



Wednesday 10 October 2007

For immediate release

Practising certificates made simpler

Chartered accountants will find the new arrangements for obtaining a practising certificate (PC) clearer from today, following approval from the council of the Institute of Chartered Accountants in consultation with members.

Before engaging in public practice, qualified members of the ICAEW need to hold a practising certificate (PC) and comply with the Institute's Professional Indemnity Insurance and Practice Assurance Regulations.

Welcoming the move, the ICAEW's Chief Executive Michael Izza said:

"Members told us that the current practising certificate arrangements were unclear and posed barriers to some wishing to return to practice, particularly after a career break. The changes approved by council represent a big improvement for members in the clarity and accessibility of the practising certificates arrangements. It will now be easier to see when or if a PC is required, and enable people to more easily come back to practice.

He added:

"Members must still be able to demonstrate recent, relevant post qualification work experience in the areas in which they intend to practise, ethical awareness, and other regulatory compliances, providing businesses and the public with continuing confidence in our high standards."

The revised arrangements for PCs are effective from 1 January 2008.

- The first change is a revision of the council statement on public practice which is now clearer and easier to understand.. This sets out the circumstances in which members are considered to be in practice and for which they need a PC. Some members, when looking at the revised definition, may find that they now need a practising certificate, but the new application process is simpler.
- The second change affects the arrangements for obtaining a PC. The new arrangements include a self-assessment questionnaire available after 30 November 2007 for members to decide if they are ready to enter public practice and have the necessary skills to provide accountancy services to clients.
- The application form available after 30 November 2007 has also been revised.

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- Finally, the institute has sought to provide financial assistance where it is most likely to be needed. New practising certificate holders (after 1 January 2008) who practise as a sole practitioner (or as the sole director/shareholder of a limited company) will not have to pay the practising certificate and practice assurance fees when applying for a practising certificate or on the first renewal after that.

A member must still apply the statement to his or her own situation to decide if a practising certificate is needed. The revised statement includes guidance to make this decision easier and the facility to call the ethics helpline for assistance remains.

– ENDS –

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Notes to editors:

1. As a world-leading professional accountancy body, the Institute of Chartered Accountants in England and Wales (ICAEW) provides leadership and practical support to over 128,000 members in more than 140 countries, working with Government, regulators and industry in order to ensure the highest standards are maintained.

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. The ICAEW ensures these skills are constantly developed, recognised and valued.

Because of us, people can do business with confidence.

2. The ICAEW is a founding member of the Global Accounting Alliance with over 700,000 members worldwide.
3. Typically, members engage in public practice when, within the European Union, they become a principal in an accountancy firm or when they independently offer accountancy services to the public. However, it is important to note that there are other situations where a PC is required, for example as an ICAEW insolvency licence holder, and as an employee responsible individual under the [audit regulations](#).
4. The geographical extent of the practising certificate arrangements has not changed. This is the UK (including the Channel Islands and Isle of Man) and the countries in the European Economic Area (EU member states and Iceland, Lichtenstein and Norway).