply with ACCA's Code of Ethics and Conduct, especially in connection with the proper conduct of public practice, integrity and independence. The Code of Ethics and Conduct is available from the ACCA Rulebook. You can download ACCA's factsheet 'Code of Ethics and Conduct' from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

Technical standards

All partners/directors and others responsible for audit work must comply with ACCA's Technical Standards. In particular, firms must comply with the International Standards on Auditing issued by the Irish Auditing and Accounting Supervisory Authority.

Monitoring

All partners/directors and others responsible for audit work must co-operate with ACCA in its monitoring and enforcement of the bye-laws and regulations.

ACCA will monitor and enforce its bye-laws and regulations by analysing firms' annual returns and carrying out monitoring visits. The visits will normally take place every six years, but they may be more frequent if necessary as a result of complaints or significant changes in a practice. More visits or follow-up action may result from a visit that revealed inadequacies.

ACCA's factsheet 'Monitoring requirements and global quality assurance' says more about monitoring. You can download it from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html#factsheets.html

Competent authority

In Ireland, the competent authority is the Irish Auditing and Accounting Supervisory Authority (IAASA) and firms are bound by the procedures, rules and guidance, as may be issued from time to time by IAASA in the exercise of its statutory functions.

Descriptions

Firms holding an ACCA auditing certificate may include the following statement on their business stationery:

'Registered as auditors in Ireland by the Association of Chartered Certified Accountants'.

Firms may also use the description 'Registered Auditors'.

ACCA's factsheet 'Control and description requirements' says more; you can download it from the website at www.accaglobal.com/gb/en/member/regulation/factsheets.html

OTHER USEFUL INFORMATION

Spare-time certificates

ACCA regards you as being in spare-time practice if you hold a practising certificate and audit qualification while employed in industry, commerce, public service or employed (as opposed to being a principal) in a practice. The experience requirements for obtaining a spare-time practising certificate and audit qualification, and the ongoing conditions, are exactly the same as for full-time certificates.

Renewal of an Irish practising certificate and audit qualification

All practising certificates (including the practising certificate and audit qualification) are renewable annually. Practising certificates for Ireland are valid only until 31 December in the year of issue. Renewal notifications for them are usually sent in October of each year.

Renewal of firms' auditing certificates

All firms' auditing certificates are valid only until 31 December in the year of issue. All firms' auditing certificates are renewable annually. A firm that ceases to hold a firm's auditing certificate will be eligible to resume holding one if it meets the fitness and propriety requirements and other ongoing conditions at the time of the fresh application.

Jurisdiction

A firm based outside Ireland may, if it is eligible, hold a firm's auditing certificate if it wishes to hold Irish audit appointments. In such cases the fees and conditions referred to above apply. However, firms' auditing certificates are not issued if you propose to hold audit appointments only of companies registered outside Ireland.

ACCA issues separate firm's auditing certificates for the UK. Firms wishing to apply for a firm's auditing certificate for the UK must complete a separate application form and meet the eligibility requirements. Section 2 provides further information.

Anti-money laundering

Holders of Irish practising certificates and audit qualifications must comply with the relevant anti-money laundering legislation and regulations.

Members in Ireland who provide accountancy services within the terms of the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2021 by way of business which fall outside the meaning described by regulation 4 of the Global Practising Regulations (for example book-keeping) are subject to supervision for compliance with the anti-money laundering provisions under the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2021. In such cases, eligible members should consider obtaining a practising certificate from ACCA in order to be supervised by ACCA.

If your firm is controlled by ACCA members (ie at least half of the partners/directors are members of ACCA and the ACCA partners/directors control at least 51% of the voting rights) or holds an auditing certificate from ACCA, you/your firm are automatically supervised by ACCA. If your firm does not meet these requirements, you must be supervised by another recognised supervisory authority, or register with the Minister for Justice, Equality and Law Reform in Ireland.

PRACTISING CERTIFICATE AND AUDIT QUALIFICATION FEES – 2022

The fee for a practising certificate and audit qualification valid in Ireland is £538.

FIRM'S AUDITING CERTIFICATE FEE – 2022

The fee for a firm's auditing certificate is calculated on the basis of £538 for each non-ACCA principal of the firm.

4 THE PRACTISING CERTIFICATE AND AUDIT QUALIFICATION – ZIMBABWE

The Chartered Certified Accountants' Global Practising Regulations 2003 (GPRs) and Annex 3 set out the eligibility criteria for obtaining a practising certificate and audit qualification for Zimbabwe, and detail the continuing obligations placed on holders of the Zimbabwe audit qualification.

THE PRACTISING CERTIFICATE AND AUDIT QUALIFICATION

ACCA is one of the constituent bodies of the Public Accountants and Auditors Board (PAAB) - the registering, regulatory, and standard-setting body for all professional accountants in Zimbabwe. Therefore, ACCA is recognised to award an audit qualification to members in Zimbabwe who meet the eligibility criteria. Under ACCA's regulations any member in Zimbabwe undertaking audit work must hold a practising certificate and audit qualification from ACCA.

Once awarded, holders of a practising certificate and audit qualification in Zimbabwe may apply to PAAB for registration as a public auditor or public accountant in Zimbabwe.

HOW TO OBTAIN THE AUDIT QUALIFICATION FOR ZIMBABWE

To obtain the audit qualification specifically for Zimbabwe, you must have:

- completed three years of training in public practice with an ACCA Approved Employer – practising certificate development (audit), under the supervision of an appropriately qualified principal (or five years if you lack a university degree) or
- have previously held an equivalent ACCA certificate.

The training in an ACCA approved employer must consist of experience in the following:

Audit

You must be proficient in all the performance objectives for audit and assurance as described in ACCA's Practical Experience Requirement (PER). These are performance objectives 18, 19 and 20 in the PER.

Corporate reporting and financial management, and taxation

You must endeavour to achieve proficiency in a broad range of practical experience in relation to accounting and taxation.

The training must be obtained in an ACCA approved employer under the supervision of either:

- (a) a principal who is entitled to practise and throughout the period of training does practise as an auditor in the country; or
- (b) any other person having in the opinion of Council adequate qualifications and experience providing that such person is a fully qualified auditor under the law of Zimbabwe.

In addition, you must have passed the ACCA exam Advanced Audit and Assurance (or an equivalent paper under previous examination syllabi).

You must also have successfully completed all the relevant Strategic Professional examinations, or equivalent examinations from a previous syllabus, within five years from the date on which you completed the Applied Knowledge Level and Applied Skills Level examinations, or equivalent examinations from a previous syllabus.

If you accepted exemptions from all or part of the Applied Knowledge Level and Applied Skills Level of the Association's syllabus, or equivalent examinations from a previous syllabus, on the basis of qualifications gained more than five years previously (at the date of initially submitting the qualifications as an ACCA student), you will be required to pass those exempted examinations.

If you registered for the ACCA Qualification on or after 1 January 2016, you must have successfully completed all the relevant Applied Knowledge Level and Applied Skills Level examinations, or equivalent examinations from a previous syllabus, within five years of becoming eligible to sit these examinations

(Note: Holders of a practising certificate and audit qualification in Zimbabwe may apply to the Public Accountants and Auditors Board for registration as a public auditor or public accountant in Zimbabwe.)

HOW TO OBTAIN THE PRACTISING CERTIFICATE

To obtain the practising certificate, you must have:

- completed three years of training in public practice with an ACCA Approved Employer – practising certificate development (audit), under the supervision of an appropriately qualified principal, two years of which must be post-membership, or
- have previously held an equivalent ACCA certificate.

The training in an ACCA approved employer after admission to membership must consist of experience in the matters set out in ACCA's Practising Certificate Experience Requirement (PCER).

You must provide confirmation of two years' post-membership experience from your appropriately qualified

principal confirming that you have achieved proficiency in a broad range of practical experience in relation to accounting and taxation.

ONGOING CONDITIONS FOR HOLDING A PRACTISING CERTIFICATE AND AUDIT QUALIFICATION

Fit and proper status

Section 1 sets out a list of situations in which a practising certificate holder would fail to meet the fit and proper criteria. In addition to these criteria, the Admissions and Licensing Committee will consider whether an individual has broken any provision of law on the seeking of an appointment or acting as auditor.

Professional indemnity insurance

Firms must hold professional indemnity insurance (PII). Cover must also include fidelity guarantee insurance (FGI) for any partners, directors and employees. PII should provide cover for all civil liability incurred in connection with the conduct of the firm's business by the partners, directors or employees. The FGI should include cover against any acts of fraud or dishonesty by any partner, director or employee for money or goods held in trust by the firm. Members ceasing to practise must arrange for the continued existence of PII and, where applicable, FGI for six years.

The firm is responsible for getting adequate cover and may buy it from any reputable insurance company or underwriter. ACCA provides a factsheet saying more about PII, including details of the limit of indemnity; you can download 'Professional indemnity insurance requirements' from the website at www.accaglobal.com/uk/en/member/regulation/factsheets.html

Continuity of practice

A firm must provide for continuity of practice. Provision for continuity should be made within the firm's partnership agreement or articles of association, provided at least two partners/directors are registered auditors, or by entering into a written agreement with another firm of registered auditors. (The name and address of another firm responsible for continuity must be given on the application form for an auditing certificate.) There must be a written agreement, which may be inspected by ACCA.

If the firm practises in more than one country, continuity arrangements must be made with a firm (or firms) in both countries. You can find more on continuity of practice in ACCA's factsheet 'Continuity of practice requirements' which you can download from the website at www.accaglobal.com/uk/en/member/regulation/factsheets.html

Notification

To enable ACCA to keep this register up to date, firms must notify ACCA of a number of different events or changes.

ACCA's factsheet 'Notification requirements' says more about this. You can download it from ACCA's website at www.accaglobal.com/uk/en/member/regulation/factsheets.html

Continuing professional development

All members must undertake continuing professional development (CPD), in accordance with Membership Regulation 4(4). There are four alternative routes to obtaining satisfactory CPD, all are explained on ACCA's website at www.accaglobal.com/gb/en/member/cpd/routes.html

Members following the unit route must undertake at least 40 units of relevant CPD each year, of which 21 units should be verifiable CPD. Practising members should be able to demonstrate they have maintained competence in the specialised areas of their practices.

ACCA's factsheet 'Continuing professional development (CPD) for practising members' says more on CPD; you can download it from the website at www.accaglobal.com/uk/en/member/cpd/your-guide-to-cpd/cpd-for-practising-members.html

IFAC has issued International Education Standard (IES) 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised).

IES 8 became effective on 1 July 2016. It prescribes the professional competence that professional accountants are required to develop and maintain when performing the role of an Engagement Partner responsible for audits of financial statements.

Under the revised IES 8 professional accountants performing the role of an Engagement Partner will be required to develop and maintain professional competence that is demonstrated by the achievement of learning outcomes. They will also be required to undertake CPD that develops and maintains the professional competence required for this role. It is the responsibility of the professional accountant performing the role of an engagement partner to develop and maintain professional competence by undertaking relevant CPD activities, which include practical experience. Further information can be found on ACCA's website at www.accaglobal.com/uk/en/member/cpd/your-guide-to-cpd/cpd-for-practising-members.html and on IFAC's website at www.ifac.org/publications-resources/ies-8-professional-competence-engagement-partners-responsible-audits-financ-0

Conduct of public practice

All partners/directors and others responsible for audit work must comply with ACCA's Code of Ethics and Conduct, especially in connection with the proper conduct of public practice, integrity and independence. The Code of Ethics and Conduct is available from the ACCA Rulebook. You can download ACCA's factsheet 'Code of Ethics and Conduct' from the website at www.accaglobal.com/uk/en/member/regulation/factsheets.html

Technical standards

All partners/directors and others responsible for audit work must comply with ACCA's Technical Standards.

Monitoring

All partners/directors and others responsible for audit work must co-operate with ACCA in its monitoring and enforcement of the bye-laws and regulations.

ACCA will monitor and enforce its bye-laws and regulations by analysing firms' annual returns. ACCA's factsheet 'Monitoring requirements and global quality assurance' says more about monitoring. You can download it from the website at www.accaglobal.com/uk/en/member/regulation/factsheets.html

OTHER USEFUL INFORMATION**Spare-time certificates**

ACCA regards you as being in spare-time practice if you hold a practising certificate and audit qualification while employed in industry, commerce, public service or employed (as opposed to being a principal) in a practice. The experience requirements for obtaining a spare-time practising certificate and audit qualification, and the ongoing conditions, are exactly the same as for full-time certificates.

Renewal of a practising certificate and audit qualification

All practising certificates (including the practising certificate and audit qualification) are renewable annually. Practising certificates for Zimbabwe are valid until 30 June after the date of issue. The renewal notifications for these are usually sent in April of each year.

PRACTISING CERTIFICATE AND AUDIT QUALIFICATION FEES – 2022

There is currently no fee for a practising certificate and audit qualification in Zimbabwe.

5 EXEMPT REGULATED ACTIVITIES IN THE UK

ACCA is a Designated Professional Body (DPB) under the Financial Services and Markets Act 2000. DPB status enables ACCA to regulate firms to undertake a limited range of investment and credit-related regulated activities known as exempt regulated activities.

INTRODUCTION

Firms that may wish to conduct investment business or credit-related regulated activities (or both) have the option of direct registration with the Financial Conduct Authority (FCA). Alternatively, ACCA's Designated Professional Body Regulations 2001 (DPBRs) may apply to firms that do not (or cannot) obtain direct registration, thereby enabling them to undertake exempt regulated activities only.

ACCA has put in place a simple set of registration arrangements for firms that wish to undertake exempt regulated activities. There are no separate fees for firms registering to undertake exempt regulated activities. Download the application form from ACCA's website at www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/practitioner-forms.html

The scope of the exempt regulated activities is largely specified in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001. This is the basis for ACCA's DPBRs, which are published in the ACCA Rulebook.

Firms that are directly authorised by the FCA for investment business and/or credit-related regulated activities (or both) are not eligible to carry out exempt regulated activities under the DPB arrangements.

ELIGIBILITY CRITERIA

The DPBRs apply to all members and firms that satisfy the relevant eligibility requirements. They apply to exempt regulated activities carried on in, into or from the UK. So the DPBRs apply to Northern Ireland but not to the Republic of Ireland.

Regulation 3 of the DPBRs sets out the eligibility requirements in detail, and these are summarised below:

Sole practitioners

As a sole practitioner you are eligible to carry on regulated activities only if:

- you are a member
- you hold a practising certificate, and
- your main business is public practice accountancy services.

Partnerships

A partnership is eligible to carry on regulated activities only if:

- at least one of the partners in the firm is an ACCA member, and each partner who is not a member* is entitled to practise accountancy and is subject to ACCA regulations
- the partners who are members of ACCA or of another designated professional body (if any) manage or control the firm, and
- the partnership's main business is public practice accountancy services.

If this regulation applies to a limited liability partnership, 'partner' means a member of the partnership.

Companies

A company is eligible to carry on regulated activities only if:

- at least one director and controller is an ACCA member, and each director who is not a member* is entitled to practise accountancy and is subject to ACCA regulations
- the directors who are members of ACCA or of another designated professional body (if any) manage or control the firm, and
- its main business is public practice accountancy services.

* As well as completing the application form, each non-ACCA partner/member/director must complete an additional form (PIB (UK)) on which they must declare that they will be bound by ACCA's regulations as if they were ACCA members. This form is on ACCA's website.

WHAT ACTIVITIES CAN FIRMS UNDERTAKE?

Investment business

The regime enables ACCA, as a DPB, to allow its member firms to carry out a limited range of investment business activities without having to obtain direct FCA authorisation; but the activities must be 'incidental' to the core business of accountancy services.

Regulation 3(5) of the DPBRs provides guidance on the factors that firms should consider when assessing whether their investment business activities are 'incidental'. This test is qualitative not quantitative.

The activities that ACCA-regulated firms can carry out under the DPBRs are set out in regulation 4(1). ACCA also publishes a guide covering permitted activities. You can download it from the website at www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2018/september/tf-exempt-regulated-activities-registration.html

Prohibited activities

ACCA-regulated firms must not carry out certain activities under the DPBRs because they are prohibited by:

- i the Non-Exempt Activities Order, or
- ii the DPBRs.

Therefore, no firm may carry out any activity that falls within the list of prohibited activities in regulation 4(2).

Regulated mortgage work and insurance distribution activity

The DPBRs include specific regulations for firms wishing to undertake regulated mortgage work, long-term care insurance and other insurance distribution activities. Firms wishing to undertake insurance distribution activities should familiarise themselves with regulation 4(3) of the DPBRs. In particular, they should ensure that they:

- i hold professional indemnity insurance at the prescribed level (ie at least £1,000,000 on an each-and-every-claim basis and £1,500,000 in total), and
- ii have been placed on the Financial Services Register.

Referring a client to another adviser is not an insurance distribution activity, so is not subject to the Regulations. Providing more specific information to a client, an intermediary or an insurance company is an insurance distribution activity, but is exempt from the professional indemnity insurance requirement. (Regulation 4(4) of the DPBRs lists the activities that do not constitute insurance distribution activity.)

(* Insurance distribution means the activities of advising on, proposing, or carrying out other work preparatory to the conclusion of contracts of insurance (which includes contracts of reinsurance), of concluding such contracts, or of assisting in the administration and performance of such contracts, in particular in the event of a claim, including the provision of information concerning one or more insurance contracts in accordance with criteria selected by customers through a website or other media and the compilation of an insurance product ranking list, including price and product comparison, or a discount on the price of an insurance contract, when the customer is able to directly or indirectly conclude an insurance contract using a website or other media).

Firms that intend to undertake insurance distribution activities must provide information on the application form about shareholders and close links and whether any close link is likely to prevent ACCA's effective supervision of the firm. 'Close links' has the meaning given by article 13 point 17 of Directive 2009/138/EC, and comprises a situation in which two or more persons are linked by control or participation, or a situation in which two or more persons are permanently linked to one and the same person by a control relationship.

CREDIT-RELATED REGULATED ACTIVITIES

Firms authorised under the DPBRs must comply with the conduct provisions of the FCA's Consumer Credit sourcebook as they apply to the credit-related regulated activities being performed or offered by the firm. Firms so authorised may carry on the credit-related regulated activities listed in regulation 4(1) of the DPBRs.

Further information is available at www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2017/october/consumer-credit-acca-practitioners.html

If you need more guidance about the DPBRs or the types of work that ACCA-regulated firms may do, please contact Technical Advisory on 0207 059 5920.

CONDUCT OF BUSINESS REGULATIONS

Chapter 5 of the DPBRs sets out a number of conduct of business matters that firms need to comply with in order to provide exempt regulated activities. These regulations cover matters concerning independence (including inducements and arrangements with third parties), relations with clients (including communications, clients rights and charges), and compliance procedures (including record-keeping and complaints-handling).

Business stationery

ACCA has agreed the following wording with the FCA that appropriately authorised firms may use on business letters, notices and other publications:

'Regulated for a range of investment business activities by the Association of Chartered Certified Accountants'.

This is an optional statement.

OVERSEAS BRANCHES OR OFFICES AND JURISDICTIONS

The Financial Services and Markets Act 2000 regulates investment business and credit-related regulated activities conducted in the UK. Firms with a branch or office outside the UK, Channel Islands and Isle of Man are eligible to undertake exempt regulated activities from the UK branch or office.

Irish Investment Intermediaries Act 1995

ACCA has formally relinquished its Approved Professional Body (APB) status under the Irish Investment Intermediaries Act 1995, which means that ACCA no longer issues any Irish Investment Business certificates to firms. Further information is available here www.accaglobal.com/gb/en/member/sectors/smp/practising-certificates-and-licences/irish-investment-business-authorisation.html

RENEWAL OF FIRMS' EXEMPT REGULATED ACTIVITIES REGISTRATION

All firms' exempt regulated activities registrations are valid only until 31 December in the year of issue and are renewable annually.



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Think Ahead