

HELPSHEET

ACCOUNTING SERVICES PROVIDER REGISTRATION AND RENEWAL

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THE AML REGULATIONS REQUIRE ALL ACCOUNTANCY FIRMS (PUBLIC PRACTICE AND NON-PUBLIC PRACTICE) TO REGISTER WITH CIIPA (EVEN IF NOT CONDUCTING RELEVANT FINANCIAL BUSINESS).

A FIRM COMMITS AN OFFENCE IF IT FAILS TO REGISTER.

DO I NEED TO REGISTER MY FIRM?

1. Firms providing accounting services are required to register with CIIPA, namely those:
 - a. Engaging in public practice, as defined in the Accountant's Law; or
 - b. Providing an "accountancy service" of recording, reviewing, analyzing, calculating and reporting on financial information, **in the course of business**, which includes (but is not limited to)-
 1. bookkeeping services,
 2. payroll services,
 3. accounts preparation, or
 4. providing tax advisory or tax compliance services, in the Cayman Islands.

WHAT DOES 'PROVIDING SERVICES IN THE COURSE OF BUSINESS' MEAN?

2. It means you provide the services on a commercial basis, with a contractual agreement (written or verbal) for consideration i.e. some form of payment or value. Whilst you may provide some incidental services without payment, if that is only because of payment for another service then it will be considered being provided in the course of business.
3. Examples of accounting services that would be excluded here are services provided by an accountant to its employer or services provided to friends or family on a non-contractual basis. Also, pro bono engagements for non-profit organisations that you support, provided there are no other services paid for that may constitute consideration. Generally, accountants should be careful to ensure that expectations are managed, standards are clear, the use of reports agreed upon, and conflicts managed. For this reason, caution should be exercised when providing services outside of a clear contractual agreement.

WHAT IF MY FIRM IS OUTSIDE OF THE CAYMAN ISLANDS?

4. If a firm is providing accountancy services from a place within the Cayman Islands, then they must be registered. This means that firms outside the islands but are holding themselves out as being inside, whether through marketing, letter headers, contact information etc. will be providing services from a place in the Cayman Islands and so must be registered.

HOW DOES REGISTRATION WITH CIIPA AFFECT APPROVAL OF PUBLIC PRACTICE

FIRMS BY CIIPA?

5. If the firm is a Public Practice Firm already registered with CIIPA according to the Accountants Law, there is no need to register separately.

HOW DOES REGISTRATION WITH CIMA, THE DCI OR CILPA AFFECT APPROVAL OF FIRMS BY CIIPA?

6. If your firm is a CIMA regulated entity or registered with the DCI or CILPA as a Designated Non-Financial Business or Profession, then CIIPA will work with those other AML Supervisors to assure that duplication of supervision is avoided where possible.

WHAT DO I NEED TO SUBMIT TO REGISTER MY FIRM WITH CIIPA?

7. Go to www.ciipa.ky/AML/CFT for an application form for both first registration and renewal.
8. We will ask for information regarding your firm's:
 - a. controlling persons and the person(s) assigned Compliance officer and MLRO,
 - b. legal status and ownership,
 - c. business and services provided,
 - d. staffing, and
 - e. controls implemented.

IS RENEWAL ANNUAL?

9. Yes, each year you will need to renew your firm's registration to confirm any changes, provide an updated declaration which will be requested annually from the Regulatory Affairs Coordinator.
10. On renewal we will reconsider the initial decision to register the firm and information provided and may request updated documentation.

WHAT ARE THE PENALTIES IF MY FIRM DOESN'T REGISTER?

11. Failure to register as required by Regulation 55F is a serious breach attracting a maximum fine of \$50,000 for an individual or \$100,000 for a body corporate.

WHAT HAPPENS AFTER REGISTRATION?

12. Based on your registration form and further discussion and requests for information we will determine if you are conducting relevant financial business. If not, you will have no further obligations until renewal unless you change your services before then.
13. If you are conducting relevant financial business the process of supervision will commence with requests for further information through off site monitoring and an onsite inspection every 1-5 years depending on the risks of your business. The full list of activities that are considered relevant financial business are prescribed in Schedule 6 of the Proceeds of Crime Law.
14. For details on registration process and to register go to www.ciipa.ky.

15. If you wish to make an enquiry to CIIPA prior to submission of an application for registration, please feel free to contact us at admin@ciipa.ky or 749-3360.