



ICAEW amends regulatory requirement for EEA members, reducing duplication

After requests for further clarifications on the regulatory requirements for practising ICAEW members resident in the EEA, please see the guidance below:

A. ICAEW members in practice

As from 1 January 2012, the regulatory guidelines on Practising Certificates for ICAEW members practising in the EEA have been amended to the following:

- For those members who only offer accounting services* to corporate clients registered within the PC holder's country of residence only and non-corporate clients resident within the PC holder's country of residence only, ICAEW will not require they hold an ICAEW Practising Certificate, provided they are members and hold an Practising Certificate from a FEE or IFAC body or state or government department in their country of residence covering all services they offer;
- For those members who offer accounting services to corporate clients registered in or non-corporate clients resident in the United Kingdom, the Crown Dependencies** or the Republic of Ireland, ICAEW requires they continue to hold the ICAEW Practising Certificate even if they also hold an Practising Certificate from a FEE or IFAC body or state or government department in their country of residence covering all services;
- For those members who also offer accounting services to corporate clients registered in or non-corporate clients resident in other countries within the EEA but outside their country of residence, the United Kingdom, the Crown Dependencies* and the Republic of Ireland, ICAEW requires they hold a licence to practise granted by a FEE or IFAC body or state or government department in that other country covering all services. In the absence of this licence, they will be required to hold the ICAEW Practising Certificate unless the licence in their country of residence also covers their work in that other country.

This flowchart sets out the requirements for EEA members.

Where members are not required to hold an ICAEW Practising Certificate they may still choose to continue to hold one and all ICAEW members are still entitled to all of the support available from the ICAEW, including advice published on <http://www.icaew.com/en/members/practice-resources/practice-management/setting-up-a-practice>.

For more information, please email EEAPHolders@icaew.com.

B. Acquiring audit rights in the United Kingdom and Crown Dependencies*

ICAEW members in the EEA are eligible to acquire audit rights in the UK and Channel Islands, under the following requirements:

1. Members are ICAEW Practising Certificate holders
2. Members are holders of the audit qualification
3. Members apply to ICAEW for their firm to become a registered auditor
4. Firms nominate a 'responsible individual' for approval by ICAEW (person entitled to sign an audit report)

5. Members comply with UK audit regulations and guidance
6. Members carrying out audits on companies incorporated in one of the Crown Dependencies which are listed on an EU regulated market, need also to be registered for audit with the relevant Crown Dependency.

More information may be found on <http://www.icaew.com/en/technical/audit-and-assurance/working-in-the-regulated-area-of-audit/become-a-registered-auditor>

The above guidance reflects how the ICAEW Practising Certificate rules apply today and is subject to change. ICAEW are reviewing the definitions within the regulations and will issue further guidance once that process is completed. Members will be notified in the event of any changes.

*

“Accountancy Services” per the ICAEW regulations:

- the preparation of financial records, returns, statements or information; or
- the provision of consultancy or advice concerning accounting, auditing, insolvency or taxation matters; or
- the provision of a service that requires a specific licence that the Institute can provide (even if the licence is not obtained from the Institute); or
- the representation of a client to/before third parties in matters concerning accounting, auditing, insolvency or taxation

(**Isle of Man, Jersey and Guernsey)