

RULEBOOK 2009 COMMENTARY

Sundeep Takwani summarises the main changes to ACCA's Rulebook as applicable in Ireland. A more comprehensive review of all changes affecting members worldwide was published in *Accounting and Business*

The significant changes this year concern:

- the introduction of the ACCA Regulatory Board; and,
- the removal of members who fail to comply with the continuing professional development (CPD) requirements.

Many of the other changes this year are 'improvements' on current regulations with the aim of either providing guidance where the procedure has been unclear or addressing unintended consequences.

ACCA Regulatory Board

Perhaps the most significant change this year is the introduction of the ACCA Regulatory Board. The bye-law changes necessary to effect its introduction were approved at this year's AGM. By way of background, ACCA's Council agreed to form an ACCA Regulatory Board with the aim of drawing together the various governance arrangements for regulation and discipline into a more coherent structure. In addition to being in line with governance best practice, such a structure would be easier to present and explain to ACCA's various stakeholders. ACCA's previous regulatory governance arrangements encompassed several separate strands of independent lay involvement (e.g. Lay Observer, Independent Appointments Committee) but, crucially, not at the apex of a unified structure. The ACCA Regulatory Board will, therefore, provide oversight of the entire regulatory process. In summary, the ACCA Regulatory Board will:

- draw together the separate strands of

- independent lay involvement into a single coherent framework;
- provide a coherent structure which will be easier to explain and promote externally than the current disparate arrangements;
- be a body which is formally charged with setting intermediate-level policy; and,
- provide a strong independent element at the apex of the structure, which will have an explicit oversight role.

Bye-laws

In addition to the changes to enable the introduction of the ACCA Regulatory Board, the other changes better align the bye-laws to the disciplinary regulations.

Membership regulations

CPD is an ongoing obligation of membership and to reflect this, the CPD provisions have been amended. As a consequence, non-compliance with the CPD requirements, for example, failure to provide evidence of CPD, may lead to removal from membership.

Regulatory Board and Committee Regulations

The Committee Regulations have been re-named the Regulatory Board and Committee Regulations to reflect the fact that these regulations set out the necessary provisions to give effect to the ACCA Regulatory Board.

The regulations have also been amended to clarify that ACCA's disciplinary and regulatory committees must have lay majorities to be quorate, which has, in fact, been ACCA's practice for many years.

Code of ethics and conduct

Many of the proposed amendments to this section are 'improvements' to the current code, which aim to provide guidance where procedures have been unclear or to address unintended consequences.

Introduction

This section has been amended to remove the transitional provisions concerning the International Federation of Accountants' (IFAC) definitions of 'firm', 'network firm' and 'network', as the revised definitions have become effective for assurance reports dated on or after 31 December 2008.

Description of members and firms and the names of practising firms

There is an amendment concerning the use of the ACCA logo. There is now an overriding restriction in that firms using the logo must, in addition to there being at least one ACCA member as a principal, overall, be controlled by principals who are holders of recognised accountancy qualifications.

Insolvency code of ethics

This section has been entirely replaced by a revised code of ethics for insolvency practitioners, which came into effect on 1 January 2009.

ACCA's Rulebook can be viewed on ACCA's website at www.accaglobal.com/members/professionalstandards/rules_standards/rulebook

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