



# PRACTICE ASSURANCE SURGERY



Your Practice Assurance surgery is designed to reassure you that your practice is meeting the requirements of the principles-based Practice Assurance standards, other relevant regulations and the Code of Ethics.

During the surgery, you will also have the opportunity to discuss any other matters regarding your firm.

# PRACTICE ASSURANCE SURGERY

## BEFORE THE SURGERY

We will phone you before the surgery to answer any questions you may have, and to discuss practical arrangements.

You will also need to:

- complete and return an information questionnaire four weeks before the meeting; and
- prepare the documents listed opposite that you need to bring to the meeting. Not every document or record listed will necessarily be relevant to your practice.

## THE SURGERY

Our approach is open and friendly, starting with a discussion to gain a general picture of your firm. We will review the information you have given on the information questionnaire, together with the documents you bring with you.

If any issues arise, we discuss these and consider your initial thoughts on any action we may suggest to help your firm. The whole process is likely to last an hour and a half.

We do not form judgements on your professional advice or examine your clients' affairs in depth. We concentrate on finding out how your firm demonstrates that it meets the principles-based Practice Assurance standards, other relevant regulations and the Code of Ethics. The standards can be applied in different ways and we consider whether your approach is appropriate for the size and nature of the firm and the work it undertakes.

## THE CLOSING RECORD

During the surgery, we record our findings summarising any issues we discuss with you. We will send you a copy of our findings by email.

We ask you to respond in writing to each of the findings within 15 business days. You need to explain what action you plan to take and by what date.

## AFTER THE VISIT

When we receive your response, we complete our working papers which may include a quality control review.

If we have any questions or need additional information, we will give you a ring. We will only be able to close the process once we have received and reviewed your responses.

You will usually receive a letter from us to confirm that your visit has been completed satisfactorily, or to request additional information so that we can close the visit.

In some circumstances, we may need to report matters to the Practice Assurance Committee (PAC). If this happens, we will keep you fully informed and send you a copy of our report for comment before it is considered by the PAC.

## COMPLAINTS

There is a formal process for handling complaints. Please write to the director, QAD, if you have any comments about the visit process.

If your comments are about the director, QAD, please write to the chief executive at:

ICAEW  
Chartered Accountants' Hall  
Moorgate Place  
London EC2R 6EA UK



## DOCUMENTS YOU NEED TO BRING TO THE SURGERY

Not every document or record listed will necessarily be relevant to your practice.

### FIRM INFORMATION

- Professional indemnity insurance policy, most recent proposal document and renewal form, details of claims history and current claims or notifiable events
- Fee protection insurance (where applicable):
  - policy
  - example of firm's explanatory letter and any promotional material sent to clients
  - example of invoice to clients
- Promotional or marketing material (eg, newsletters, budget circulars, website)
- Firm's letterhead, fax header and email template

### PERSONNEL INFORMATION

- List of staff and their responsibilities
- CPD records for the last two years for the practitioner and qualified staff (current and previous year)
- Example of contract of employment
- Subcontractor and consultancy agreements

### ACCOUNTING RECORDS

- Client bank account statements, cashbook (or access to electronic records) and reconciliations for the last six months; trust letter(s) from the bank, details of alternate, and compliance review
- Letters notifying clients of commission received in the last 12 months, and commission statements for the last 12 months

### CLIENT RECORDS

- All files for one client to include anti-money laundering procedures, terms of engagement, written notice of basis of fees and complaints procedures

### SELF-MONITORING

- Most recent annual review of compliance with the Clients' Money Regulations
- Most recent review of compliance with the Money Laundering Regulations 2007
- Most recent review of compliance with the Practice Assurance standards

### SOURCES OF INFORMATION

[icaew.com/practice](http://icaew.com/practice)  
[icaew.com/faculties](http://icaew.com/faculties)  
[icaew.com/sigs](http://icaew.com/sigs)  
[icaew.com/helpsheets](http://icaew.com/helpsheets)  
[icaew.com/cpd](http://icaew.com/cpd)  
[icaew.com/pii](http://icaew.com/pii)  
[icaew.com/qad](http://icaew.com/qad)  
[icaew.com/moneylaundering](http://icaew.com/moneylaundering)  
[icaew.com/support](http://icaew.com/support)  
[icaew.com/membershandbook](http://icaew.com/membershandbook)



ICAEW is a founder member of the Global Accounting Alliance, which represents around 775,000 of the world's leading professional accountants in over 165 countries around the globe, to promote quality services, share information and collaborate on important international issues.

As a world-class professional accountancy body, ICAEW provides leadership and practical support to over 134,000 members in more than 160 countries, working with governments, regulators and industry to maintain the highest standards.

Our members provide financial knowledge and guidance based on the highest technical and ethical standards. They are trained to challenge people and organisations to think and act differently, to provide clarity and rigour, and so help create and sustain prosperity. ICAEW ensures these skills are constantly developed, recognised and valued.

**Because of us, people can do business with confidence.**

ICAEW

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