



Explanatory notes

- 1 The Institute of Chartered Accountants in England and Wales was incorporated by Royal Charter granted by Her Majesty Queen Victoria on 11th May 1880. The Royal Charter remained unaltered for sixty-eight years until 21st December 1948 when the Institute was granted a Supplemental Charter by His Majesty King George VI, following the presentation of a petition in terms approved by a special meeting of members on 21st April 1948. A new set of bye-laws (as appended to the draft charter annexed to the petition) came into operation with the grant of the 1948 Supplemental Charter, the bye-laws previously in force then ceasing to operate.
- 2 Prior to the special meeting on 21st April 1948 a draft of the petition, Supplemental Charter and bye-laws was sent to every member together with an explanatory memorandum containing brief observations on those changes to which it was considered that the attention of members should be drawn. Copies of the drafts and the explanatory memorandum in their original form and as amended at the special meeting are on record in the Institute library.
- 3 No fundamental change, either in the nature and objects of the Institute or in the method of attaining membership, was involved in the 1948 petition. The general purpose was to redraft the clauses of the Original Charter and the bye-laws in such a way as to give the members greater control of the affairs of the Institute and so facilitate administration and management, whilst furthering the objects of the Institute and preserving its historic continuity. It was decided that this could best be achieved by transferring to the bye-laws many of the administrative provisions of the Original Charter, so giving the Institute greater powers of regulating its affairs by bye-law. At the same time, it was considered necessary to amend other clauses of the Original Charter, to redraft the bye-laws as a whole so as to bring them up-to-date, to remove difficulties and obscurities present in the existing clauses and bye-laws and to put them in a form, which experience had indicated would best suit the needs of the Institute and its members.
- 4 The foregoing aims were achieved in 1948 by the granting of the Supplemental Charter and the allowance of the new bye-laws. All the operative clauses of the Original Charter were repealed and replaced by the clauses of the Supplemental Charter, but the historical preamble of the Original Charter and the all-important incorporation clause, with its date 11th May 1880, were preserved. Moreover, the Supplemental Charter (clause 19) provides that it shall be read as one with the Original Charter and shall operate as though it had been granted with the Original Charter. There has thus been no break in the continuity of the Institute's history. It remains a body incorporated by Royal Charter on 11th May 1880.

- 5** Clause 17 of the Supplemental Charter gives the Institute power to alter, amend or add to the Supplemental Charter, subject to allowance by Her Majesty in Council. In 1957, this power was used to implement a Scheme of Integration to integrate The Society of Incorporated Accountants with the Institute. Copies of that Scheme are on record in the Institute library.
- 6** Substantial amendments to the Supplemental Charter have been made since 1957, with a major revision in 1972 and 1973 to give the Council power to deal with largely administrative matters by regulation. The Supplemental Charter has since been amended as and when required.
- 7** For the furtherance of the objects of the Institute and the better execution of the Royal Charters the Institute has power under clause 15 of the Supplemental Charter to make new bye-laws and to rescind or vary existing bye-laws but the bye-laws for the time being must not be inconsistent with the express provisions of the Supplemental Charter. This power is exercised by members in special meetings but new bye-laws do not have effect until allowed by the Privy Council.
- 8** As stated in paragraph 1 above a new set of bye-laws was appended to the Supplemental Charter of 1948. A complete revision of the bye-laws was approved at a Special Meeting of the Institute on 8 June 1993 and received Privy Council allowance on 8 February 1994. Subsequent amendments agreed at Special Meetings and receiving Privy Council Allowance have been incorporated into the bye-laws.