

Practice Details Advice



Please fill in the Practice Entity's **Identification Number**, if known (please use a **BLACK** pen)

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Please return this completed advice to Chartered Accountants Australia and New Zealand (CA ANZ) (see page 3 for contact details).

Please print in **BLOCK LETTERS**.

IMPORTANT NOTE: This is **not** an application for 'Practice Entity Membership'. The forms for Chartered Firms applying for membership or changing their Practice Entity Membership details are at <https://www.charteredaccountantsanz.com/member-services/being-in-public-practice/practice-entity-membership>

Practice entity members updating their details must use the *Change of Practice Entity Details* form.

Section 1 – Practice details

Name of practice entity

Trading as (if different from above)

If this is a 'change of name' of practice entity, supply the former name of the practice entity

If this is a new practice entity, please advise the commencement date

1. Business contact details

Street address

State

Postcode

Country

PO Box address

State

Postcode

Country

Email

Web address

Phone (business)

Mobile

2. Preferred business postal address

Street address

PO Box address

Section 2 – Details of person completing this form

Title

 Mr Mrs Miss Ms Other

Given name/s (in full)

Family name

Preferred name

Membership Number (if known)

Phone (business)

Mobile

Section 3 – Professional Indemnity Insurance

- Is this practice covered by a current professional indemnity insurance (PII) policy? Yes → go to question 2 No
- What month does your insurance period start?

Section 4 – Chartered Firm

Note: It is essential you read the 'Explanatory notes' (pages 4 – 6) **prior** to the completion of the advice on this page.

- Do you wish to have this practice recognised as entitled to describe itself as 'Chartered Accountants' in accordance with CR9?**
 Yes → Please complete the **questions 2 and 3** below **No** → Go to **Section 5 – Checklist**
- Practice structure diagram**
 Where the practice is comprised of a partnership, combination of entities or entities and individuals, please attach a diagram of the practice structure or otherwise outline the details for the organisation.
- Practice entity participants**
 Provide contact details for the individual responsible for ensuring CA ANZ is kept informed as to the Practice Entity Participants for this practice.
(This option is only available to large firms seeking to co-ordinate such information through a single source)

3.1 Please list all partners/directors/trustees of the practice entity:

Name	% holding in Practice Entity (if any)	Actively involved in the provision of professional services		Chartered member who holds a CPP with CA ANZ OR has made separate application for a CPP		Affiliate member of CA ANZ		Membership Number
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
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		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Subtotal	<input style="width: 100%;" type="text"/>	%						

3.2 Please list all practice entity participants and principals not otherwise listed in 3.1 above:

Name and role (eg. trustee, principal, salaried partner, etc.)	% holding in Practice Entity	Actively involved in the provision of professional services		Chartered member who holds a CPP with CA ANZ OR has made separate application for a CPP		Affiliate member of CA ANZ		Membership Number
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
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Subtotal	<input style="width: 100%;" type="text"/>	%						

3.3 Please list all non-member owners not otherwise listed in 3.1 and 3.2 above:

Name	% holding in Practice Entity	Actively involved in the provision of professional services		Authorised representative (if any)		Authorised representative's Membership Number
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
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		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Subtotal	<input style="width: 100%;" type="text"/>	%				
Subtotals 3.1 – 3.3 = Total	<input style="width: 100%;" type="text"/>	%				

3. Practice entity participants (continued)

ONLY for large practices seeking to co-ordinate such information through a single source:

Title Mr Mrs Miss Ms Other

Given name/s (in full) Family name

Preferred name Membership Number (if known)

Phone (business) Mobile

Section 5 – Checklist

Completed **all** the relevant sections (1 – 4)

Attached the following:

Copy of business letterhead

If this is a 'change of name' of practice entity or a new practice entity:

Certificate of registration of business name/Copy of full ASIC company extract (including director/s listing)

If this is a Chartered Firm:

Organisation details/Practice structure diagram

Section 6 – Submitting your application form

HOW TO SUBMIT YOUR FORM

Please email your completed form to:

EMAIL assessment@charteredaccountantsanz.com

OR



If you have a 'digital signature' simply click the submit button

ANY QUESTIONS

If you have any questions you can contact the Service Centre at:

EMAIL service@charteredaccountantsanz.com

PHONE **AUSTRALIA** 1300 137 322
+61 2 9290 5660 (outside of Australia)
8am-6pm (AEST) **Monday – Friday** (excl. Public Holidays)

NEW ZEALAND 0800 4 69422
+64 4 474 7840 (outside of New Zealand)
8am-6pm (NZ time) **Monday – Friday** (excl. Public Holidays)

WEBSITE charteredaccountantsanz.com

PRIVACY POLICY

IMPORTANT: YOUR CONSENT TO DISCLOSURE

By providing personal information to us in this form you consent to CA ANZ:

- Disclosing to third parties your (current or former) status as a member or candidate of CA ANZ;
- Disclosing to regulators, law enforcement bodies, professional associations and government or statutory bodies the details of any final adverse determinations (including sanctions) in relation to your professional and/or ethical conduct that are made by CA ANZ's Professional Conduct bodies; and
- Collecting from third parties information relating to your membership of a trade or professional association or union, your criminal record (if any), your health, religious beliefs or affiliation, racial or ethnic origin and any other sensitive information to the extent that it is reasonably necessary for one more of the functions or activities of CA ANZ.

We collect, use and disclose your personal information in connection with your application, the management and administration of members and/or programs, the provision of products and services and/or to communicate with you. If you do not provide your personal information, we may be unable to process your

application. We may disclose your information to agents, contractors and service providers such as where we outsource functions and to other third parties such as local and international professional bodies, ASIC and other regulators and government bodies. By completing this form, unless you opt-out, you consent to us also using and disclosing your information for promotional and marketing purposes. You can opt-out by contacting us at privacy@charteredaccountantsanz.com. We may also have collected information about you from a third party, for instance from other professional bodies with which we have reciprocal arrangements. Your information will also be used and disclosed as set out in CA ANZ's Privacy Policy, available at www.charteredaccountantsanz.com/privacy. It is likely that your personal information will be disclosed to overseas recipients (as provided in our Privacy Policy, including the location of those entities). The Privacy Policy sets out how CA ANZ handles your personal information including how you can seek to access and correct your information or raise a privacy concern with us and how it will be dealt with as well as details about the disclosure of your information to entities overseas.

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Explanatory notes to

Practice Details Advice

It is **essential** you read the following notes **prior** to the completion of your *Practice Details Advice*.

GLOSSARY OF TERMS

Affiliate and **affiliate member** means a natural person who participates with individual members in a practice entity, who is not a Fellow or Chartered Accountant or entitled to be admitted to membership as a Fellow or Chartered Accountant, who has been admitted to membership in accordance with the By-Laws and the Regulations.

Authorised representative means an individual member holding a Certificate of Public Practice with CA ANZ who is authorised by a non-member owner to act in a governance role of a practice entity.

Chartered firm means any partnership, trust or body corporate or unincorporate in or through which persons who are Members in public practice, or include a Member or Members in public practice, provide professional services to clients which is entitled to describe itself as 'Chartered Accountants' in accordance with CR9.

Practice means a business providing professional services including services which require the holding of a current Certificate of Public Practice by the individual Member who is a Principal.

Practice entity means a partnership, an incorporated company, trust or any combination or partnership of these by or through which the member performs any of the functions of a member in public practice.

Practice entity participant or **Participant** means a person who is a principal of a practice entity.

Practice entity representative means an individual member holding a Certificate of Public Practice with CA ANZ who is authorised by an applicant for Practice entity membership of CA ANZ to provide the undertakings required by Regulation CR1.

Principal of a practice entity includes:

- (a) In the case of a Practice Entity which is a partnership a partner of that partnership
- (b) In the case of a Practice Entity which is a body corporate, a director of that body corporate
- (c) In the case of a Practice Entity which is conducted as a trust, an individual who, as an officer or employee of the trustee of that trust or otherwise, provides or participates as a principal in the provision of the services provided by the practice entity
- (d) An individual who, as an officer or employee of the practice entity, or otherwise, provides or participates as a principal in the provision of the services provided by the practice entity.

Principal in relation to a Practice means any person, who is a principal of the Practice or a principal, partner, director, officer or trustee of a related Entity of the Practice.

Factors to consider in determining whether a person is a principal of a practice entity include whether:

- They have responsibility for the standard of professional work undertaken by the practice entity and management of the practice's activities, including:

client selection and retention, determining the terms of the professional engagement, the type and quality of professional services provided, risk management, and the exercising of professional judgement in ethical and technical matters

- Their individual acts are binding on the practice or other principals of the practice
- They have the potential for personal liability for the practice's liabilities
- They have a role in the governance of the practice
- They have responsibility for signing off on professional engagements
- They are acknowledged in the PI policy of the practice as a person responsible for professional engagements
- They are promoted to clients and potential clients as the person responsible for professional engagements
- The perception of clients and suppliers of the member is of a person who is able to bind the practice
- A principal, partner, director, officer or trustee of a related entity of the practice may also be considered to be a principal of a practice entity.

Note: The absence of an equity holding in the practice by the member is **not** a conclusive factor in determining whether a member is a principal. Similarly an ownership interest in a practice is **not** necessarily the sole factor in determining whether a member is a principal of a practice entity. For example, an employee is not considered to be a principal merely where a share in ownership is incorporated into their employee remuneration package.

USE OF DESCRIPTION 'CHARTERED ACCOUNTANT(S)' AND/OR CHARTERED ACCOUNTANTS LOGO

In accordance with CR9, the description "Chartered Accountant/s" and the Chartered Accountants logo may be used by a practice entity:

(a) where the following conditions are met:

- all the practice entity participants are Chartered Accountants or affiliate members; and
- all such Chartered Accountants hold and continue to hold a current Certificate of Public Practice; and
- the number of affiliate members in the practice entity does not exceed the number of Chartered Accountants who are practice entity participants; and
- the total share of affiliate members and their associated persons and entities in the capital, financial results and voting rights of the practice entity does not exceed one half (1/2) (loans by affiliate members and their associated persons and entities being treated as capital for such purpose).

OR

(b) as approved by the Board.

Where non-member owners are influencing the standard of professional work undertaken by the practice, this is deemed to be a breach of CR9 by those members who are principals of that practice.

Where any breach of CR9 is a result of a change of member participants and the practice entity undertakes to remedy the defect within a commercially realistic timeframe there will be no deeming of unprofessional conduct.

COMMENTARY

While recognising the evolving nature of the marketplace and the likelihood that innovative practice structures will arise in the future CA ANZ's focus has been on the principle of the individual responsibility of members for control over the standard of professional work. Rather than formulating a set of prescriptive rules CA ANZ relies on this principle to support and underpin the Chartered Accountants brand while guiding members in how they choose to structure their practice. If there is any doubt about whether an entity is entitled to use the description 'Chartered Accountants' and the Chartered Accountants logo, guidance and advice should be sought from CA ANZ's Professional Standards Team. If necessary, specific approval can be given by the Board under CR9 to a particular structure.

DEFINITIONS AND ASSUMPTIONS

Members should have regard to the 'Glossary of terms' when reading this Commentary, particularly Authorised representative, Chartered firm, Practice entity, Practice entity member, Practice entity participant, Practice entity representative, Principal of a practice entity and the factors to consider in determining whether a person is a Principal in relation to a practice entity (or its related entities).

Directors, including non-executive directors, trustees, authorised representatives of non-member owners, and practice entity representatives of a practice entity are assumed to be involved in the governance of the practice entity and in a position to influence the standard of professional work undertaken by that practice. Therefore in Chartered firms:

- All directors, including non-executive directors, and trustees must be individual members holding Certificates of Public Practice with CA ANZ, or affiliate members
- All practice entity representatives must be individual members holding Certificates of Public Practice with CA ANZ
- All authorised representatives of non-member owners must be individual members holding Certificates of Public Practice with CA ANZ.

In such Chartered firms individual and affiliate members must exercise control in the following areas of practice management:

- Client selection and retention
- Determining the terms of the professional engagement
- The type and quality of professional services provided
- Risk management
- The exercising of professional judgement in ethical and technical matters
- Signing off engagements.

EXAMPLES

Practice entities that are recognised as compliant with CR9 and described as Chartered firms include:

- An individual member, being a sole practitioner, practising in the member's own name, a firm name, through a company or through a trust
- A partnership in which all the partners are individual or affiliate members, or practice entities entitled to use the description 'Chartered Accountants' and the Chartered Accountants logo
- A company in which all the directors are individual or affiliate members, and all the shareholders are individual or affiliate members, or practice entities entitled to use the description 'Chartered Accountants' and the Chartered Accountants logo
- A trust in which all the participants and the trustees are individual or affiliate members, or practice entities entitled to use the description 'Chartered Accountants' and the Chartered Accountants logo
- Any combination or partnership of the above practice structures.

Chartered firms are entitled to use the description 'Chartered Accountant(s)' and the Chartered Accountants logo and include those where all the Principals/practice entity participants are (**see table below**):

Principals/practice entity participants	Practice structures – Chartered Firms				
Individual member/s	Sole practitioner	Partnership	Company	Trust	Combination
Individual + affiliate members		Partnership	Company	Trust	Combination
Affiliate member/s*		Partnership *	Company *	Trust *	Combination*
Individual member/s + practice entity member/s		Partnership	Company	Trust	Combination
Affiliate member/s*+ practice entity member/s		Partnership *	Company *	Trust *	Combination*
Individual member/s + affiliate member/s + practice entity member/s		Partnership	Company	Trust	Combination
Individual member/s + practice entity/ies entitled to use the description 'Chartered Accountants' and the Chartered Accountants logo		Partnership	Company	Trust	Combination
Affiliate member/s* + practice entity/ies entitled to use the description 'Chartered Accountants' and the Chartered Accountants logo		Partnership *	Company *	Trust *	Combination*
Individual member/s + affiliate member/s + entity/ies entitled to use the description 'Chartered Accountants' and the Chartered Accountants logo		Partnership	Company	Trust	Combination

* Only where the practice entity associated with the affiliate member is recognised by CA ANZ as practising in conjunction with the practice entity that supported the affiliate member/s application for membership of CA ANZ.

CR9 does not permit the use of the description 'Chartered Accountants' nor the Chartered Accountants logo by a practice entity in which individual, affiliate or practice entity members practise with non-member owners who are actively involved in the provision of professional services, unless the professional services provided by them are clearly distinguished from those provided by the member/s; for example, Chartered Accountants and Solicitors.

Generally in Chartered firms the role of non-member owners is limited to being a non-participating shareholder of a company or beneficiary of a trust; as such non-member owners could not be involved in the provision of professional services in a practice entity entitled to use the description 'Chartered Accountants' nor the Chartered Accountants logo.

Practice entities that are unable to rely on the description Chartered Accountants under CR9 include (**see table below**):

Principals/practice entity participants	Practice structures				
Only Affiliate member/s	Sole practitioner	Partnership*	Company *	Trust *	Combination*
Individual member/s + Non-member/s		Partnership	Company	Trust	Combination
Affiliate member/s + Non-member/s		Partnership	Company	Trust	Combination

* Except where the practice entity associated with the affiliate member is recognised by CA ANZ as practising in conjunction with the practice entity that supported the affiliate member/s application for membership of CA ANZ.

BOARD RECOGNITION

The Board has recognised Chartered firms as compliant with the principles of CR9 in the following circumstances:

- A share in ownership of the practice is incorporated into the employee remuneration package, where the shares or units issued to these employees are limited to a non-voting category of shareholding or interest. In such circumstances it is accepted that such employees do not exercise any control or influence, either directly or indirectly, over the standard of professional work undertaken by the practice and the responsibility to ensure that all aspects of the practice are conducted in accordance with the technical, professional and ethical standards laid down by CA ANZ remains that of the individual and affiliate member principals of the practice entity
- Shares or units issued to employees do not represent a material interest in an entity whose ownership is widely held, such as a listed entity
- Individual members are appointed to a governance role in a practice entity as authorised representative/s of non-member/s holding an equity interest where acceptable written undertakings are provided to CA ANZ acknowledging their responsibility for the reputation of the profession, CA ANZ and its members. Where it is accepted that such non-member owners are not otherwise involved in the provision of professional services, the practice entity is recognised as a Chartered firm. It is the responsibility of the individual and affiliate members of such a Chartered firm to ensure that the authorised representative/s of non-member owner/s are individual members holding Certificates of Public Practice with CA ANZ.

COMMON BRAND NAMES

A common brand name includes common initials or a common name. A practice entity is considered to be using a common brand name if it includes, for example, the common brand name as part of, or along with, the business name of the practice entity, on the entity's business stationery or website.

It is not acceptable to have different 'offices' of Chartered firms practising under a common name using different descriptions (for example, Chartered Accountants, Certified Practising Accountants or Public Accountants) unless it can be demonstrated that they are quite separate entities. This distinction must be clearly evident to members of the public.

MONITORING

Chartered firms may be requested to provide appropriate evidence of compliance with CR9. Compliance with this requirement is monitored by Chartered Accountants ANZ to protect and safeguard the brand:

- in the approval process for practice entity membership; and
- in the approval process for Certificates of Public Practice; and
- as part of the Quality Review Program; and
- as part of Chartered Accountants ANZ's operational procedures to ensure that the integrity and accuracy of the member database is maintained in accordance with members' obligations under By-Law 30.