

CHANGES TO THE ACCA RULEBOOK – 2022

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ACCA Rulebook

The Rulebook is divided into three sections:

- Section 1 includes the Royal Charter, Bye-laws and Council Regulations.
- Section 2 includes the Regulations, covering membership of ACCA, practising and licensing arrangements, and regulatory and disciplinary matters.
- Section 3 includes the Code of Ethics and Conduct.

Changes to the *ACCA Rulebook* arise largely from policy decisions, legislative changes and the requirements of lead regulators or standards setting organisations.

ACCA has adopted the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (**IESBA**). ACCA's policy is to incorporate changes to the IESBA Code in their entirety and unaltered, including the use of American English.

All members, students and others bound by the ACCA Rulebook should ensure they are fully aware of its contents. Further information can be found at www.accaglobal.com/rulebook

Disclaimer

This document has no regulatory status. It is issued for guidance purposes only. Nothing contained in this document should be taken as constituting the amendment or adaptation of the ACCA Rulebook. In the event of any conflict between the content of this document and the content of the ACCA Rulebook, the latter shall at all times take precedence.

CHANGES TO THE ACCA RULEBOOK – 1 JANUARY 2022

Section 1 – Royal Charter, Bye-laws and Council Regulations

Council Regulations

Composition of Council

An amendment has been made to **Regulation 3** of the Council Regulations to increase the number of members on Council from 42 to 45. The changes to Council's composition arise from the modernisation of ACCA's governance structure and form part of a series of measures to support Council in being reflective of ACCA's global membership.

Section 2 – Regulations

Membership Regulations

Updating AML legislative references

Amendments have been made to the **Membership Regulations (Regulation 8(2)(k))** to update anti-money laundering (AML) legislative references. Similar amendments were made to **Annex 2 to the Global Practising Regulations (Regulations 3(3), 8(2) and 9)**.

Annual admission fees and subscriptions

Amendments have been made to **Membership Regulation 4(3)(e)** to reflect annual changes to the rates of admission fees and annual subscriptions.

The fees for 2022:

- Member Subscription fee - £270
- Member Admission fee - £270.

Global Practising Regulations

Practising Certificate Experience Form (PCEF) exemption

Amendments have been made to **Regulation 7(1)(a)(i)(cc)** to give effect a change to ACCA's Practising Certificate arrangements. The change enables members who have gained their experience in employers that are registered under the Practising Certificate Development stream of approval to obtain an exemption from completing the detailed Practising Certificate Experience Form (PCEF).

Find out more about changes to the Practising Certificate arrangements at [Changes to the Practising Certificate Requirements](#)

CPD requirements and guidance for Irish statutory auditors

Changes have been made to **Appendix 1 (Regulation 10) of Annex 2** to the Global Practising Regulations (GPRs), which implement more specific continuing professional development (CPD) requirements and guidance for Irish statutory auditors (members and non-members) in order to comply with guidelines on continuing education issued by the Irish Auditing & Accounting Supervisory Authority (IAASA).

Designated Professional Body Regulations

Receipt of remuneration

The changes to **Regulation 3(7)** of the Designated Professional Body Regulations (**DPBRs**) clarify the requirements relating to the receipt of remuneration and remove a specific requirement relating to the timing of disclosure. Find out more about ACCA's new principles-based approach to the guidance on commissions/fees in the factsheet

[Accounting to clients for remuneration received](#)

Regulatory factsheets and guidance are published on ACCA's website at

[Factsheets and guidelines](#)

Regulatory Board and Committee Regulations

Incompatibility provisions

Amendments have been made to **Regulation 4(6)** of the Regulatory Board and Committee Regulations (RBCRs) to address anomalies in the Incompatibility (conflict of interest) provisions and extend cooling-off period from three to six years – regulation 4(6).

Deleting references to obsolete regulations

Regulation 2(1) of Appendix 1 of the Regulatory Board and Committee Regulations has been amended to delete references to 'The Chartered Certified Accountants' Irish Investment Business Regulations 2013' and 'The Chartered Certified Accountants' Financial Services Compensation Regulations 1996', which no longer exist.

Section 3 – Code of Ethics and Conduct

Code of Ethics and Conduct

Amendments to the Code of Ethics and Conduct (**the Code**) reflect amendments to the IESBA Code. There are revisions to the following sections of the Code:

Role and mindset expected of all accountants

Revisions to Sections 100 (Complying with the Code), 110 (The Fundamental Principles), 120 (The Conceptual Framework), 200 (Applying the Conceptual Framework – Professional Accountants in Business), 220 (Preparation and Presentation of Information), the Glossary and Effective Date better promote the role and mindset expected of all accountants.

Objectivity of Engagement Quality Reviewers

Revisions to Sections 300 (Applying the Conceptual Framework – Professional Accountants in Practice), 325 (Objectivity of an Engagement Quality Reviewer and Other Appropriate Reviewers), 540 (Long Association of Personnel (including partner rotation) with an Audit Client) and Effective Date provide guidance that supports International Standard on Quality Management (**ISQM**) 2 in addressing the eligibility of an individual to serve in an engagement reviewer (**EQR**) role.

Fee-related provisions

Revisions to Section 410 (Fees) and consequential and conforming amendments to Sections 120 (The Conceptual Framework), 270 (Pressure to breach fundamental principles), 320 (Professional appointment), 330 (Fees and other type of remuneration), 400 (Applying the Conceptual Framework to independence for audit and review engagements), 905 (Fees) and Effective Date provide enhancements to the fee-related provisions of the Code so that they remain

robust and appropriate in enabling professional accountants to meet their responsibility to comply with the fundamental principles and be independent.

Non-assurance services provisions

Revisions to Section 600 (Provision of non-assurance services to an audit client) and consequential and conforming amendments to Sections 400 (Applying the Conceptual Framework to independence for audit and review engagements), 525 (Temporary personnel assignments) 900 (Applying the Conceptual Framework to independence for assurance engagements other than audit and review engagements) 950 (Provision of non-assurance services to assurance clients other than audit and review engagement clients), and Effective Date:

- clarify the circumstances in which firms and network firms may or may not provide a non-assurance service (NAS) to an audit or assurance client and therefore help achieve consistent application of the NAS provisions across firms and jurisdictions
- introduce several requirements that expressly prohibit firms and network firms from providing certain types of NAS to their audit clients
- provide some structural amendments to Section 600.

ACCA specific requirements and guidance of the Code of Ethics and Conduct

Commissions

Amendments to ACCA specific requirements and guidance within Section 310 of the Code:

- align the examples of safeguards provided in paragraph 330.5 A2 of the Code
- remove the guidance to disclose amounts and terms 'as soon practicable'.

AML requirements

Changes to Section B2, in respect of AML requirements, remove guidance on client identification that is deemed unhelpful to ACCA and is contrary to what accountants are required to do in order to comply with legislation. Indeed, accountants do need to identify their clients irrespective of personally knowing them.

Section 2 – Regulations

Membership Regulations

Removal of pathway to membership for graduates of Leading Accounting Talent programme provided by Beijing National Accounting Institute

In October 2016, Council approved a pathway to membership accessed through successful completion of an ACCA 'Bridging Programme' that was exclusively available to graduates of the Chinese Government's Leading Accounting Talent (LAT) programme delivered by the Beijing National Accounting Institute (BNAI).

Due to the Government's closure of recruitment for the LAT programme latterly in 2019, and introduction of new high-end development programmes; and expiry of ACCA's contracted provision of the Bridging Programme with BNAI in December 2021, **Membership Regulation 3(d)(vii)** will no longer be in use. The changes to the Membership Regulations therefore removes this regulation and takes effect on 1 April 2022.

Section 2 – Regulations

Global Practising Regulations

Annex 5 – Additional Practising Regulations for the Republic of South Africa

New requirements for registered tax practitioners in South Africa

The Additional Practising Regulations for the Republic of South Africa within Annex 5 of the Global Practising Regulations (**GPRs**) address the requirements of the South African Revenue Service (**SARS**) in order for ACCA to be a controlling body for registered tax practitioners under the Tax Administration Act (**the Act**).

SARS has undertaken a review of the compliance level of tax practitioners in South Africa and developed proposals to build public trust and confidence in the tax administration system. These include changes to the criteria/process for controlling bodies recognition under section 240A(2) of the Act, tax practitioner registration, and status maintenance which will take effect on 1 June 2022.

Amendments to Regulations 2, 5, 6 and 9 of Annex 5 to the GPRs implement new requirements for ACCA members who are currently registered, or wish to register, as a tax practitioner in South Africa:

Confirmation of criminal free status

Regulation 5(a) implements a new general eligibility requirement for ACCA members in relation to their fitness and propriety to be a registered tax practitioner.

From 1 June 2022, ACCA members are required to confirm their criminal free status to ACCA as follows:

- (i) Prior to registration as a new tax practitioner, ACCA members must provide an **independently verified criminal free certificate** in terms of section 240(3) of the Act. The criminal free certificate can be issued by either the South African Police Service or any other credible source.
- (ii) ACCA members who registered as a tax practitioner prior to 1 June 2022 must provide a **sworn in affidavit attesting to criminal free status**.

Thereafter, ACCA members who are registered tax practitioners will be required to provide:

- an annual confirmation that their criminal free status remains the same; and
- a sworn in affidavit indicating they are criminal free in terms of section 240(3) of the Act once every 5 years.

Successful completion of the SARS Readiness Programme

Regulation 5(b) implements a new general eligibility requirement for ACCA members in relation to their fitness and propriety to be a registered tax practitioner.

From 1 June 2022, newly registered tax practitioners must attend 8 hours of the SARS Readiness Programme and successfully pass the assessment.

Continuing professional development

Amendments have been made to **Regulation 6** to implement new CPD requirements for registered tax practitioners.

From 1 June 2022, registered tax practitioners must obtain a minimum of 18 verifiable CPD hours per year which consists of 10 tax hours, 2 ethics hours, and 6 hours relating to the service provided. Previously, registered tax practitioners were required to obtain 15 units of tax related CPD per year, at least 9 of which were verifiable units.

Please note that registered tax practitioners must continue to retain their CPD records for five years.

Transitional arrangements

The annual CPD requirement will be pro-rated for newly registered tax practitioners depending on the registration date.

For existing registered tax practitioners, the previous CPD requirements will be pro-rated for the period 1 January to 31 May 2022, and the new CPD requirements will be pro-rated for the period 1 June to 31 December 2022.

Conduct of work undertaken

Regulation 9 implements a new requirement relating to the conduct of work undertaken by registered tax practitioners.

Fees charged by a registered tax practitioner for work undertaken on behalf of a client must be commensurate with the nature and complexity of the task. The charging of contingency fees for submitting or revising returns is not allowed.

The current SARS definition of 'contingency fee' is included in **Regulation 2(1)**. This is a fee that is a percentage of a refund paid, or to be paid, to a taxpayer as the result of the submission of a tax return by a registered tax practitioner.

Section 2 – Regulations

Global Practising Regulations

Annex 1 and Appendix 4 – Legal Activities Regulations 2018

Withdrawal from probate regulation in England and Wales

ACCA withdrew from probate regulation and ceased to regulate individuals and firms for non-contentious probate, effective 31 December 2021.

Amendments to Annex 1 and Appendix 4 to the GPRs give effect to ACCA's withdrawal from probate regulation and address concerns raised by the Legal Services Board about regulatory gaps:

Interpretation

Amendments have been made to **Regulation 2 of Annex 1** to remove or amend definitions relating to reserved legal activities.

Restrictions on carrying on public practice

Changes to **Regulation 4(2)(b) of Annex 1** amend the restrictions on individuals and firms carrying on reserved legal activities in England and Wales and address regulatory gaps.

Individuals and firms that wish carry on reserved legal activities in England and Wales, or to be held out as available to carry on such activities, must hold authorisation from an approved regulator.

ACCA has developed a partnership with CILEx and CILEx Regulation which provides a pathway for eligible ACCA practitioners to achieve legal services authorisation from an approved regulator and access to a range of support services. Find out more at [CILEX Regulation ACCA-Probate Regulation - for practitioners and firms ACCA-Probate Regulation - Guidance for individuals and firms](#).

Individuals and firms that carry on reserved legal activities without the appropriate authorisation shall be in breach of Regulation 4(2)(b) and will be subject to regulatory and disciplinary enforcement action.

The practice of a reserved legal activity, unregulated, may also constitute criminal offences under sections 14-17 of the [Legal Services Act 2007](#) and therefore members may also be subject to criminal prosecution by law enforcement agencies and the relevant prosecuting authority, resulting in imprisonment or a fine. As part of the assessment of evidence in each case, ACCA would consider whether a private prosecution under section 14 of the Act would be an appropriate and proportionate course of action to take.

Qualifications

Amendments have been made to **Regulation 5 of Annex 1** to remove the qualification requirements to carry on a reserved legal activity in England and Wales that were previously set out under Regulation 5(3).

Legal Activities Regulations 2018

The Legal Activities Regulations 2018 that were previously set out in **Appendix 4 of Annex 1** have been removed. From 1 July 2022, all regulatory arrangements for non-contentious probate activities in England and Wales are withdrawn and these regulations cease to apply.

Section 2 – Regulations

Membership Regulations

New pathway to membership for members of the Institute of Chartered Accountants of Sri Lanka

Changes to the eligibility for membership requirements under **Regulation 3(d)(ix)** provide a pathway to ACCA membership for eligible members of the Institute of Chartered Accountants of Sri Lanka (**CA Sri Lanka**).

In December 2020, ACCA and CA Sri Lanka signed a Strategic Partnership Agreement that committed both bodies to exploring enhanced pathways to membership of each body's organisation. ACCA and CA Sri Lanka subsequently signed a Mutual Recognition Agreement (**MRA**) on 26 September 2022 which provides members of both accounting bodies with access to membership of the other body without any additional examination or practical experience requirements. Mutual membership is based on five years' post membership experience, although CA Sri Lanka offers routes to ACCA members with less than five years' experience on condition that they meet additional requirements.

Find out more about the mutual routes to membership at

[ACCA - Routes to ACCA membership from other accountancy bodies](#)

[CA Sri Lanka](#)

Section 2 – Regulations

Global Practising Regulations

Annex 1 - Additional Practising Regulations for the United Kingdom, Jersey, Guernsey and Dependencies and the Isle of Man

Appendix 1 – United Kingdom Audit Regulations 2016

New requirements for Public Interest Entity (PIE) Auditors in the UK

Annex 1 of the Global Practising Regulations (**GPRs**), including Appendix 1 (United Kingdom Audit Regulations 2016), set out the requirements for practising certificate holders and statutory auditors in the United Kingdom, Jersey, Guernsey and Dependencies and the Isle of Man.

The UK competent authority, the Financial Reporting Council (**FRC**), has introduced a new PIE auditor approval and registration process which is separate from, and additional to, ACCA's existing audit registration process for statutory auditors in the UK (which will continue to apply).

The [FRC Public Interest Entity \(PIE\) Auditor Registration Regulations](#) come into force on 5 December 2022. On and from this date, audit firms that undertake statutory audit work for PIEs in the UK must be included on the PIE Auditor Register. Audit firms that are not registered must **not** undertake PIE audit work, as this would be in breach of the PIE Auditor Registration Regulations. Find out more about the FRC's new requirements for statutory auditors of PIEs in the UK at [Public Interest Entity \(PIE\) Auditor Registration](#).

Amendments to Regulation 2 of Annex 1 to the GPRs and Regulations 4, 5, 7, 14, 15 and 18 of Appendix 1 (United Kingdom Audit Regulations 2016) implement new requirements for ACCA members and firms undertaking statutory audit work for PIEs in the UK arising from the introduction of the FRC PIE Auditor Registration Regulations.

Interpretation

An amendment has been made to **Regulation 2 of Annex 1** to exclude relevant authorities under section 2 of the Local Audit and Accountability Act 2014 from the definition of a 'public interest entity' in the UK.

Eligibility for an audit qualification and an auditing certificate

Regulations 4(2) and 5(2) of Appendix 1 implement new requirements for a member or firm that is eligible for appointment as a statutory auditor or audit firm and wishes to be eligible for appointment as a statutory auditor of a PIE. From 5 December 2022, members and firms that audit PIEs must also meet and comply with the requirements of the FRC PIE Auditor Registration Regulations.

Meaning of firm controlled by qualified persons

Firms authorised to carry on audit work in the UK must be controlled by qualified persons. **Regulation 7(c)(iii) of Appendix 1** clarifies what constitutes a majority of the partners or a majority of the directors and shareholders of the firm. A majority can also mean the percentage of rights specified for decision making in the firm's constitution, if this percentage is set higher than a majority within the meaning of the other regulations in 7(c)(i) or 7(c)(ii).

Similarly, **Regulation 7(d)(iii) of Appendix 1** clarifies what constitutes a majority of the members of the management body of a firm.

Disclosure of information

Regulation 14(1)(b) of Appendix 1 requires individuals and firms that are also eligible for appointment as statutory auditors of PIEs to supply the FRC with any information required by the FRC under the FRC PIE Auditor Registration Regulations.

Monitoring

Changes to **Regulation 15(4) of Appendix 1** amend an order imposed by the FRC to include any condition, undertaking or suspension of registration imposed under the FRC PIE Auditor Registration Regulations.

General

Regulation 18(3) of Appendix 1 clarifies that, in the event of any conflict between ACCA's regulations, rules and guidance and the FRC PIE Auditor Registration Regulations, the FRC's regulations shall take precedence.

Section 3 – Code of Ethics and Conduct

Code of Ethics and Conduct

Quality management-related conforming amendments

Amendments to the Code of Ethics and Conduct (**the Code**) reflect the quality management-related conforming amendments to the IESBA Code. The amendments arise from the issue of a suite of quality management standards (ISQM 1, ISQM 2, and ISA 220 (Revised)) by the International Auditing and Assurance Standards Board (**IAASB**) in December 2020.

There are revisions to the following sections of the Code, including the International Independence Standards (Parts 4A and 4B):

Section 120 (The Conceptual Framework); Section 300 (Applying the Conceptual Framework – Professional Accountants in Public Practice); Section 320 (Professional Appointments); Section 330 (Fees and Other Types of Remuneration); Section 400 (Applying the Conceptual Framework to Independence for Audit and Review Engagements); Section 410 (Fees); Section 540 (Long Association of Personnel (Including Partner Rotation) with an Audit Client); Section 900 (Applying the Conceptual Framework to Independence for Assurance Engagements Other Than Audit and Review Engagements); Glossary, including lists of Abbreviations; Lists of Abbreviations and Standards Referred to in the Code; and Effective Date.

The revisions reflect concepts and terminology used in the IAASB standards, including changes to the definitions of the terms 'engagement team' and 'audit team'.

Find out more about IESBA's Quality management-related conforming amendments at [Final Pronouncement: Quality Management-Related Conforming Amendments to the Code](#)