

CAYMAN ISLANDS



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**THE ACCOUNTANTS LAW, 2016
(LAW 6 OF 2016)**

**THE ACCOUNTANTS (APPLICATION FOR MEMBERSHIP)
REGULATIONS, 2016**

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ARRANGEMENT OF REGULATIONS

1. Citation
2. Definitions
3. Form of application
4. Application for registration and renewal as a regular member
5. Application for registration and renewal as an associate member
6. Application for registration and renewal as a student member
7. Application for licensing and renewal as a practitioner member
8. Continuing obligations of regular and practitioner members
9. Application for registration and renewal as a public practice firm
10. Continuing obligations of registered firms
11. Notification of changes
12. Fees

Schedule 1 - Fees

Schedule 2 - Continuing Professional Development Requirement

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**THE ACCOUNTANTS LAW, 2016
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**THE ACCOUNTANTS (APPLICATION FOR MEMBERSHIP)
REGULATIONS, 2016**

The Cabinet, in exercise of the powers conferred by section 30 of the Accountants Law, 2016 (Law 6 of 2016), in consultation with the Council, makes the following Regulations -

1. These Regulations may be cited as the Accountants (Application for Membership) Regulations, 2016. Citation

2. In these Regulations - Definitions

“applicant” means a person applying to register as a member or renew an existing membership;

“continuing professional development” is the ongoing professional development and education of members;

“good character” means a status resulting from carrying out professional duties while consistently adhering to accepted moral and ethical principles;

“good standing” means the status assigned by a member’s overseas professional accountancy institute, which may be based upon the timely payment of fees and the absence of disciplinary orders against the member;

(2015 Revision)

“legal status” means the status of an applicant according to the Immigration Law (2015 Revision);

“managing partner” means the senior person in charge of a public practice firm's overall practice, management and day-to-day operations;

“practitioner member” means a regular member who has been granted a licence pursuant to section 11 or 12 of the Law;

“professional person” means a person who holds an accounting designation or an equivalent professional designation who is subject to requirements similar to those imposed by the Institute (including ethical requirements) and to disciplinary proceedings for failure to comply with those requirements and includes persons approved or regulated by a regulatory body that applies good character requirements;

“professional status” means information describing and confirming professional capacity, competence and good character, including but not limited to -

- (a) professional designations and qualifications;
- (b) name of overseas professional accountancy institute;
- (c) overseas professional accountancy institute membership identification number;
- (d) date of first qualifying or becoming a member of the overseas professional accountancy institute;
- (e) amount in time and type of professional experience;
- (f) current job title; and
- (g) character references;

“public practice firm” means a firm of public accountants and includes a registered firm and a person registered as a relevant sole practitioner under section 38 of the Law;

“registered firm” means a public practice firm registered under section 38 of the Law;

“regular member” means a member other than an associate member, student member or registered firm;

“student member” means student as defined in the Law; and

“verifiable continuing professional development” means continuing professional development that can be applied in the work of the member, is relevant to the member's career and which the member can prove was undertaken.

3. All applications and renewals referred to in these Regulations shall be submitted in such manner as the Institute may from time to time direct, which may include submission in electronic form.

Form of application

4. (1) An applicant for registration as a regular member shall submit an application pursuant to section 8 of the Law in the form determined by the Institute, which shall include but not be limited to the following information -

Application for registration and renewal as a regular member

- (a) full name
- (b) nationality;
- (c) date of birth;
- (d) business contact details;
- (e) personal contact details;
- (f) legal status; and
- (g) professional status.

(2) The Institute may require an applicant to submit evidence to verify the information in the application or to satisfy the Institute that the applicant meets the professional status requirements and requirements of section 8 of the Law.

(3) The application shall be accompanied with -

- (a) the prescribed application fee;
- (b) the name and contact details of a professional person who has worked with the applicant for two years or more and is able to confirm the good character of the applicant;
- (c) a declaration that -
 - (i) the application is accurate and complete;
 - (ii) the ethics and continuing professional development requirements of the Institute and the overseas professional accountancy institute have been met;
 - (iii) the applicant is not subject to previous disciplinary action, exclusion from a professional body or bankruptcy and has not been convicted of a criminal offence; and
 - (iv) the applicant is in good standing with his overseas professional accounting institute; and
- (d) a waiver and indemnity necessary to enable the Institute to effectively and efficiently discharge its obligations under the Law.

(4) An application for renewal of registration as a regular member pursuant to section 8 of the Law shall -

- (a) confirm or notify any changes to the information submitted in the application or last renewal;

- (b) include an updated declaration that meets the requirements of paragraph (3)(c); and
- (c) be submitted with the prescribed annual renewal fee by December 31st each year.

(5) The Institute may require an applicant to provide supplementary information or clarification of the information provided in an application for registration or for renewal and evidence to support that information or clarification.

Application for
registration and renewal
as an associate member

5. (1) An applicant for registration as an associate member shall submit an application pursuant to section 9 of the Law in the form determined by the Institute, which shall include the following information -

- (a) full name;
- (b) nationality;
- (c) date of birth;
- (d) business contact details; and
- (e) personal contact details.

(2) The Institute may require the applicant to submit evidence to verify the information in the application.

(3) The application shall be accompanied with -

- (a) the prescribed application fee;
- (b) the name and contact details of a professional person who has worked with the applicant for two years or more, or a person who has been a regular member of the Institute for 5 years or more and is able to confirm the good character of the applicant;
- (c) a declaration that -
 - (i) the application is accurate and complete; and
 - (ii) the applicant is not subject to previous disciplinary action, exclusion from a professional body or bankruptcy and has not been convicted of a criminal offence; and
- (d) a waiver and indemnity necessary to enable the Institute to effectively and efficiently discharge its obligations under the Law.

(4) An application for renewal of registration as an associate member pursuant to section 9 of the Law shall -

- (a) confirm or notify any changes to the information submitted in the application or last renewal;
- (b) include an updated declaration that meets the requirements of paragraph (3)(c); and

(c) be submitted with the prescribed annual renewal fee by December 31st each year.

(5) The Institute may require an applicant to provide supplementary information or clarification of the information provided in an application for registration or for renewal and evidence to support that information or clarification.

6. (1) An applicant for registration as a student member shall submit an application for registration pursuant to section 10 of the Law in the form determined by the Institute, which shall include the following information -

Application for registration and renewal as a student member

- (a) full name;
- (b) date of birth;
- (c) personal contact details; and
- (d) name of training institute and details of education programme for which enrolled.

(2) The Institute may require the applicant to submit evidence to satisfy the Institute that the applicant meets the requirements of section 10 of the Law.

(3) The application shall be accompanied with -

- (a) a declaration that -
 - (i) the application is accurate and complete; and
 - (ii) the applicant is not subject to previous disciplinary action, exclusion from a professional body or bankruptcy and has not been convicted of a criminal offence; and
- (b) a waiver and indemnity necessary to enable the Institute to effectively and efficiently discharge its obligations under the Law.

(4) An application for renewal of registration as a student member pursuant to section 10(4) of the Law shall -

- (a) confirm or notify any changes to the information submitted in the application or last renewal;
- (b) include an updated declaration that meets the requirements of paragraph (3)(a); and
- (c) be submitted by December 31st each year.

(5) The Institute may require an applicant to provide supplementary information or clarification of the information provided in an application for registration or for renewal and evidence to support that information or clarification.

7. (1) An applicant for a licence or registration as a practitioner member shall submit an application pursuant to section 11 or 12 of the Law in a form determined by the Institute, which shall include the following information -

- (a) full name;
- (b) list of all audit firms for which the practitioner member shall perform public practice services;
- (c) job title and main responsibilities;
- (d) legal status; and
- (e) professional status.

(2) The Institute may require evidence to be submitted to verify the information in the application or to satisfy the Institute that the applicant meets the professional status requirements and requirements of section 11 or 12 of the Law.

(3) The application shall be accompanied with -

- (a) the prescribed application fee;
- (b) a declaration that -
 - (i) the application is accurate and complete;
 - (ii) the ethics and continuing professional development requirements of the Institute and overseas professional accountancy institute have been met;
 - (iii) the applicant is not subject to previous disciplinary action, exclusion from a professional body or bankruptcy and has not been convicted of a criminal offence;
 - (iv) the applicant is in good standing with his overseas professional accountancy institute; and
 - (v) the applicant agrees to participate in the Institute's quality assurance review process; and
- (c) a waiver and indemnity necessary to enable the Institute to effectively and efficiently discharge its obligations under the Law.

(4) The Institute may require an applicant to provide supplementary information or a clarification of the information provided in the application for a licence or for renewal and evidence to support that information or clarification.

(5) An application for renewal of a licence or registration as a practitioner member shall -

- (a) confirm or notify any changes to the information submitted in the application or last renewal;

- (b) include an updated declaration that meets the requirements of paragraph (3)(b); and
- (c) be submitted with the prescribed annual renewal fee by December 31st each year.

(6) The Institute shall consider the application for a licence or renewal and only approve it if satisfied that the applicant is -

- (a) sufficiently qualified, competent and capable of carrying on public practice both at the time of the application and for the period of the licence;
- (b) of good character; and
- (c) acts in a professional manner and with integrity in the performance of the applicant's duties as a practitioner member.

8. (1) Regular members and practitioner members shall act diligently and in accordance with applicable technical, professional and ethical standards when providing professional services.

Continuing obligations of regular and practitioner members

(2) Regular members and practitioner members shall maintain their professional knowledge and skill at the level required to ensure that their clients and employers receive competent professional service based on legislative requirements and current techniques and developments in practice.

(3) Regular members and practitioner members shall determine what is sufficient and relevant professional knowledge and skill and shall comply with the minimum continuing professional development requirements set out in Schedule 2.

Schedule 2

(4) The Institute may issue rules to clarify the requirements set out in Schedule 2.

Schedule 2

9. (1) An applicant for registration as a public practice firm shall submit an application pursuant to section 38 of the Law in the form determined by the Institute, which shall include the following information -

Application for registration and renewal as a public practice firm

- (a) name and address of the firm;
- (b) name of the managing partner; and
- (c) names and licence numbers of all practitioner members.

(2) The Institute may require the applicant to submit evidence to verify the information in the application.

(3) The application shall be accompanied with -

- (a) the prescribed application fee; and

- (b) a declaration -
 - (i) of compliance with the Law and these Regulations;
 - (ii) that all partners, directors and those holding an equivalent position and engaged in public practice are registered as practitioner members;
 - (iii) that the firm requires persons employed in audit or other assurance engagements to maintain competence, complete continuing professional development and comply with ethics, professional conduct and all applicable technical standards; and
 - (iv) confirming participation in the Institute's quality assurance review program.

(4) An application for renewal of registration as a public practice firm pursuant to section 38(2) of the Law shall -

- (a) confirm or notify any changes to the information submitted in the application or last renewal;
- (b) include an updated declaration that meets the requirements of paragraph (3)(b); and
- (c) be submitted with the prescribed annual renewal fee by September 30th each year.

(5) The Institute may require an applicant firm to provide supplementary information or clarification of the information provided in an application for registration or for renewal and evidence to support that information or clarification.

(6) A firm shall not be registered unless the firm has satisfied the Institute that -

- (a) the firm is able to comply with the provisions of the Law, these Regulations and other applicable laws;
- (b) the firm will implement controls to comply with the requirements of the Proceeds of Crime Law (2014 Revision) and the Money Laundering Regulations (2015 Revision) where applicable; and
- (c) it is not against the public interest for the application or renewal to be approved.

(2014 Revision)

(2015 Revision)

(7) The Institute may register the firm either unconditionally or subject to such conditions as the Institute considers appropriate, including -

- (a) limiting the nature and scope of the public practice services which may be carried on by the public practice firm; and
- (b) specifying the number and type of clients that the firm may service.

(8) The Institute may, by notice in writing to a public practice firm, revoke any condition attached to the registration.

(9) The Institute shall maintain a register of public practice firms including -

- (a) the business address of the firm;
- (b) details of any restrictions imposed;
- (c) the names of practitioner members authorized to provide public practice services on the firm's behalf; and
- (d) such other information as the Institute may determine.

10. (1) A registered firm shall maintain in force and comply with the conditions of cover of professional indemnity insurance.

Continuing obligations
of registered firms

(2) A registered firm shall comply with the International Standard of Quality Control issued by the International Audit and Assurance Standards Board.

(3) A registered firm shall implement and maintain adequate business continuity arrangements.

11. A registered firm shall notify the Institute of the occurrence of any of the following events within thirty days of the event -

Notification of changes

- (a) resignation or removal of the managing partner; or
- (b) any change to information provided in the firm's application or renewal application that may adversely affect the obligations of the firm referred to in regulation 10.

12. The fees payable under the Law, subject to any waiver, reduction or deferral of fee payments that the Institute may grant according to section 37 of the Law are specified in Schedule 1.

Fees

Schedule 1

SCHEDULE 1

(Regulation 12)

FEES

Category	Application fee \$	Fee payable on first grant of registration \$	Annual Renewal fee \$
Regular Member (regulation 4)	150		150
Associate Member (regulation 5)	150		150
Practitioner Member (regulation 7)	250	4750	5000
Replacement licence	50		
Public practice firm (regulation 9)	500	1000	1500

SCHEDULE 2

(Regulation 8)

CONTINUING PROFESSIONAL DEVELOPMENT REQUIREMENT

1. Regular members

The continuing professional development requirement applicable to a regular member shall be the continuing professional development requirement set by that regular member's overseas professional accountancy institute.

The following continuing professional development requirement shall apply where -

- (a) the overseas professional accountancy institute's continuing professional development requirement does not apply to a regular member; or
- (b) the regular member knows that the overseas professional accountancy institute's continuing professional development requirement is not in compliance with international education standard 7 as issued by the International Accounting Education Standards Board:

120 hours in each three year period ending December 31 st
60 of the 120 hours shall be verifiable; and
A minimum of 20 hours per year ending December 31 st

2. Practitioner members

The continuing professional development shall -

- (a) include an appropriate proportion of continuing professional development in a chosen specialty,
- (b) result in the maintenance of competence in audit (even if no audit work is currently being undertaken); and
- (c) be in compliance with international education standard 8 as issued and amended by the International Accounting Education Standards Board.

The continuing professional development requirement is:

120 hours in each three year period ending December 31 st
60 of the 120 hours shall be verifiable; and
A minimum of 20 hours per year ending December 31 st

Made in Cabinet the 23rd day of November, 2016.

Kim Bullings

Clerk of the Cabinet.