



= BYE-LAWS, RULES & REGULATIONS =

CERTIFIED PUBLIC  
ACCOUNTANTS ASSOCIATION

The CPAA presents the:

# Bye-laws, Rules & Regulations

## CERTIFIED PUBLIC ACCOUNTANTS ASSOCIATION

### Bye-Laws, Rules and Regulations

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#### Glossary

These regulations were reviewed and revised by the Council on 17<sup>th</sup> October 2013.

## 1. Admittance of Members

### 1.1. Form of membership application

1.1.1. Applications for membership shall be in the manner and on such application forms as the Practice and Compliance Directorate and Council of Management requires:

- ❑ Completion of the Application Form and the “Fit and Proper” declaration.
- ❑ Certified copies of academic/professional qualifications and a set of client file working papers (for applicants in practice).
- ❑ The appropriate fees (cheques, postal orders, credit or debit card but not cash). One half of the joining fee will be refunded in the event of the application being unsuccessful. Cheques should be made payable to "Certified Public Accountants Association."
- ❑ Two independent references should be attached as this will help the Association speed up the application process.

1.1.2. The applicant must demonstrate and satisfy the Practice and Compliance Directorate that they are suitable for admission into membership in accordance with these regulations. The Council of Management will confirm entrance to membership at the next available meeting

1.1.3. The Council of Management’s decision, after advice from the executive, relating to all matters regarding the admission or rejection of members shall be final.

### 1.2. Membership

1.2.1. There are four grades of membership.

- ❑ Fellow. Fellows must be over twenty five. They should hold appropriate relevant academic qualifications and/or hold Fellowship of an approved accounting body which are, in the opinion of the Council of Management, equivalent.
- ❑ Associate. Associates must be over twenty one. They should hold appropriate relevant academic qualifications and/or hold Associate-ship of an approved accountancy body or such other qualifications which are, in the opinion of the Council of Management, equivalent. An Associate may apply for Fellowship after five years membership.
- ❑ Affiliates/CPATech. Affiliates/CPATech are members who do not, at the time of application meet the criteria for full membership. If they are members of an accounting technician association then they can apply to become Certified Public Accounting Technicians and use the designation “CPATech”.
- ❑ Student. Students must be studying a relevant and approved course of study approved by the Practice and Compliance Directorate and Council of Management.

Affiliates, CPA Technicians and Students may attend the Association's general meetings but shall have no voting rights at any such meeting.

### 1.3. Responsibilities

1.3.1. The Council may terminate a person's membership by giving thirty days-notice in writing. See Article 7 of the Articles of Association.

1.3.2. Applicants for Fellow and Associate grade of membership shall have at least three years approved practical experience. However, the Practices and Practice and Compliance Directorate may reduce the period of practical training to two years if the applicant successfully completes the Association's practice conversion training courses.

1.3.3. Members must keep abreast of developments and changes in the accountancy profession through continuing professional development (CPD), as approved by the Council of Management and the Practice and Compliance Directorate, for example, through the Association's own CPD programme.

1.3.4. A member may withdraw from membership by giving at least seven clear days-notice to the Association. Such notice to be in writing. Membership shall not be transferable.

1.3.5. Any member who resigns and subsequently wishes to be readmitted shall be treated as a new application and the ex-member shall follow the procedure as for a new applicant.

1.3.6. The Association will undertake such enquiries as is deemed necessary to make before admittance to membership.

## 2. Professional and Ethical Conduct

### 2.1. Ethical Conduct

2.1.1. The Association has adopted the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants (2013 edition) and all subsequent updates. All members must abide by this code in the running of their practice. Failure to comply will result in disciplinary action being taken against members breaching this code. A copy can be downloaded at [www.ifac.org](http://www.ifac.org) or [www.acpa.org.uk](http://www.acpa.org.uk) .

2.1.2. Members are obliged to deal with each other with respect. Members must not speak against each other in public about their professional competency. Members' activities must enhance and preserve the reputation of the Association in the public interest. However, in the course of normal business if a member has reason to doubt the competency of a member they have a duty to report such to the Association.

2.1.3. Members must behave in an ethical and legal manner within the Association and in their professional life in the public interest.

### 2.2. Dealing with Clients

2.2.1. Clients and professional advisers have a right to expect that their affairs are handled with accuracy, in a timely way and with professional competence and discretion.

2.2.2. The normal basis of charge for services to a client is by time spent on the work at an appropriate hourly rate. The rate should vary between the practitioner and his staff according to their status and qualifications. Members may alternatively charge a fixed fee for performance of an agreed body of responsibilities. The client is entitled to an adequate explanation of the fee charged by the member if the client queries it.

2.2.3. Members must have in place relevant and appropriate letters of engagement and disengagement. These letters of engagement and disengagement must be kept up to date. Copies can be obtained from Head Office or downloaded from the member's area of the website.

### 2.3. Property of Clients and Members

2.3.1. A client's money or other property (including documents provided by the client), whilst in the possession of the member, remains the property of the client.

2.3.2. A member who receives money from a client for his account or from a third party for the account of the client, **MUST** hold the money in a client bank account. Any interest should be for the account of the client. No permission should be given to the bank for a right of set off against the member's bank accounts. If a member has authority from the client he may make payments from the client's money to third parties.

2.3.3. If a member wishes to charge his client a fee or reimbursement of expenses, he should first send the client an invoice for his approval.

2.3.4. The majority of the working papers of a member are his own property and may always be retained by him. The member may have rights to use papers which he receives from the client himself, such as his books of account, or from third parties such as HMRC or information requested from a professional advisor (for example when transferring records when changing accountants). The member holds these papers as agent for the client and **must** give them up if the client wishes to have them returned.

2.3.5. Members are advised to seek appropriate legal advice if they decide to withhold a client's books and records until charges for work done are paid.

### 2.4. Confidentiality

2.4.1. Members should respect their clients' (and past clients') confidentiality. Except:

- If the client consents to a disclosure.
- When there is a requirement to report suspicious transactions under Money Laundering Regulations.
- On receipt of a Court Order, summons or subpoena.

2.4.2. Members must make sure that clients' files and records are stored in a safe and secure manner.

### 2.5. Clients' Tax Affairs and Money Laundering

2.5.1. Members are advised that under the Money Laundering Regulations 2007 they must apply the Anti-Money Laundering Guidance for the Accountancy Sector issued by the Consultative Committee of Accountancy Bodies (CCAB) issued in 2008 and any subsequent updates. Failure to comply will result in disciplinary action being taken against members not implementing its recommendations. A copy can be downloaded at [www.ccab.org.uk](http://www.ccab.org.uk) or [www.acpa.org.uk](http://www.acpa.org.uk).

2.5.2. Members should be aware of the circumstances under which HM Revenue and Customs (HMRC) have power to obtain information both for tax purposes and the Money Laundering Regulations. They should also be aware of the penalties for aiding the client in making a false return or declaration.

2.5.3. If a member believes the accounts he is preparing do not give a true and fair view he should indicate his reservations in his report on the accounts and if necessary refuse to sign them.

2.5.4. If a member completes and submits a tax return on behalf of client, the member should make it clear to the client that it is the client who is responsible for the content and any omissions.

2.5.5. HMRC will accept tax returns signed by the member as agent. However a member must obtain the client's consent in writing or by email.

2.5.6. Members are advised that aiding and abetting a client to prepare and then sign off a set of accounts and submit them as correct knowing that this is not the case are committing an offence under the Money Laundering Regulations 2007. Disciplinary action will be taken against a member convicted of any breach in these Regulations.

### **2.6. Advertising**

2.6.1. Members may advertise their services provided advertisements are consistent with professional good taste. Members should not attempt to mislead or imply particular skills or expertise that the member does not in fact possess.

2.6.2. In advertisements Members, or Regulated Person, may only use the term "Certified Public Accountant" or the letters "ACPA" or "FCPA" in any advertisement if they hold a current Practising certificate. See Section 6 for Practising Certificate Rules.

2.6.3 Members are advised that the wording included in any advertisement or promotion of their practice must contain only factual information and must not make any reference to any other accountancy body or practice implying that a better service is offered.

### **2.7. Death or Incapacity of a Sole Practitioner**

2.7.1. Members are required to make arrangements for the continued conduct of their practice in case they die or become incapacitated. A copy of the agreement must be lodged at the Association's Head Office. Disciplinary proceedings may be taken against a member not complying with this Rule. The continuity agreement must be with a member holding a practising certificate of one the following bodies:

Certified Public Accountants Association  
ICAEW; ICAES; ICAI  
Association of Chartered Certified Accountants  
Association of International Accountants  
Institute of Financial Accountants

A specimen agreement can be downloaded from the website [www.acpa.org.uk](http://www.acpa.org.uk) .

## 3. Discipline

### 3.1. Liability to Disciplinary Action

3.1.1. A member will be liable to disciplinary action if a complaint about them is made to the Association and upon investigation it is found to be justifiable. A complaint may be made if any of these bye-laws are thought to have been broken by the member. The Disciplinary Investigating Officer may also institute disciplinary proceedings if they believe that a Member has acted in such a way as to have committed a breach of these regulations or has acted in such a manner as to be liable to a charge detailed in 3.1.3 below.

3.1.2. A Member will be liable to disciplinary action if the Member has been found guilty of any offence in any court of competent jurisdiction whose judgements are enforceable in the United Kingdom. Any Member who has acted fraudulently or dishonestly will be subject to disciplinary action. The findings of a court in any criminal or civil proceedings will be treated as proof of misconduct.

3.1.3. If the complaint is in the public domain (i.e. that is a complaint brought by a Member of the public or ex-client) then the Member, Affiliate or Student will face a charge of 'Bringing the Association into Disrepute'. If the complaint is not in the public domain (i.e. a complaint brought by another Member or the Council of Management) then the Member, Affiliate or Student will face a charge of 'Conduct Unbecoming a Member'.

3.1.4. Every Member has a duty to bring to the attention of the Investigation Officer any facts or matters indicating that a Member, Affiliate, CPATech or Student may have become liable to disciplinary action. Every Member must co-operate with the Investigations Officer, Disciplinary Commission or Appeals Board as far as possible.

3.1.5. A Member will be subject to disciplinary action if they fail to comply with:

- a) Any justifiable request for relevant information by the Association.
- b) Failure by a Member to allow access to, or to cooperate with, an Assessor appointed to conduct a notified Quality Assurance visit.
- c) Failure by a Member to implement or comply with the recommendations following a Quality Assurance visit.
- d) Failure to implement adequate procedures to comply with the Money Laundering Regulations 2007, and amendments thereto, as a result of a Quality Assurance visit.

3.1.6. A former Member will be treated as still being a Member, in respect of any matters which occurred whilst he was actually a Member, as long as the complaint is referred to the Disciplinary Commission within five years of their ceasing to be a Member.



## 3.2. Disciplinary Procedures

3.2.1. The Council appoints the Investigation Officer, the Disciplinary Commission, and the Appeals Board.

3.2.2. A person cannot be a Member of the Disciplinary Commission and the Appeals Board at the same time.

3.2.3. If the Disciplinary Commission or Appeals Board does not comply with the requirements of the byelaws, the Council will make fresh appointments as soon as practicable.

3.2.3. The Council, when appointing a Disciplinary Commission or Appeals Board, may also appoint a lay observer. The lay observer will report to the Council on the Association's investigatory and disciplinary procedures. The Council will have power to pay remuneration and reasonable expenses to any Member of the Commission or Board.

## 3.3. Investigation Officer

3.3.1. The Council will appoint the Investigation Officer and will have power to pay that person remuneration and the reasonable expenses.

3.3.2. The Investigation Officer will have power to introduce any procedures considered necessary in order for that person to perform their duties.

3.3.3. Following a complaint, the Investigation Officer will make appropriate enquiries and then decide whether, in their opinion, the complaint gives rise to or includes questions of public concern. If the Investigation Officer having made all the necessary enquiries and investigations considers the complaint is sufficiently justifiable, he will refer it to the Disciplinary Commission for appropriate action. Every Member must provide such information and evidence as he is able to give and requested so to do. Should the complaint be considered to be of a serious or damaging nature to the Association the Investigation Officer shall ask for the Member to be suspended with immediate effect. If a Member is suspended and is a Member of the Association's group PI insurance scheme they shall notify the Insurance broker but continue to pay the monthly premium.

3.3.4. The Investigation Officer will have the power to attempt a settlement of any complaint without reference to disciplinary action should the Member accept such offer. Any settlement agreed will be reported to the Council of Management.

3.3.5. The Investigation Officer will provide the Member with a copy of the complaint and any evidence submitted by the complainant. The Investigation may give the Member an opportunity of being heard before him if the Member so requests.

3.3.6. If the Member has criminal or civil proceedings pending, which the Investigation Officer believes relate to the subject of his investigation, then the Officer must postpone his investigation. In such a situation the Investigation Officer shall report the matter to

the Council of Management and suspend the Member with immediate effect (as in bye-law 3.3.3. above).

3.3.7. If the Investigation Officer believes that a case amounting to professional misconduct has rendered a Member liable to disciplinary action he will provide the Commission with a summary of the facts and matters which were brought before him.

3.3.8. If the Investigation Officer believes that the facts presented to him indicate that a Member may be or may have been managing their practice inefficiently or has been acting inefficiently or incompetently in their professional work, he may, advise that Member obtains advice from such source as the Officer may decide. If the Member fails to seek such assistance when advised to do so, that fact will be recorded.

3.3.9. After referring any complaint to the Disciplinary Commission, the Investigation Officer may make further investigations and enquiries and collect such further evidence as is considered appropriate to enable the complaint to be presented fully to the Disciplinary Commission.

3.3.10. If the Member agrees that the complaint is proved then by consent of the Member the Investigation Officer will request the appointment of a Disciplinary Commission Chairman to determine the level of penalty, as detailed in bye-law 3.4.10 below. This shall be known as a Consent Order. There shall be no appeal from a Consent Order.

### **3.4. Disciplinary Commission**

3.4.1. The Disciplinary Commission will consist of such number as the Council considers appropriate but should not be less than three persons. The quorum for any meeting of the Commission shall be two. The Council may pay remuneration and reasonable expenses to Members of the Commission. The Chairman shall be independent of the Association and preferably be a practising solicitor.

3.4.2. The Commission will have the power to introduce any procedures that they consider necessary in order to perform their functions.

3.4.3. When a complaint by the Investigations Officer is referred to the Disciplinary Commission, The Member concerned will be notified by the Secretary to the Disciplinary Commission of the nature of the complaint and of the time and place fixed for the hearing. At least 28 days-notice of a hearing will be given.

3.4.4. The defendant will be entitled to be heard before the Commission and allowed to be represented by such persons as they may wish. They will be able to call witnesses and to cross examine witnesses called against them.

3.4.5. If the defendant does not attend the hearing (and due notice had been given) then the Commission may proceed to hear the complaint without the defendant being present.

3.4.6. Where a formal complaint has been referred by an Investigation Officer the Commission will treat as proved any facts or opinions set out by the Investigation Officer in his findings.

3.4.7. If related criminal or civil proceedings are pending to which the defendant is a party, the Disciplinary Commission must postpone the hearing of the complaint until after the proceedings have been concluded.

3.4.8 The Investigation Officer will present the formal complaint to the Disciplinary Commission or the Association may instruct a lawyer to present such complaint if it is deemed complex.

3.4.9. After receiving notice of the hearing, the defendant may choose to give notice to the Association in writing admitting that the complaint against them is completely true. In this case, the defendant would not be required to appear before the Disciplinary Committee. Such a letter may be accompanied by a submission which the defendant wishes to be taken into account by the Disciplinary Commission when deciding what disciplinary procedure to invoke. The Chairman may choose to hear the complaint alone, without referring the matter to the Commission.

3.4.10. If the Disciplinary Commission finds the complaint against the defendant to be true in whole or in part, they will make a finding to that effect. In that event they may:

- ❑ admonish and issue a warning as to future conduct;
- ❑ reprimand and issue a warning as to future conduct;
- ❑ severely reprimand and issue a warning as to future conduct;
- ❑ suspend or exclude the Member. Exclusion will take effect 28 days from the date of the hearing;
- ❑ impose a fine and award costs. The amount of the fine shall not exceed £50,000 but is subject to any future legislation;
- ❑ require the defendant to make whatever restitution, or compensation, the Commission thinks appropriate;
- ❑ report the findings to the Council. They may consider reporting the case to the appropriate authorities for possible prosecution.

3.4.11. If the Investigating Officer or the Disciplinary Commission decide that no such action is appropriate, they may decide that no further action should be taken in the case. They may direct the defendant to obtain advice from such source as the Commission may consider appropriate.

3.4.12. If a complaint is proved against a Student he may be removed from the Student register or be disqualified from any examination by the Chairman of the Disciplinary Commission.

3.4.13. If the defendant wishes to appeal against the decision of the Officer, Chairman or Commission such appeal should be in writing and sent to the Secretary to the Disciplinary Commission within twenty eight days from the date the ruling is made. Upon receiving an appeal the Secretary to the Disciplinary Commission will refer the matter for hearing before the Appeals Board. Notice of the hearing will be notified to the defendant.

### 3.5. Appeals Board

3.5.1. For the purposes of this section the defendant will be referred to as the 'appellant'. Within 28 days of the decision of the Disciplinary Commission, the appellant may appeal against the decision. The notice of appeal must be in writing and addressed to the Secretary to the Disciplinary Commission. The notice must state which findings or decision the appeal is against and on what grounds. The appeal can only be based on a matter of law and not fact.

3.5.2. The appeal will be heard by the Appeals Board. The Appeals Board will consist of three Members, An Independent Chairman, who was not chairman of the original hearing, and two Association Members who have not been involved in the original hearing. The quorum for any meeting of the Board will be two. The Council may pay remuneration and the reasonable expenses of the Board.

3.5.3. The Board will have the power to introduce any procedures that they consider necessary in order to perform their functions.

3.5.4. The Secretary to the Disciplinary Commission will notify the appellant of the time and place of the hearing. The length of notice of meeting shall be not less than 28 days from the date of the appeal notice. The appellant shall be entitled to be heard before the Board and shall be permitted to be represented by such persons as they may wish and to call witnesses and to cross examine witnesses called against them including the Investigation Officer.

3.5.5. If the appellant does not attend the hearing then provided that the Board is satisfied that sufficient due notice was given, the Board may proceed to hear the appeal without the appellant. Where any related criminal or civil proceedings are pending to which the appellant is a party, the Appeal Board may choose to postpone the hearing of the appeal until the outcome of those proceedings.

3.5.6. The Investigation Officer will present the formal appeal to the Appeals Board or the Association may instruct a lawyer to present the appeal if the matter is of a complex nature. The Board may appoint a lawyer to act as legal adviser on the hearing of any appeal.

3.5.7. An appellant may as part of his appeal give notice that he desires the appeal to be heard without him. Such notice may be accompanied by a statement which the appellant wishes to be taken into account by the Appeals Board when deliberating upon his appeal. Where the notice of appeal contains such a statement, the Board may proceed to hear and dismiss the appeal in the absence of the appellant.

3.5.8. The Appeals Board will take into consideration any evidence given or documents produced to the Disciplinary Commission on its hearing of the formal complaint. They may choose to rehear any witness called before the Commission or receive any new evidence it considers appropriate.

3.5.9. On appeal, the Appeals Board may confirm, alter or strike out any decision of the Disciplinary Commission and may substitute any decision the Appeals Board considers appropriate.

3.5.10. A decision of the Appeals Board will become effective as from the date of the original decision by the Disciplinary Commission and will be final.

3.5.11. Notice of the decision of the Appeals Board will be sent to the appellant by registered post to his last known address and will be notified to the Council.

### **3.6. Costs and Fines of Disciplinary Proceedings**

3.6.1. The defendant will pay the costs and fines of the disciplinary proceedings as determined by the Disciplinary Commission. The Disciplinary Commission will take into account any reduction in the costs of dealing with the complaint against the defendant which is a result of the defendant's co-operation with the investigation.

3.6.2. Any such costs and fines must be paid within twenty eight days from the date of the service upon the defendant of the decision. If the defendant lodges an appeal against the decision the costs and fines shall be payable as detailed in 3.6.3 below and then subject to any variation order made by the Appeals Board.

3.6.3. Where the appeal is against a decision made by the Disciplinary Commission that the defendant be suspended or expelled, any costs and fines ordered by the Disciplinary Commission shall be paid to the Association before the appeal will be heard by the Appeals Board.

3.6.4. There will be no right of appeal solely on the grounds of the level of the costs, fines or compensation awards.

3.6.5. The Appeals Board may increase or reduce any costs, fines or compensation set by the Disciplinary Committee.

3.6.6. The defendant will pay the costs and fines of the appeal proceedings as determined by the Appeals Board. In determining what sum shall be paid by the appellant under this section, the Appeals Board will take into account any reduction in the costs and fines of dealing with the complaint against the appellant which is a result of the appellant's co-operation with the investigation.

3.6.7. Any such costs and fines must be paid within twenty eight days from the date of the service upon the appellant of the decision.

3.6.8. The Disciplinary Commission or the Appeals Board may resolve that the cost of disciplinary and or appeal proceedings be borne by the Association.

### **3.7. Publication of Decisions**

3.7.1. The Disciplinary Commission and Appeals Board will order the publication of its findings and its decision as soon as practicable, but no earlier than 28 days from the date of the last hearing, and in such manner as it thinks fit, i.e. in the press, Association website and magazine.

3.7.2. The Disciplinary Commission and Appeals Board can order a report of its findings to any relevant bodies, of which the Member is also a Member of, no earlier than 28 days after the date of the last hearing of its decision and findings. The Disciplinary Commission may also order the matter be reported to other relevant statutory and accountancy bodies.

## **4. Examinations**

### **4.1. Examination Dates**

4.1.1. Details of examination dates and venues are available from the Administrator.

### **4.2. Modular System of Examination, and Conditions of Entry**

4.2.1. Candidates will receive a credit for each paper in which the pass mark is achieved and will therefore be required to re-sit only those papers in which they have been unsuccessful. In no circumstances may the papers of one part be taken with those of the next, as all papers are taken on the same days.

4.2.2. Credits can be retained, although they will be kept under review and time limits imposed if necessary.

### **4.3. Notes on the examination**

4.3.1. Questions involving knowledge of new legislation will not be asked within six months of the passing of the relevant legislation. Subsequently, questions will become progressively more detailed.

4.3.2. In the answers to the examination questions, candidates are expected to comply with the best accounting practices as given in the Statements of Standard Accounting Practice (SSAPs) issued by the accounting standards committee and relevant to the syllabus. Part of the grading of the papers is for writing skills including spelling, punctuation and plain English.

4.3.3. Equipment for the exam:

- ❑ Details of tax notes and allowances will be supplied to candidates sitting the taxation papers.
- ❑ Candidates are permitted to use simple pocket calculators. No memory or scientific type calculators are allowed
- ❑ Candidates are permitted to use charting templates as required.

### **4.4. Applications for registration as a Student**

4.4.1. All Students/Members are welcome to call to Head Office at any time for information regarding their application or for information on the Association.

4.4.2. All application forms must be sent to Head Office. Applicants should also enclose:

- ❑ Certified copies of academic/professional qualifications.

- The appropriate fees (cheques postal orders, debit/credit card or bank transfer but not cash). They will be refunded in the event of the application being unsuccessful. Cheques should be made payable to "Certified Public Accountants Association."
- References will help the Association make a quick reply.

4.4.3. Generally the Practice and Compliance Directorate will give a reason if they refuse an application.

4.4.4. Certificates of Membership remain at all times the property of the Association.

### **4.5. Scheme of Examinations and Syllabus**

4.5.1. Details of the examinations offered by the Association and the syllabus are available on the website. All examinations will be conducted according to English law.



## 5. Equal Opportunities

### 5.1. Introduction

5.1.1. The Association is committed to equality of opportunity in education and employment. We will not discriminate on the grounds of sex, marital or parental status, race, ethnic or national origin, religious belief, colour, disability, sexual orientation, religion, or age.

5.1.2. We welcome diversity of origin, background and experience amongst the staff and Student community.

### 5.2. Compliance with Legislation

5.2.1. The Association will meet all statutory obligations under relevant legislation and, where appropriate, anticipate future legal requirements signalled under EU Directives. The Association will also adopt any codes of practice and conduct created under this legislation or IFAC Regulations.

### 5.3. Elimination of Discrimination

5.3.1. No applicant, Member, Student, Member of staff or visitor will be treated less favourably on the above grounds or will be disadvantaged by conditions or requirements which have a disproportionately adverse effect on his or her group which cannot be shown to be justifiable other than on the grounds stated.

5.3.2. With respect to staff, selection criteria and procedures will be frequently reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

5.3.3. Disabled applicants who meet essential criteria in the opinion of the full selection panel will not be subject to assessment in competition with other candidates at the short listing stage and will automatically be invited for interview.

5.3.4. Selection criteria for Students will ensure that individuals are considered on the basis of relevant qualifications for courses and programmes.

### 5.4. Equal Opportunities Policy Statement

5.4.1. The progress of Students will not be influenced by matters which are irrelevant to their merits and abilities. Where appropriate the Association will seek advice from those groups and communities whose needs it seeks to meet.

5.4.2. The Association will endeavour to ensure that all of its statements are made in non-discriminatory language.

5.4.3. The association will comply with all relevant legislation and codes of practice created under the legislation.

### **5.5. Promotion of Equal Opportunities**

5.5.1. The Association is committed to the promotion of equal opportunities in a positive way and to the establishment of a culture of equality of opportunity.

5.5.2. All Members, Affiliates, Students, Council, the executive and staff will be expected to conduct themselves with proper respect for others and for their lawful choices. Mechanisms will be put in place to deal with overt acts of harassment or discrimination.

5.5.3. All employees of the Association will be given equal access to career development opportunities.

5.5.4. All Members of the community have a responsibility to adhere to the legal, policy and moral requirements embodied in this document.

### **5.6. Responsibilities**

5.6.1. The Chief Executive (or his equivalent) is responsible to the Council for the implementation of the policy across the Association and for allocating necessary resources.

5.6.2. The Education and Training executive are responsible for following this policy when admitting Students and setting the curriculum and programmes of study.

5.6.3. The Council is responsible for following this policy in all matters relating to employment.

5.6.4. The Council is responsible for the overall promotion of this policy as it affects Members and Students.

5.6.5. The Members of Council responsible for Human Resources are responsible for the monitoring of the implementation of the policy and for advising the Chairman of the Council on specialist matters relating to equality of opportunity.

### **5.7. A Policy Statement on International Students**

5.7.1. The Association welcomes the participation by Students from abroad in all of its activities. It recognises the valuable contribution they make to the Association - educational, cultural and financial.

5.7.2. The Association will actively engage in the recruitment of international Students and encourage involvement in projects overseas and the development of links with governments, educational institutions and companies in other countries.

5.7.3. The Association will ensure appropriate provision for its international Students (prospective and current).

## **6. Practising Certificates**

### ***Applicable and issued to UK Residents only***

6.1.1. A Member who is in practice must have a current Practising Certificate issued by one of the following bodies:

Certified Public Accountants Association  
ICAEW; ICAES; ICAI  
Association of Chartered Certified Accountants  
Association of International Accountants  
Institute of Financial Accountants

Practising certificates of other bodies will be considered on their merits.

6.1.2. A Member who is in the employ of a practising public accountant is not required to hold a Practising Certificate unless they wish to do so voluntarily and with the agreement of the Practice and Compliance Directorate. They cannot use the Association's designation or the Association's designatory letters in connection with the practice in which they are employed or give any indication that they are Members of the Association other than, at the discretion of the Council, on personal business cards or other stationery.

6.1.3. If a firm wishes to use the Association's designation then a minimum of fifty-one per cent of the partners or directors must be Members of the Association and hold a current Practising certificate.

6.1.4. Practising certificates are issued annually for the period 1st January until the 31<sup>st</sup> December.

6.1.5. Applicants for Practising Certificates must hold appropriate professional indemnity insurance for the size of their practice and have completed the required amount of continuing professional education. Applications should be made in the manner required by the Council and be accompanied by the appropriate fee (if applicable).

6.1.6. Members using the designation "Certified Public Accountant" or designatory letters who do not have a valid Practising Certificate will be the subject of disciplinary procedures. These could result in a fine, suspension or expulsion.

6.1.7. Members can only undertake work for which they are qualified to so do. Members cannot undertake Audits, give Financial Advice or undertake Investment work or act as Insolvency Practitioners without authorisation from the appropriate awarding bodies.

6.1.8. The Council may refuse to register a Member's firm under any name which is (in the opinion of the Council) misleading, unlawful or inappropriate.

6.1.9. The Association has the power to decide if a Member is eligible to own and manage a firm whilst a Member of the Association. The Association will carry out such searches as are deemed necessary to establish such suitability. A “Fit and Proper” declaration must be made each year. Failure to do so could lead to disciplinary action being taken

6.1.10. Members must operate their practices in accordance with the Members Handbook and comply with all the relevant Laws and Regulations.

6.1.11. Should information come into the knowledge of the Association that a member is not complying with Laws and Regulations then the member will be given 28 days to comply. If after that period there is no compliance the member will be excluded under Article 7 and Bye-law 1.3.1 then the matter will be reported to the appropriate authority.

## 7. Money Laundering and Quality Assurance Monitoring Procedures

The Certified Public Accountants Association has a duty of care to ensure that in the public interest its Members continue to maintain the accepted high technical and professional standards expected of an accountant offering their services to the public.

The Association has a responsibility to ensure that its Members achieve this standard and it has implemented a Quality Assurance standard applicable to all Members in public practice. In addition to the Quality Assurance schemes of the other accountancy bodies the Association has included the verification of the financial information provided to clients. Assessors will, therefore, ensure that these statements meet the requirements of the published accounting standards by examining the accounts working papers in detail.

Detailed below are the Bye-laws, Rules and Regulations governing the Money Laundering and Quality Assurance Monitoring procedures.

### 7.1 Coverage

7.1.1. All Members in practice are bound by these Bye-laws; Regulations and Procedures.

7.1.2. Members in practice must have and maintain hard copies of the following:

- a) The Money Laundering Regulations 2007 and its related legislation.
- b) The CCAB Anti-Money Laundering Guidance for the Accountancy Sector (2008)
- c) All current guidance notes and practice manuals issued by the CPAA. See 7.2.3. below.

These documents are available to download on the Association's website Member's area at [www.acpa.org.uk](http://www.acpa.org.uk).

7.1.3. Members who are Members of other Money Laundering Supervisory bodies or partners/directors in mixed membership firms should provide the Practice and Compliance Directorate with a copy of the latest monitoring visit made by any other Supervisory body.

### 7.2 Applicability

7.2.1 Members in practice will be subject to a Quality Assurance visit at least once every six years. More frequent visits will be made if the Assessor's reports indicate a large number of non-compliance sections or a failure to implement recommendations in the report.

7.2.2. The practice will be expected to have informed all staff of the reason for the visit and that Members and staff must co-operate fully with all appropriate and reasonable requests for information by the Assessor.

7.2.3. The monitoring visit will be conducted by a qualified Assessor in accordance with the guidelines issued to Members in the following publications:

- a) Practising Members Handbook.
- b) Guidance on Monitoring Visits handbook.
- c) Pre-monitoring Visit Questionnaire.

All Assessors are required to sign the Association's Data Protection Policy document and a declaration of confidentiality. They undertake not to disclose the names of any clients other than to the Association's Practice and Compliance Directorate unless there is cause to make a report to the Association's Money Laundering Officer as a result of the findings of the visit.

7.2.4. Members in Practice will be given 28 days-notice of the intention to carry out a monitoring visit unless there has been information provided to the Practice and Compliance Directorate which in their opinion requires an immediate visit to that Member.

7.2.5. Members will be required to provide Assessors with adequate facilities to enable them to carry out their visit and cause the least possible disturbance to the running of the practice.

7.2.6. If a Member is also a Member of another Supervisory Body then the Member should make available to the Practice and Compliance Directorate a copy of the last report submitted by that Body.

### **7.3 Scope of the Monitoring Visit**

7.3.1. The scope of the visit is to establish that the Member and practice are providing the high level of service expected by both the client and the Association.

7.3.2. A Pre-visit Questionnaire will be issued upon notification that a visit will take place. The form must be returned to Head Office at least 10 days before the date of the visit. (Copies can be downloaded from the Members section of the website).

7.3.3. The visit will include a review of the practices compliance with Money Laundering Regulations 2007.

7.3.4. Members in Practice must be able to demonstrate their compliance by ensuring that they have in place systems and documentation and that the practice has and

continues to undertake regular training to comply with the Regulations and provide evidence of such compliance.

7.3.5. The Assessor will review a number of client's files to confirm that compliance is being undertaken with the Regulations. The review will also include detailed reviews of the accounts preparation programme and production methods. The number of files examined will depend upon the quality of the information provided.

7.3.6. The Assessor will conduct a review of the standard and technical competence of the practice to produce the client's accounts. This will ensure that the practice is competent and meets their obligations to both the client and other users reliant upon the information provided e.g. HMRC.

### **7.4 Conclusion of the Visit**

7.4.1. At the conclusion of the monitoring visit the Assessor will hold a closing meeting with the Member.

7.4.2. The Assessor will produce a Findings Report and discuss in detail the conclusions arrived at from the visit.

7.4.3. The Report will indicate compliance on the categories in the following manner:

- a) Fully compliant; Recommendations; Non-compliant.
- b) Assessors findings.
- c) Action to be taken.
- d) Practice response.

7.4.4. A copy of the findings Report will be provided to the Member for their response. A Member is required to make their response to the Practice and Compliance Directorate within 28 days.

7.4.5. In the event of an unsatisfactory report the Association will, as part of its Quality Assurance process, instruct a Member to have their work independently reviewed by either a "Hot" or "Cold" review.

A "Hot" review" means that until the Members work on a particular client has been reviewed independently then the file cannot be closed and the accounts etc cannot be signed off.

A "Cold" review allows the Member to close the file and send the accounts etc but must then have that file independently reviewed.



The Association's Practice and Compliance Directorate will determine the number of "Hot" and/or "Cold" reviews which must be carried out. The Association will also instruct the member as to who is to carry out these reviews.

7.4.6. Should an Assessor make an unsatisfactory report on a Member and their practice and that Member is also a Member of another Supervisory Body then the Association will notify that Body accordingly.

7.4.7. If as a result of a QA and MLR monitoring visit the Assessor believes a member has committed a reportable offence and a suspicious activity report (SAR) is required this will be reported to the Association's MLRO. Should the Assessor also believe that any other criminal offence has been committed this shall also be reported to the Compliance Directorate for appropriate reference to the relevant law agency. Following a QA or MLR monitoring visit the Association will make every effort to assist members to improve their practice management.

### **7.5 Breaches of these Bye-laws**

7.5.1. All breaches of these bye-laws will be referred to the Investigation Officer in accordance with Bye-law 3.1.5. Upon conclusion of the investigation a decision will be made as to whether the matter should be referred to the Disciplinary Commission for their consideration.

## Glossary

"Appeals Board" means a group of appropriately qualified independent people appointed to make decisions on disciplinary appeals procedures.

"appropriate academic qualifications" means qualifications which the Council considers appropriate.

"approved practical experience" means accountancy experience which in the opinion of the Council is considered appropriate: a minimum of three years qualified accountancy practice.

"Association" means the Certified Public Accountants Association (Co No 03448159) their predecessors and/or successors.

"association's designation" means Certified Public Accountant.

"association's designatory letters" means FCPA, ACPA.

"Client" means a person or firm who engages the Members to attend to his accountancy, business or taxation affairs.

"Disciplinary Commission" means appropriately qualified independent Members appointed to make decisions on disciplinary cases.

"Examination Centre" means a place approved by the Council for the conduct of examinations.

"firm" means a partnership, incorporated partnership or an incorporated company.

"Investigation Officer" means person appointed by the Council to investigate disciplinary cases.

"Member" means a person who is or has been a Member of the Association, within the meaning of the Act.

"Affiliate" or "CPATech" means a person entered on the register of Affiliates or CPA Technicians.

"Student" means a person entered on the register of registered Students."

"the Act" means the Companies Act 1985 and 1989 as amended by the Companies Act 2006 and/or its successor/s.

"the bye-laws" means the Bye-laws of the Association from time to time in force.

"the Council" means the Council of Management of the Association.

Words implying the masculine gender shall also include the feminine and words in the singular shall include the plural and vice versa.

### **Acronyms used**

ACPA – Associate of the Certified Public Accountants Association

FCPA – Fellow of the Certified Public Accountants Association

IFAC – International Federation of Accountants

CCAB – Consultative Committee of Accountancy Bodies

EU – European Union

HMRC – Her Majesty's Revenue and Customs

SSAPs - Statements of Standard Accountancy Practice