

AL 1

Application for Auditor Licence

Please use this form if you are a **New Zealand** resident applying for a licence under section 11 of the Auditor Regulation Act 2011.

Please read the **Guide to the form** (pages 4 – 5) carefully before you complete the application form.

Note: Do not use this form if you are applying to renew an existing licence. Use the renewal form AL IR instead.

Please complete **Sections 1-11** and return the form to the NZ Regulation team (see **page 3** for details).

Section 1 – Personal information (refer note 1 of guide)

Full name/Surname	<input type="text"/>
Name of audit firm	<input type="text"/>
Business street address	<input type="text"/>
Business postal address	<input type="text"/>
Email address	<input type="text"/>
Contact phone number	<input type="text"/> <input type="text"/> (Mobile) <input type="text"/> <input type="text"/>
Website address	<input type="text"/>

Are you a partner or employee of an audit firm, or a sole practitioner: (select **one** only)

Partner (audit firm) **Employee** (audit firm) **Sole practitioner**

Country, state or territory in which you are ordinarily resident and entitled to act as an auditor

Section 2 – Fit and proper person (refer note 2 of guide)

- Yes, I am a fit and proper person to hold a licence**
(You need to complete Form *AL 100 – Fit and Proper Person* and attach it to this application.)
- Yes, a copy of a current criminal convictions record obtained from the New Zealand Ministry of Justice has been attached**
(You need to submit a **criminal convictions record** obtained from the Ministry of Justice. If you have been domiciled overseas, we may ask you to provide a police clearance certificate from that jurisdiction.)

I declare that:

1. The information provided in this application, and in any supporting documents, is true and correct.
2. I authorise the New Zealand Institute of Chartered Accountants (**NZICA**) and/or Chartered Accountants Australia and New Zealand (**CA ANZ**) to lawfully obtain at any time, from any person or entity, any information about me that it considers necessary or desirable to obtain in order to process this application, and I authorise such person or entity to release this information to NZICA and/or CA ANZ.
3. I understand that these checks may include, but are not limited to, criminal history and verification of my qualifications and professional membership(s). If CA ANZ or NZICA collect any 'sensitive information' (as defined in applicable privacy laws) about me, I understand such sensitive information will only ever be used to the extent that it is reasonably necessary for one or more of the functions or activities of CA ANZ and/or NZICA (as applicable) or as otherwise permitted under applicable laws.

I consent to NZICA's Privacy Collection Statement below.

Privacy Collection Statement

New Zealand Institute of Chartered Accountants (NZICA or we) is a body corporate established under the New Zealand Institute of Chartered Accountants Act 1996 (NZ). NZICA collects, holds, uses and discloses personal information (as defined in applicable legislation) about you in accordance with the privacy policy of Chartered Accountants Australia and New Zealand (CA ANZ) available at <http://www.charteredaccountants.com.au/privacy> (CA ANZ Privacy Policy).

Some of the personal information we collect comprises 'sensitive information' (as defined in applicable legislation) including information relating to membership of a trade or professional association or union, criminal records, health or other sensitive information to the extent that it is reasonably necessary for one or more of the functions or activities of NZICA.

NZICA collects your personal information to fulfil its statutory role in regulating the professional conduct of CA ANZ members resident in New Zealand. If you do not provide personal information, we may not be able to process your renewal of Auditor Licence.

NZICA and CA ANZ may disclose personal information to each other and each of our respective agents, contractors and service providers (such as where we outsource functions to third parties), to local and international professional bodies and other regulators and government and statutory bodies in New Zealand and Australia. We may also collect information about individuals from a third party (such as other professional bodies with which we have reciprocal arrangements). It is likely that personal information will be disclosed to overseas recipients as provided in the CA ANZ Privacy Policy.

The CA ANZ Privacy Policy also sets out how you can seek to access and correct your personal information or raise a privacy concern or complaint and how it will be dealt with as well as details about the disclosure of your personal information to entities overseas.

CA ANZ is formed in Australia. Our members are not liable for our debts and liabilities.

I have read, understood and agree to and consent to the CA ANZ Privacy Policy and the Privacy Collection Statement above.

Signature

Full name

Date

ADDITIONAL PROVISIONS FOR EU DATA SUBJECTS

The following additional provisions apply to you if the (EU) 2016/679 General Data Protection Regulation (**GDPR**) applies to you. GDPR will apply to you if you are or become a resident of the member states of the EU, Norway, Iceland and Liechtenstein (**EU data subjects**).

Lawful grounds: Under the GDPR, we are permitted to process your information for the purposes described above, by relying on one or more of the following lawful grounds: (a) you have explicitly agreed that we may process your information for a specific reason; (b) the processing is necessary to perform the agreement we have with you or to take steps to enter into an agreement with you; (c) the processing is necessary for us to comply with our legal obligation; or (d) the processing is necessary for our legitimate interests, which include: (i) to protect our business interests; (ii) to ensure that complaints, including complaints about member conduct, are appropriately investigated; (iii) to evaluate, develop or improve our products and services; or (iv) to keep our members informed of relevant products and services, unless you indicate that you do not wish us to do so. We generally rely on your specific consent to process special categories of personal data (i.e., 'sensitive information'). However, in some cases (for example, relating to an alleged offence), we may need to use some of that information to comply with our legal obligations.

Withdrawing your consent: Where you have consented to our processing of your information (including special categories of personal data), you may withdraw your consent at any time. To do so, contact us using the details set out in our Privacy Policy. In some cases we may lawfully continue to process your information even after you withdraw your consent, by relying on the legal bases described above. Other important information such as transferring your personal data outside the European Economic Area information, your specific GDPR rights over your personal data and how and when we retain and destroy your personal data is explained in our Privacy Policy.

Section 10 – Payment details

FEES PAYABLE

Two separate fees **must be paid with this application**:

(Please refer to the fee breakdown below for further details)

1. NZICA's processing fee (non-refundable)	\$	1,035
2. Registrar of Companies registration fee	\$	350
Total amount payable	\$	1,385

Any variation to the total amount due, please explain below:

FEES: (All fees quoted in NZ\$ and includes GST)

- NZICA's processing fee – \$1,035**
This fee is for considering your application. This fee is **non-refundable**.
- Registrar of Companies registration fee – \$350**
This fee is set by the Auditor Regulations 2012, collected by NZICA, and passed on to the Registrar. This fee is **refundable** if we don't issue you with a licence.

PAYMENT METHOD

PAY BY DIRECT CREDIT

Electronic Payments can be made to our

Westpac account: **03-0566-0222278-003**

SWIFT code: **WPACNZ2W** (for overseas transfers)

→ Please include your name and code '**AUDITLIC**' in your reference.

PAY BY CHEQUE

Cheques should be made payable to:

New Zealand Institute of Chartered Accountants

PAY BY CREDIT CARD

Amex Diners Mastercard Visa

Card no.

Expiry date /

Cardholder name

Cardholder signature

Section 11 – Checklist

- Completed **all** sections, and **signed** the declaration **Yes**
- Completed payment details/attached cheque (if applicable) **Yes**

Attached the following: (if applicable)

- Form *AL 100 – Fit and Proper Person* **Yes**
- Current Ministry of Justice criminal convictions record – download from www.justice.govt.nz **Yes**
- Your New Zealand academic qualification, or details of your membership of a reciprocal body or details of NZICA's specific recognition of your overseas academic qualification (at least one must be provided) **Yes**

- Form *AL 101 – Practical Audit Experience* **Yes**
- Form *AL 102 – Credit for Overseas Issuer Audits* (if applicable) **Yes**
- Form *AL 103 – Advanced Certificate of competence letter* issued by your assessor (if applicable) **Yes**

Sole Practitioners ONLY

- Professional indemnity insurance information **Yes**
- Evidence of compliance with systems, policies and processes of professional and ethical standards. **Yes**

Section 12 – Submitting your application

HOW TO APPLY FOR A LICENCE

You must complete the NZICA application form and forward all the relevant information, including fees, to NZICA for consideration to:

email regulation.nzica@charteredaccountantsanz.com

OR

post

**NZ Regulation
Chartered Accountants ANZ
PO Box 11342
Wellington 6142**

ANY QUESTIONS

If you have any questions you can contact the NZ Regulation team at:

email regulation.nzica@charteredaccountantsanz.com

phone Customer Support on **0800 469 422**

Application for Auditor Licence

Guide to the form

DO I NEED TO OBTAIN A LICENCE?

You will need a licence if you are either the engagement partner or the engagement quality control reviewer of an FMC audit.

DEFINITIONS

AUDIT WORK includes most work related to a specific engagement which commonly forms part of an audit engagement. This would include work related to accepting an engagement, audit testing, preparation of an opinion, researching/ advising on technical issues arising in connection with an audit and engagement quality reviews. Time spent working within a firm's technical or quality division may be counted towards the hours requirements provided that it can be demonstrated that the hours concerned relate to FMC audits (or similar).

It would not include training or administrative activities related to managing the firm's audit business.

FMC AUDITS (formerly issuer audit)

- a) Means the audit of
 - i) The financial statements or group financial statements of an FMC reporting entity that are prepared under the Financial Markets Conduct Act 2013; or
 - ii) The financial statements of a scheme or a fund prepared under section 461A of the Financial Markets Conduct Act 2013; or
 - iii) The financial statements referred to in section 461B of the Financial Markets Conduct Act 2013; and
- b) Includes any audit or review required to be carried out under the regulations made, or exemptions granted, under the Financial Markets Conduct Act 2013 or the Securities Act 1978 by a qualified auditor (within the meaning of either of those Acts); and
- c) Includes any audit of the financial statements or group financial statements prepared under the Financial Reporting Act 1993 in accordance with section 55 of the Financial Reporting Act 2013; and
- d) Includes any issuer audit (as defined in this Act before the commencement of this paragraph); but
- e) Does not include any audit carried out under the Public Audit Act 2001 (whether the Auditor-General or any other person is acting as the auditor).

It only includes New Zealand issuers and does not include overseas issuers who may issue securities.

It is important to note that Section 55 of the Financial Reporting Act 2013 include transitional provisions (for a period of 5 years from December 2013) that capture issuers defined under the Financial Reporting Act 1993 (refer to section 6 of the Auditor Regulation Act 2011).

FMC REPORTING ENTITY (formerly issuer)

- 1) Has the same meaning as in section 6(1) of the Financial Markets Conduct Act 2013 which is:
 - a) Every person who is an issuer of a regulated product (but see section 452);
 - b) Every person who holds a licence under Part 6 (other than an independent trustee of a restricted scheme);
 - c) Every licensed supervisor;

- d) Every listed issuer (but see section 351(1)(ab));
- e) Every operator of a licensed market (other than a market licensed under section 317 (overseas-regulated markets));
- f) Every recipient of money from a conduit issuer (see section 453);
- g) Every registered bank;
- h) Every licensed insurer;
- i) Every credit union;
- j) Every building society;
- k) Every person that is an FMC reporting entity under clause 27A of Schedule 1.

2) Includes a person to which section 55 of the Financial Reporting Act 2013 applies; and

3) Includes any issuer (as defined in the Financial Reporting (Amendments to other Enactments) Act 2013 before the commencement of this paragraph)

SIMILAR AUDIT ENGAGEMENT means an audit or review of the financial statements of an entity:

- Which is of a comparable level of complexity to an FMC audit; and
- Which is of a type of audit engagement that could satisfy the definition of FMC audits in the Act if the entity was an FMC reporting entity; and
- Where the entity:
 - Prepares full New Zealand IFRS accounts; or
 - Is a large company which prepares accounts under the reduced disclosure regime; or
 - Is an overseas company which prepares accounts under full IFRS or an acceptable local equivalent (without any concessions in respect of measurement or disclosure); or
 - Is an overseas company which prepares accounts under a reduced disclosure regime approved by FMA and meets any threshold requirements FMA sets for companies relying on that reduced disclosure regime, or
- Where the entity is an overseas issuer.

OVERSEAS ISSUER means a company which is incorporated in an approved overseas jurisdiction; has issued securities to the public in its place of incorporation pursuant to a regulated offer of securities; is subject to financial reporting requirements in its place of incorporation which are comparable to those required of an FMC reporting entity under the Financial Reporting Act 2013; and is not an FMC reporting entity for the purposes of the Financial Reporting Act 2013.

LICENSING PROCESS

If NZICA considers your application meets the licensing requirements, then NZICA will authorise the Registrar of Companies to record your licence on the register of licensed auditors and registered audit firms.

NOTE 1 – PERSONAL INFORMATION

Please provide all current information requested. If your application is approved we will provide this information to the Companies Office for inclusion on the public register.

NOTE 2 – FIT AND PROPER PERSON

NZICA can only issue you with a licence if you are a fit and proper person to hold a licence.

Please complete Form *AL 100 – Fit and Proper Person* and attach it to your application. The form can be found at www.charteredaccountantsanz.com.

Please consider if any of the matters set out in Appendix 1 of form *AL 100* apply to you. If any such matter applies then you must provide full details to NZICA of the event, your conduct in relation to the event, any findings made in relation to the event, and any penalty or sanction imposed. NZICA will then consider the circumstances of the matter and your overall history and determine if you are fit and proper.

NZICA considers the first five matters set out in Appendix 1 (dishonesty, offences against financial markets legislation and banned from acting as a director) to be the most serious. For other matters, the severity may depend on how recently the event occurred, the type of conduct or behaviour exhibited, and any mitigating circumstances surrounding the event.

Please consider whether any other matter exists that could impact on whether or not you are fit and proper and if such matter does exist, disclose it to NZICA.

Please submit a current criminal conviction record obtained from the Ministry of Justice with your application. The appropriate Ministry of Justice form (Priv/F1) can be found on the Ministry of Justice's website. The criminal conviction certificate must not be older than 6 months at the date of the application.

If you have been domiciled overseas for a period we may require you to provide a police certificate from the overseas jurisdiction. We will advise you if this is required.

NOTE 3 – ACADEMIC QUALIFICATION

You must either have:

- Successfully completed an approved course. An approved course is an approved academic qualification relevant to accounting and auditing from a tertiary institution that has been accredited by NZICA; or
- Attained knowledge and expertise equivalent to that expected of a person who has completed an approved course, as assessed to the satisfaction of NZICA.

There are three ways you can meet the academic requirements:

- You have successfully completed an approved course at an NZICA accredited tertiary institution; or
- NZICA has recognised your academic qualification through a mutual recognition agreement with an overseas accounting body; or
- NZICA has recognised your overseas qualification after receiving an application from you.

You will have successfully completed an approved course at an NZICA accredited tertiary institution when you have completed an approved academic qualification relevant to accounting and auditing from a tertiary institute that has been accredited by NZICA. If you hold a CPP then we will accept that you meet this requirement but you should still disclose the qualification in the form.

NZICA has mutual recognition agreements with overseas accountancy bodies:

- Institute of Chartered Accountants in Australia (ICAA)
- Chartered Accountants Ireland (CAI)
- Institute of Chartered Accountants in England and Wales (ICAEW)
- Institute of Chartered Accountants of Scotland (ICAS)
- South African Institute of Chartered Accountants (SAICA)
- Canadian Institute of Chartered Accountants (CICA)
- Hong Kong Institute of Certified Public Accountants (HKICPA)
- US International Qualifications Appraisal Board (IQAB) representing

- the National Association of State Boards of Accountancy (NASBA) and the American Institute of Certified Public Accountants (AICPA)
- The Chartered Institute of Public Finance and Accountancy (CIPFA)
- Institute of Chartered Accountants of India (ICAI).

Where you were previously a member of one of these overseas accountancy bodies and NZICA has mutually recognised that membership in granting you NZICA full Chartered Accountant membership, then we consider you have attained knowledge and expertise equivalent to that expected of a person who has completed an approved course. You will need to provide details in the form.

If you are relying on recognition of your overseas study as meeting the academic requirements for full Chartered Accountant membership you will need to attach confirmation of NZICA's recognition to your application.

NOTE 4 – AUDIT-SPECIFIC PROFESSIONAL QUALIFICATION

You will need to have successfully completed a professional course in auditing approved by FMA. In accordance with the FMA audit-specific professional qualification notice approval, FMA has approved professional auditing courses conducted by the New Zealand Institute of Chartered Accountants (NZICA), the Institute of Chartered Accountants Australia (ICAA), CPA Australia and the Institute of Public Accountants Australia (IPAA). You may wish to refer to www.fma.govt.nz for further information.

NOTE 5 – AUDIT EXPERIENCE

You need to have at least five years of audit experience.

NZICA's expectation is that this five years audit experience will be post-qualification, generally be working full time, or close to full time hours, with most of your time focussed on audit work. If you have only worked part time or your work has been divided between audit and work in other accountancy disciplines NZICA may require you to complete an additional period of audit experience so that you develop the required experience necessary before we issue you a licence.

You need to have completed at least 3,000 hours of audit work within the five years immediately prior to making this application or such longer period as we approve.

The audit work does not have to be at a partner level but could, for example, be at a director, manager or intermediate level.

You need to also have completed 750 hours of work on FMC audits and/or similar audit engagements within the five years immediately prior to making this application or such longer period NZICA approves.

In some circumstances you may be unable to complete the 3,000/750 hours of experience within the five year period. In this case NZICA may allow you to complete your experience over more than the five year period. You will need to talk to us before completing your application if you cannot complete your experience within the five year period.

At least 375 hours of your audit experience must be on New Zealand FMC audits.

If you have been previously licensed or registered as an auditor in an approved overseas jurisdiction (Australia, the United Kingdom or the United States of America), then you may credit up to 125 hours of time recorded on overseas issuer audits toward the 375 hours.

If you have held an overseas licence (issued under section 12 of the Act) within the six month period immediately prior to making your application you can credit any amount of time accrued on audits of overseas issuers towards the 375 hours.

SUPERVISION

The experience supervision criteria (PMS3(2)) is targeted at applicants who may not have developed the necessary experience to competently undertake FMC audits without the supervision of an experienced licensed auditor.

The 3,000 hours of audit experience, including 750 hours of work on issuer audits and/or similar audit engagements, must be completed under the supervision of:

- Where the experience is completed in New Zealand after the commencement of the Act, a licensed auditor; or
- Where the experience is completed in New Zealand before the commencement of the Act, a person who was at the time experienced in auditing, as assessed to NZICA's satisfaction; or
- Where the experience is completed outside New Zealand, a person who is accredited or licensed to conduct audits in the country where the experience was gained.

Your audit experience may have been completed while overseas. In assessing any overseas experience, NZICA will require that your overall experience gained is at least of an equivalent standard to experience gained in New Zealand. In making this assessment we will consider the level of seniority worked at and the jurisdiction it was gained in. Where we consider that the overseas experience gained is of a lesser quality

than acceptable experience undertaken in New Zealand NZICA may require you to complete an additional period of experience.

You will need to complete Form *AL 101 – Practical Audit Experience* detailing your 375 hours of issuer audit experience. You will need to provide sufficient detail to allow NZICA to determine if you meet this requirement as well as the supervisory requirements. Should you want to credit your overseas experience towards the 375 issuer audit hours you will need to complete Form *AL 102 – Credit for Overseas Issuer Audits* or Holding an Overseas Licence and attach it to your application.

NOTE 6 – ADVANCED CERTIFICATE OF COMPETENCE

You need to be competent to conduct an FMC audit and you must provide an advanced certificate of competence – *AL 103* with your application, signed by your assessor.

An assessor means a licensed auditor who has been approved by NZICA to be your assessor. You can find out more about the assessor approval process at www.charteredaccountantsnz.com.