

Rules relating to Practising Certificate for Public Accountants

Rules governing members registered with the MIPA as Professional Accountants or Public Accountants as well as to Member Firms.

1. These rules may be cited as the Mauritius Institute of Professional Accountants (Rules relating to Practising Certificate for Public Accountants) Rules 2006

2. These rules shall apply to every professional accountant who intends to practise as a public accountant. Every firm which provides or intends to provide professional services shall apply for registration to the MIPA.

3. In these rules –

“Act” means the Financial Reporting Act 2004;

“Board” means the Board of the Mauritius Institute of Professional Accountants.

“firm” means a sole practice, partnership, limited liability partnership or body corporate

“member” means a person registered under section 51 of the Act as a professional accountant;

“member firm” means a firm registered under section 54 of the Act;

“MIPA” means the Mauritius Institute of Professional Accountants;

“practising certificate” means a certificate issued to a person registered as a public accountant by the MIPA under section 55(2) of the Act;

“professional accountant” means a person registered under section 51 of the Act;

“professional services” means services provided by a professional accountant:

(a) requiring accountancy or related skills;

(b) relating to auditing, taxation, management consulting and financial management

“public accountant” means a professional accountant registered under section 52 of the Act;

Expressions in the singular shall include the plural and vice versa and in a gender shall include the other gender and references to persons shall include corporate entities (including partnerships or firms) and vice versa.

4. Restrictions on practising as a public accountant

4.1. Members

- 4.1.1. No member shall practise as a public accountant in Mauritius unless he holds a practising certificate and has paid the required annual fees to MIPA in accordance with the Mauritius Institute of Professional Accountants (Fees) Rules 2005;
- 4.1.2. A member shall only be regarded as holding a practising certificate where it is current and valid. The certificate shall at all times remain the property of the MIPA and the MIPA shall retain the right to demand its return at any time.

4.2. Member firms

- 4.2.1. No member shall be a sole proprietor, partner or director of a firm which provides or intends to provide professional services either in the name of the firm or otherwise in the course of the firm's business, unless the member holds a practising certificate.
- 4.2.2. No member shall hold rights in a firm which provides or intends to provide professional services in the name of the firm, or otherwise in the course of the firm's business, which in effect put him in the position of a principal of the firm, unless the member holds a practising certificate.

5. Eligibility for a practising certificate

5.1. A member shall be eligible for a practising certificate where he:

- 5.1.1. he is sufficiently qualified in accordance with rule 6;
- 5.1.2. he is a fit and proper person; and
- 5.1.3. he satisfies the requirements of MIPA as to continuing professional development.; and
- 5.1.4. has the necessary competence to practice as a public accountant and a period of more than two years has elapsed between the date he has undertaken any education and training and the date of application;

6. Qualifications

6.1. To be qualified to hold a practising certificate for the carrying on of any activity constituting public practice, a member shall:

6.1.1. where he is a member of a professional accountancy body referred to in S51(2) of the Act be eligible to hold a practising certificate from that professional accountancy bodies, where applicable or

6.1.2. where he is a member of a professional accountancy body other than those referred to in S51(2) of the Act be eligible to hold a practising certificate from that professional accountancy body, where applicable.

7. Continuity of practice

7.1. Individuals

7.1.1. A holder of a practising certificate must enter into and keep in force for all of the period during which a certificate is held a written agreement with another accountant, a firm of accountants or a limited company (the "nominee"), providing for the nominee, or nominees if there is more than one, to be responsible for the individual's practice in the event of his death or incapacity.

7.1.2. The nominee or nominees must hold a valid practising certificate.

7.2. Firms

7.2.1. A member firm must make provision for the continuity of its practice in the event of its dissolution, winding-up or liquidation, by providing for another accountant or a firm of accountants (the "nominee" or "nominees" if more than one) to be responsible for the firm's practice in those circumstances.

7.2.2. Such provision may be made in the partnership agreement (where the firm is a partnership) or in the Memorandum and Articles of Association (where a firm is a company) or in the partnership agreement (where the firm is a limited liability partnership) or by entering into and keeping in force for all of the period during which a practising certificate is held a written agreement with another firm.

7.2.3. The nominee or nominees must hold a valid practising certificate

7.3. Exception for individuals

7.3.1. An individual holder of a practising certificate who does not practice as a public accountant on his own account shall not have to comply with regulation 7.1 provided any firm of which he is a partner, director or employee and for whom he works has complied with regulation 7.2 or, if it is not subject to that regulation, has made arrangements for the continuity of its practice which the MIPA regards as adequate.

8. Notification Required of Public accountants and Member Firms

8.1. Notification 28 days in advance

8.1.1. A holder of a practising certificate or a member firm shall notify the MIPA in writing of the following changes not less than 28 days before the change is implemented:

8.1.1.1. a change in the name of the holder, or where it is a body corporate, its registered name and, in the case of a firm, of any partner, director or controller of it;

8.1.1.2. a change in the address of the holder's principal or, in the case of a body corporate, registered office or, if different, the address of the place for service of notices or documents;

8.1.1.3. the opening or closure of a branch office of the holder or the member firm

8.1.1.4. the disposal or cessation of a holder's practice or of a member firm's business

8.1.2. Notification of a change of name of a person holding a practising certificate shall be accompanied by an application for a new certificate of the relevant type from the stated date.

8.2. Notification forthwith

8.2.1. A holder of a practising certificate or a member firm shall give written notice forthwith to the MIPA of the occurrence of any of the following, setting out in the notice details of the event in question and any other relevant information:

8.2.1.1. in the case of a partner or director of a firm, a person has become or ceased to be a partner or director of it, and, in the case of a body corporate, a person has become or ceased to be a controller of it and, in the case of a sole practitioner, he has ceased to practise;

- 8.2.1.2. the appointment of a receiver, administrator, trustee, judicial factor or sequestrator of the assets of the holder (or the happening of any similar or analogous event) or, in the case of a firm, of any partner or director of it and, in the case of a body corporate, of a controller of it;
- 8.2.1.3. the making or any proposal for the making of a composition or arrangement with creditors or any one creditor of the holder or, in the case of a firm, of any partner or director of it and, in the case of a body corporate, of a controller of it;
- 8.2.1.4. where the holder is a partnership, an application or notice to dissolve the partnership and where it is a body corporate, the presentation of a petition for winding-up or the summoning of any meeting to consider a resolution to wind up the body corporate or any other body corporate in its group;
- 8.2.1.5. the granting or refusal of any application for, or revocation of, a recognised professional qualification or any certificate entitling the holder or any partner or director of it and, in the case of a body corporate, a controller of it to carry on company audit work from another qualifying or supervisory body or authorisation to carry on insolvency, investment, banking or insurance business;
- 8.2.1.6. the appointment of inspectors by a statutory or regulatory authority to investigate the affairs of the holder or any partner or director or controller of a member firm;
- 8.2.1.7. the imposition of disciplinary measures or sanctions on the holder or any partner or director or controller of a member firm by any regulatory authority or professional body of which he or such a person is a member;
- 8.2.1.8. in relation to a holder or any partner or director or controller of a member firm
 - 8.2.1.8.1. the institution and abandonment or completion of proceedings in relation to and/or a conviction for any offence involving fraud or other dishonesty;
 - 8.2.1.8.2. the institution and abandonment or completion of proceedings in relation to and/or a conviction for any offence under legislation relating to investment, banking, building societies, companies, consumer credit, credit unions, friendly societies, industrial and provident societies, insolvency, insurance or other financial services;

- 8.2.1.8.3. the presentation of a petition for a bankruptcy order or an award of sequestration;
- 8.2.1.8.4. the making of an order by a court disqualifying that individual from serving as director or as a restricted director or as a disqualified director of a company or from being concerned with the management of a company;
- 8.2.1.8.5. the commencement by the police or any other authority of an investigation into any matter which might reasonably affect the Board's willingness to grant or renew a certificate;
- 8.2.1.9. the disappearance of a partner of a firm such that he is no longer contactable by the other partners of the firm;
- 8.2.1.10. the happening of any event which causes the holder to cease to be eligible for the certificate;
- 8.2.1.11. any changes in any of the information previously supplied to the MIPA;
- 8.2.1.12. any other information relevant to the determination by the MIPA of the fitness and propriety of the holder;
- 8.2.1.13. any other information that MIPA may require in connection with the requirements of these rules.

8.3. Force Majeure

- 8.3.1. If any event happens or any circumstance arises which make it impossible, impracticable or unreasonable for a person to comply with this rule 8, provided he takes all practicable steps to relieve the situation and complies with this rule as soon as the event or circumstance ceases to apply, he will not be regarded as having been in breach of this rule if he fails to comply with it for so long as the event or circumstances do apply.

9. Conduct

- 9.1. Holders of a practising certificate shall, in the conduct of their work to which the certificate relates
 - 9.1.1. comply with the Code of Ethics of the MIPA or of another recognised body which incorporates the code of ethics of the International Federation of Accountants (IFAC);

9.1.2. maintain documented (either paper-based or electronic) quality assurance systems and procedures for ensuring timely and accurate identification of client requirements; and

9.1.3. apply to all assignments, the International Financial Reporting Standards issued by the International Accounting Standards Board and/or any other internationally recognised or Mauritius standards acceptable to the MIPA and Financial Reporting Council, as applicable.

10. Monitoring and compliance

10.1. Persons subject to these rules shall be subject to monitoring by the MIPA in compliance with the Act and these rules. Such monitoring may be carried out by post, by email, by visiting the person's business premises and/or by any other form of communication.

10.2. For the purposes of rule 10.1, members and member firms must supply the MIPA all the information necessary to enable it to complete its monitoring process efficiently.

10.3. Persons subject to these rules shall ensure that all persons associated with them shall co-operate with the MIPA in its monitoring and enforcement of compliance with these rules.

10.4. Persons subject to these rules shall maintain proper books and records at all times to facilitate the proper performance of their duties.

10.5. The requirements of this rule 10 shall apply to persons for as long as they hold a certificate, and for a period of five years after they cease to do so for any reason.

10.6. For the purposes of this rule 10, a certificate includes any certificate issued by the MIPA.