



**THE ACCOUNTANTS (*AUDIT AND ASSURANCE PRACTICE*)
GUIDELINES, 2020**

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IN EXERCISE of the powers conferred by Section 9 (4) of the Accountants Act No 15 of 2008, the Council makes the following Guidelines.

1	Citation	1 These Guidelines may be cited as the Accountants (<i>Audit and Assurance Practice</i>) Guidelines, 2020.
2	Interpretation	<p>2 In these Guidelines, unless the context otherwise requires –</p> <p>“Act” means the Accountants Act No. 15 of 2008;</p> <p>“Ancillary entity” means an entity that provides necessary support to the main activities of an organization;</p> <p>“Certificate” means a certificate issued to a member by the Institute;</p> <p>“Commissioner” means the Commissioner General appointed under the Kenya Revenue Authority Act;</p> <p>“Committee” means the Registration and Quality Assurance committee (RQAC) established under section 13 of the Accountants Act;</p> <p>“Council” means the Council of the Institute established under section 9 of the Accountants Act;</p> <p>“Disciplinary Committee” means the committee established under section 31 of the Accountants Act;</p> <p>“Institute” means the Institute of Certified Public Accountants of Kenya established under section 3 of the Accountants Act;</p> <p>“IFAC” means the International Federation of Accountants;</p> <p>“International Standards” mean the International Financial Reporting Standards prepared and issued by IFAC;</p> <p>“Member” means a member of the Institute;</p> <p>“Misconduct” includes making false tax declarations, aiding and abetting tax evasion and any conduct prohibited by any law relating to the collection of tax;</p>

		<p>“the Accountant (<i>Audit and Assurance Practice</i>) Licensed practitioner” means a member registered by the RQAC;</p> <p>“The Accountant (<i>Audi and Assurance Practice</i>) certificate” means the certificate issued by the RQAC.</p>
3	Eligibility for Application of Audit and Assurance Practice Certificate	<p>For an applicant to be considered to practice as an Audit and Assurance Practitioner, he should meet the following criteria:</p> <ul style="list-style-type: none"> a) Has been an ordinary member of the Institute for the last two years. b) Any Certified Public Accountant with the required <i>Audit and assurance services</i> experience is eligible to apply for a Certificate of Practice as set out in the Certificate of Schedule to these Guidelines. c) The Applicant should have acquired five (5) years’ experience in performing <i>Audit and assurance services</i> work on full time for five (5) and seven (7) years ‘experience on part time basis under the supervision of a member in good standing, who has been holding the practicing certificate for a period of not less than six (6) years; d) The Applicant should have obtained 40 CPD hours annually in accordance with the Institute’s CPD Guidelines, in the years prior to the application for a Practicing Certificate; e) The Applicant should have attended any of the two mandatory trainings in Audit and assurance, reviews and related services on an annual basis as directed by the Institute; f) A successful Applicant shall pay an annual practicing fee as shall be determined by the Council from time to time. g) A member who wishes to practice as Accountant (Audit and Assurance Practice) shall apply in writing to the RQAC in a prescribed form for registration; h) An application made shall be accompanied by a non-refundable fee of Ten thousand shillings (Kshs. 10,000); i) The RQAC may register a member as an Accountant (Audit and Assurance Practice) if that member is in good standing; j) Foreign nationals must have valid work permits and must meet foreign accountancy qualification requirements and pay prescribed fees.
4	Register for licensed Accountant offering Audit and Assurance services	<p>4. (1) The RQAC shall maintain a register of all accountants licensed under Accountants (<i>Audit and</i></p>

		<p><i>Assurance Practice</i>) Guidelines.</p> <p>2). The register shall contain—</p> <ol style="list-style-type: none"> the names of all accountants licensed under these Guidelines; the principal address of business and any other place where the licensed accountant may operate from; and the names of the firm and the name of the interim manager where the firm is a sole proprietor such other information as the RQAC may deem necessary. <p>(3) A licensed accountant under these Guidelines shall notify the RQAC of any change in the information in the register within fourteen days of such change.</p>
5	Functions an Audit and Assurance Practitioner	<p>5. The functions of licensed Audit and Assurance Practitioner shall include —</p> <ol style="list-style-type: none"> Audit, assurance and All services for the Licensed practitioners’ The services under this category include performing an audit, review, or other assurance services, including issuing an auditor’s report, a review engagement report, opinion or any other assurance report in accordance with, ISA’s, IFRS and INTOSSAi as issued by IFAC or such standards as may be promulgated by ICPAK. File an audit opinion with the institute for every assurance work done by the 25th of every month after the issue deal with any other matters that relate to audit and assurance services.
6	Prohibited Practice	<p>6. An Accountant licensed under these Guidelines is prohibited from rendering the following services:-</p> <ol style="list-style-type: none"> Services that are against the accountants Act Number 15 of 2008 in the meantime. and these Guidelines. Services that are against these Guidelines.



7	Description of Practicing firms	Any firm of registered members that has been duly licensed under these Guidelines shall be entitled to describe itself as “Certified Public Accountants of Kenya” (<i>Audit and assurance practice</i>)
8	Registration of practicing firms	<p>8.) (1) A firm applying for registration as “Certified Public Accountants of Kenya (<i>Audit and assurance practice</i>) shall fulfill the following conditions:</p> <ul style="list-style-type: none"> a) complete an application form issued by the Council and submit it to the RQAC for consideration; b) Submit professional indemnity insurance cover equal to at least three times the latest annual turnover of the firm; c) submit a proof of formation of partnership where a firm is not a sole proprietor; d) submit a proof that there are arrangements for the continuity of the practice in the event of death or incapacity of the partner for a sole proprietor firm (s); e) submit a proof that there is a proper place of business with proper physical address. f) Pay the appropriate application fees. <p>(2) Office of the Auditor General:-</p> <p>For the Purpose of section 5 of the Public Audit Act, 2015, the RQAC may accept the Office of the Auditor General’s for registration as a firm, so long as the application is made by a member in good standing and responsible for the direction and supervision of the Office of the Auditor General</p>
9	Offences	An Audit and Assurance practitioner licensed under these Guidelines shall commit an offence as prescribed by the provisions of section 41 of the Accountants Act.
10	Conduct of Accountant Licensed as an Audit and Assurance Practitioner.	<p>10) (1) An Accountant licensed under these Guidelines shall file with RQAC by 25th of following month, monthly returns of serially numbered audit opinions and assurance certificates issued for the previous month, in a prescribed manner containing the following details:</p> <ul style="list-style-type: none"> a) Name of Auditee client b) Name of engagement Partner c) Description of audit / assurance service rendered d) Date of sign off by engagement Partner



		<p>2) act for the public interest at all times;</p> <p>3) Be ethical in his/her conduct at all times.</p>
11	Investigation of allegations of misconduct by practitioners	<p>(1) All allegations of professional misconduct by an accountant licensed under these Guidelines shall be handled by the disciplinary committee and dealt with in accordance with the provisions of Section 30 to 35 of the Accountants Act.</p>
12	Amendment of Category of license	<p>12. A member in good standing may apply to amend a category of license by delivering to RQAC a form in a prescribed manner, pay prescribed fee and avail any other documents or information specified in the application form or otherwise required by Council from time to time</p>
13	De- registration of Practicing Firms	<p>13. Registration of a practicing under these Guidelines shall cease on the occurrence of any of the following:</p> <ul style="list-style-type: none"> a) where the firm is convicted in a court of law for a financial crime; b) where the actions of the firm's partners constitute a breach of gross professional conduct or ethics; c) death or where the partner(s) becomes incapacitated; d) failure of a practitioner(s) or the firm to pay the annual firm fees for a period of more than three months from the due date; e) failure of the firm to comply with the international Standards and Guidelines or directives issued by the Council from time to time. f) failure of the firm to keep proper books of accounts as required by law and to pay the required tax to the Government; g) failure of the firm to maintain good quality work for its clients; or h) failure of any one of the firm partners(s) to attain the minimum number of hours in continuing professional development programs or; i) A licensed practitioner shall be deregistered on retirement from active practice and or on voluntarily returning his or her practicing certificate to RQAC.
14	Dispute Resolution	<p>14. In case of any dispute in respect of these guidelines, the same shall be referred to the Registration and Quality Assurance Committee (RQAC) of the Institute.</p>



15	Transitional Provisions	15. All existing Practitioners in the database as at the effective date of these Guidelines shall be deemed to be registered and licensed under these Guidelines. This window shall be for the licenses already issued during the year of conversion only.
16	Effective Date	16. These Guidelines shall take effect from the date approved by Council

Dated the _____ 2020.

Signed on Behalf of the Council by

FCPA Rose Mwaura, MBS

Chairman ICPAK Council



Please attach
2 current
passport
photos of
yourself
certified as
true likeness
of the
applicant

THE ACCOUNTANTS ACT
No.15 of 2008

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF KENYA

**APPLICATION FOR GRANT OF A PRACTISING CERTIFICATE
AUDIT AND ASSURANCE SERVICES**

Applications to be addressed to:

The Chairman
Registration and Quality Assurance Committee
Institute of Certified Public Accountants of Kenya
P.O. Box 59963 00200
NAIROBI

Date.....

SECTION A

1). Surname (Mr. ☐ Mrs. ☐ Miss. ☐ Ms ☐ Dr ☐ Prof. ☐) -----
(Block Letters)

2) Other Names-----
(Block Letters)

3) Registration Number----- Date of Registration-----

Provide copy of the registration certificate from ICPAK. The copy should be certified as being a true copy of the original by an advocate of the High Court of Kenya to whom the applicant is



known.

- 4) Confirmation of payment of application fee which is non-refundable of **Kshs. 10,000 (for Kenyans) or Kshs. 15,000 for non-Kenyans)**

Cheques should be made payable to the Institute of Certified Public Accountants of Kenya (ICPAK). Modes of payment – Cheques, Card, M-PESA - Pay bill 722722 for business number and ICPAK membership number for account number. Telex Transfer/ Telegraphic Transfers; Barclays Bank of Kenya, Moi Avenue branch, A/c 03-075-1597134; Swift Code -BARCKENX OR Standard Chartered Bank, Ruaraka Branch, Account Number: 010-2093120900. Where payment has been made through the bank, the applicant is required to present the banking slip with his/her application.

NB

The application fee shall be forfeited if the grant of the practicing certificate is not awarded within two (2) years from the date of application.

- 5) Practical experience in Independent External Audit work with Practicing Firm(s) (Use additional sheet of paper if necessary)

Name and address of Firm	Position Held	From (date)	To (date)	Main Clients Handled



Provide a letter from a practicing firm of accountants confirming your experience in independent external audit work, monitored by a holder of a valid practicing certificate and a member in good standing, who has been holding the practicing certificate for a period of not less than six (6) years specifying the following;

- ☐ *That you have spent the equivalent of five (5) years in external audit practice in full-time or seven (7) years in part-time capacity*
- ☐ *Details of clients handled by you and levels of responsibility on the assignments.*
- ☐ *Level of responsibilities in external audit practice generally and the duration of such responsibilities (e.g. manager, supervisor/ senior, clerk/assistant and the period such position held)*
- ☐ *Names and contacts of the partners to whom you were responsible for your work.*
- ☐ *Other work experience gained since registration as a Certified Public Accountant of Kenya.*

NB: Where experience in external audit work is gained through more than one firm, details confirming your experience as above should be obtained from each of the firms in question.

6) Names and contact of Partners under whom you served in No.5 above.

Name of Partner	Firm Name	Registration number of the partners	Period	
			From	To

Provide statements from the two (2) referees named above detailing their knowledge of you the applicant, particularly as relates to integrity.



7) Work experience gained since qualifying (Use additional sheet of paper if necessary)

Name and Address of Organization	From (date)	To (date)	Position Held	Description of Responsibilities



Provide letters of reference from employer(s) covering the previous five (5) years confirming your professional experience and integrity of work.

SECTION B

8. I, -----hereby apply for the grant of a Practicing Certificate under the provisions of the Accountants Act No.15 of 2008. The details of my practice are as provided below;

8.1 Name or Style of Practice-----

8.2 Main Address at which Practice is located / is to be located:

Physical location-----

Town/District -----

Mail Address-----

Telephone No-----

Email Address-----

Contact Partner-----

8.3 Branch Offices:

Physical Location

Town/District

9. Names and contacts of existing Partners, their Registration and Practicing Certificate numbers.

Name	Registration No	Practicing Cert. No.	Residential Status



10. State whether the Practice will be ☐ Full time ☐ Part time
11. If part time, give approximate proportion of working time to be spent in practice (in percentage terms) ☐ less than 20% ☐ 20-50% ☐ over 50%
12. Does (will) the firm provide other related professional accountancy services apart from auditing and assurance services? ☐ Yes ☐ No
13. If the answer to No.12 is yes, list the other services planned to be offered
-
-
-
15. Date planned for Practice to commence-----

Non-Kenyans should enclose a copy of a valid work permit also certified by the same advocate who certifies the applicant's other documents.

16. Declaration

- 16.1. I hereby solemnly declare that the foregoing information is true to the best of my knowledge. I acknowledge that any statement contained anywhere in this application which is known to be false shall invalidate this application and any decision reached thereon by the Board. I have read the Accountants Act, and

I am aware of the penalties stipulated in connection with the provision of misleading information.

- 16.2. I further commit to fulfil any requirements set by the Institute of Certified Public Accountants of Kenya (ICPAK) relating to Professional Standards, Continuing Programmes of Education, Audit Quality Review, Professional Indemnity for practicing accountants and any other professional pronouncements that are in force or may be introduced in the future.



Applicants Signature-----Date-----

FOR OFFICIAL USE ONLY

Practicing File No: -----Registration No

Date Received: -----

Receipt No----- Date-----Date Acknowledged-----

Member standing status In good standing ☐ Not in good standing ☐

Firm review Status Date..... Review Number

Approved/Rejected Minute No-----Deferred Minute No-----

RQAC Chairman's Signature----- Date-----

Date Notification Sent-----

