

## **CHANGES TO THE ACCA RULEBOOK – 1 JANUARY 2022**

This paper provides an explanation of the proposed changes to the ACCA *Rulebook*, which take effect on 1 January 2022.

This document has no regulatory status. It is issued for guidance purposes only. Nothing contained in this document should be taken as constituting the amendment or adaptation of the ACCA Rulebook. In the event of any conflict between the content of this document and the content of the ACCA Rulebook, the latter shall at all times take precedence.

The Rulebook is divided into three sections:

- Section 1 includes the Royal Charter, Bye-laws and Council Regulations. Commentary on the changes to the Council Regulations is set out below.
- Section 2 includes the Regulations, covering membership of ACCA, practising and licensing arrangements, and regulatory and disciplinary matters. Commentary on the changes to the Code is set out below.
- Section 3 includes the Code of Ethics and Conduct. Commentary on the proposed changes to Code are set out below.

Changes to the ACCA *Rulebook* arise largely from policy decisions, legislative changes and the requirements of lead regulators or standards setting organisations.

### ***Section 1 – Royal Charter, Bye-laws and Council Regulations***

#### **Council Regulations**

##### **Composition of Council**

An amendment has been made to Regulation 3 of the Council Regulations to increase the number of members on Council from 42 to 45. The changes to Council's composition arise from the modernisation of ACCA's governance structure and form part of a series of measures to support Council in being reflective of ACCA's global membership.

## **Section 2 – Regulation**

### **Membership Regulations**

#### **Updating AML legislative references**

Amendments have been made to the Membership Regulations (Regulation 8(2)(k)) to update AML legislative references. Similar amendments were made to Annex 2 to the Global Practising Regulations (Regulations 3(3), 8(2) and 9).

#### **Annual admission fees and subscriptions**

Amendments have been made to Membership Regulation 4(3)(e) to reflect annual changes to the rates of admission fees and annual subscriptions.

The fees for 2022:

- Member Subscription fee - £270
- Member Admission fee - £270.

### **Global Practising Regulations**

#### **Practising Certificate Experience Form (PCEF) exemption**

Amendments have been made to Regulation 7(1)(a)(i)(cc) to give effect a change to ACCA's Practising Certificate arrangements. The change enables members who have gained their experience in employers that are registered under the Practising Certificate Development stream of approval to obtain an exemption from completing the detailed Practising Certificate Experience Form (PCEF).

The changes to the Practising Certificate arrangements are explained further in the below article.

<https://www.accaglobal.com/uk/en/technical-activities/uk-tech/in-practice/2021/December/changes-practising-certificate-requirements.html>

#### **CPD requirements and guidance for Irish statutory auditors**

Changes have been made to Appendix 1 (Regulation 10) of Annex 2 to the GPRs, which implement more specific CPD requirements and guidance for Irish statutory auditors (members and non-members) in order to comply with guidelines on continuing education issued by IAASA.

## **Designated Professional Body Regulations (DPBRs)**

The changes to the DPBRs clarify the requirements relating to the receipt of remuneration and remove a specific requirement relating to the timing of disclosure. Further information can be found on the below factsheet:

<https://www.accaglobal.com/uk/en/member/regulation/factsheets.html>

## **Regulatory Board and Committee Regulations**

### **Incompatibility provisions**

Amendments have been made to Regulation 4(6) of the Regulatory Board and Committee Regulations (RBCRs) to address anomalies in the Incompatibility (conflict of interest) provisions and extend cooling-off period from three to six years – regulation 4(6).

### **Deleting references to obsolete regulations**

Regulation 2(1) of Appendix 1 of the Regulatory Board and Committee Regulations has been amended to delete references to 'The Chartered Certified Accountants' Irish Investment Business Regulations 2013' and 'The Chartered Certified Accountants' Financial Services Compensation Regulations 1996', which no longer exist.

## ***Section 3 - Code of Ethics and Conduct***

The Code of Ethics and Conduct has been amended to reflect revisions to the International Code of Ethics for Professional Accountants. These are set out below:

### ***Role and mindset expected of all accountants***

Revisions to Sections 100 (Complying with the Code), 110 (The Fundamental Principles), 120 (The Conceptual Framework), 200 (Applying the Conceptual Framework – Professional Accountants in Business), 220 (Preparation and Presentation of Information), the Glossary and Effective Date better promote the role and mindset expected of all accountants.

### ***Objectivity of Engagement Quality Reviewers***

Revisions to Sections 300 (Applying the Conceptual Framework – Professional Accountants in Practice), 325 (Objectivity of an Engagement Quality Reviewer and Other Appropriate Reviewers), 540 (Long Association of Personnel (including partner rotation) with an Audit Client) and Effective Date provide guidance that

supports International Standard on Quality Management (ISQM) 2 in addressing the eligibility of an individual to serve in an engagement reviewer (EQR) role.

#### *Fee-related provisions*

Revisions to Section 410 (Fees) and consequential and conforming amendments to Sections 120 (The Conceptual Framework), 270 (Pressure to breach fundamental principles), 320 (Professional appointment), 330 (Fees and other type of remuneration), 400 (Applying the Conceptual Framework to independence for audit and review engagements), 905 (Fees) and Effective Date provide enhancements to the fee-related provisions of the Code so that they remain robust and appropriate in enabling professional accountants to meet their responsibility to comply with the fundamental principles and be independent.

#### *Non-assurance services provisions*

Revisions to Section 600 (Provision of non-assurance services to an audit client) and consequential and conforming amendments to Sections 400 (Applying the Conceptual Framework to independence for audit and review engagements), 525 (Temporary personnel assignments) 900 (Applying the Conceptual Framework to independence for assurance engagements other than audit and review engagements) 950 (Provision of non-assurance services to assurance clients other than audit and review engagement clients), and Effective Date:

- clarify the circumstances in which firms and network firms may or may not provide a non-assurance service (NAS) to an audit or assurance client and therefore help achieve consistent application of the NAS provisions across firms and jurisdictions
- introduce several requirements that expressly prohibit firms and network firms from providing certain types of NAS to their audit clients
- provide some structural amendments to Section 600.

### **ACCA specific requirements and guidance of the Code of Ethics and Conduct**

#### *Commissions*

Amendments to ACCA specific requirements and guidance within Section 310 of the Code:

- align the examples of safeguards provided in paragraph 330.5 A2 of the Code
- remove the guidance to disclose amounts and terms 'as soon practicable'.

#### *AML requirements*

Changes to Section B2, in respect of AML requirements, remove guidance on client identification that is deemed unhelpful to ACCA and is contrary to what accountants

are required to do in order to comply with legislation. Indeed, accountants do need to identify their clients irrespective of personally knowing them.

All members, students and others bound by the ACCA Rulebook should ensure they are fully aware of its contents. Further information can be found at

[www.accaglobal.com/rulebook](http://www.accaglobal.com/rulebook)