ICPAC

General Overview

Presentation to University of Cyprus

9 April 2014
ICPAC Overview:

- ICPAC is the competent authority for regulating the accounting / auditing profession in Cyprus.
- Established in 1961
- Numbers more than 3,400 professional accountants as members, and around 3,000 students.
- Member composition: mainly ACCAs, ACAs, CPAs and other professional accountants from other countries.
ICPAC Overview:

Aims:

• To provide an organisational framework to all professional accountants of Cyprus

• To provide professional training, guidance and education to its members

• To regulate the profession, by means of issuing the practising licences and monitor the work performed by the practising members and their firms

• To ensure adherence to the Code of Ethics

• To promote the interests of the members and the profession.
ICPAC Overview:

**Council**: 12 members

**Management:**

- **8 full time staff members:**
- **It operates via 20 specialised committees, which comprise of 15 members each**
- **It uses the services of specialised partners for specific matters**
ICPAC Overview:

Principal associates:

- **Association of Chartered Certified Accountants (UK)**
  - Agreement for the outsourcing of the monitoring function
  - Joint Examination Scheme ACCA/ICPAC
  - Continuing Professional Development Schemes

- **Institute of Chartered Accountants in England & Wales**
  - Provision of technical support to members

- **Other local arrangements for Tax & VAT support**
ICPAC Overview:

ICPAC in numbers, as at December 31, 2013:

<table>
<thead>
<tr>
<th>Category</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members</td>
<td>3,400</td>
</tr>
<tr>
<td>Practising Members</td>
<td>900</td>
</tr>
<tr>
<td>Audit Firms</td>
<td>540</td>
</tr>
<tr>
<td>J.E.S. Students</td>
<td>2,980</td>
</tr>
<tr>
<td>Graduates</td>
<td>680</td>
</tr>
</tbody>
</table>
ICPAC Overview:

ICPAC in numbers, as at December 31, 2013:

<table>
<thead>
<tr>
<th>Type</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Practising</td>
<td>900</td>
<td>845</td>
</tr>
<tr>
<td>Non-practising</td>
<td>2.500</td>
<td>2.445</td>
</tr>
<tr>
<td>Total</td>
<td>3.400</td>
<td>3.290</td>
</tr>
</tbody>
</table>

74% Practising

26% Non-practising
ICPAC Overview:

International memberships:

- International Federation of Accountants
- European Federation of Accountants
- Mediterranean Federation of Accountants
Legal background:

- A private company limited by guarantee, under the Companies Law.
- In 2002, the Council of Ministers recognised ICPAC as the official accounting body in Cyprus.
- The Auditors Law (L.42(I)/2009) governs the audit profession in Cyprus (revised 8th EU Directive).
ICPAC as regulatory and supervisory authority:

- The Auditors and Statutory Audits of Annual and Consolidated Accounts Law (L.42(I)/2009)

- Prevention and Suppression of Money Laundering Activities Laws (L.188(I)/2007 and L.58(I)/2010)

- Law Regulating Companies Providing Administrative Services and Related Matters (L.196(I)/2012)
ICPAC members may be:

- **Practising accountants/auditors**
  
  *In public practice, holding a practising certificate. They provide accounting, audit, tax, consulting, trustee, administrative services, etc.*

- **Non-practising**
  
  *Working in the public and private sector, banking sector, from any post or role, without being required to have a practising certificate.*
Certificates for individual members:

- **Base certificate**

- **Specialisation certificates**
  - Practising Certificate and Audit Qualification
  - Provision of Administrative Services
Practising the profession

Certificates for Firms:

Practising Certificate
Auditing Certificate
Provision of Administrative Services
Practising the profession

Requirements for obtaining a Practising Certificate:

- The General Practising Certificate / ASP Certificate
  - 2 years of membership
  - 3 years of practical experience under the supervision of a suitably experienced Member, of which 2 years after qualification
  - Succeed in F4 and F6 Aptitude papers
Practising the profession

Requirements for obtaining a Practising Certificate

The Practising Certificate and Audit Qualification

- 2 years of membership
- 3 years of post qualification experience with an audit firm
- Of the above period, at least one year in auditing work
- Aptitude tests F4 and F6
- Advance Audit and Assurance Paper (P7) (for ACCA graduates who did not elect this paper)
Monitoring of Members:

- ICPAC performs the following types of monitoring visits, via ACCA:
  - **Audit Monitoring**, for all statutory auditors and audit firms
  - **Quality Check** review, for all practising certificate holders.
  - **Rules and Regulations** visit, for members and firms holding the Practising Certificate and the Administrative Services Certificate.
How to achieve membership

• Have attained university entrance or equivalent level, possesses the prescribed practical experience and has passed the prescribed examinations of professional competence.

• Be a member of at least one of the corresponding bodies of Professional Accountants of EU countries, as well as other international bodies.

• Succeed in the Joint Examination Scheme ACCA-ICPAC.
Main benefits offered to members

• Professional training through seminars and presentations.

• Technical support via helplines/emails and circulars/guidance primarily for accounting, auditing, financial reporting, tax and vat matters.

• Set up of a separate legal entity for the Members’ Benevolent Fund.

• Increased feeding of information.

• Upgrading of the communication channels.

• Various social activities.
Cooperation with the business sector

ICPAC is considered to be one of the leaders in the services sector, and has close ties with:

- Cyprus Chamber of Commerce and Industry
- Cyprus Investment Promotion Agency
- Cyprus Bar Association
- Employers and Industrialists Federation
- Cyprus Shipping Chamber
- Cyprus Bankers Association.
Cooperation with the public sector

- Ministry of Finance
- Inland Revenue Department
- VAT Department
- Auditor General
- Accountant General
- Registrar of Companies
- Cyprus Securities and Exchange Commission
- Cyprus Stock Exchange
Cooperation with the public sector

• Intervenes and provides useful assistance to the government for drafting and shaping legislation.
• Supports a number of departments, in various ways.
• Provided valuable support to the government during the second semester 2012 for the EU Presidency.
• Participates in a number of meetings and exercises with Troika.
• Involved in the preparation of various papers for the government.
Discussion Paper
ICPAC's proposals to Troika
regarding the measures that could be sought
in order to help the recovery of the Cyprus economy

Prepared by the Institute of Certified Public
Accountants of Cyprus (ICPAC),
for the meeting with Troika
on Friday, 27 July 2012

July 2012

Prevention and Suppression of Money
Laundering Activities

Directive to the Members of ICPAC
pursuant to Section 59(4) of The Prevention and Suppression of Money Laundering

The Institute of Certified Public Accountants of Cyprus

Περιεχόμενα
ΔΗΜΟΣΙΑ ΣΩΜΑΤΕΙΑ
ΔΙΑΚΥΒΕΡΝΗΣΗΣ

Δεκέμβριος 2011
“Accountancy Cyprus” magazine
The Accounting Profession

Principles upon which is based:

- Ethics
- Objectivity
- Knowledge
- Independence
- Professionalism
- Punctuality
The Audit Profession

Brief definition:

*It is an independent, objective, assuring work performed on the financial statements prepared by the management of a firm. The auditor expresses his opinion on the truth and fairness of these financial statements.*
The Accounting Qualification

Provides:

• An outstanding professional status
• Better employment opportunities
• Better employment terms
• Opportunities for a wide horizon of vocational activities
• Opens a lot of career paths
• Opportunities for work internationally
Capacities of a professional accountant

- Accountant
- Auditor
- Tax consultant
- Service provider
- Co manager
- Financial controller
- Analyst
- Internal auditor
- Banker
- Financial advisor
- Business consultant
- Investment analyst
- IT consultant
- Businessman
- Tuition provider
- + many more ...
Prospects

Upon the receipt of the professional qualification, one reaches a delta, for numerous options to select from.

However, the mere qualification is not enough to be considered as guarantee by itself, but is a key that held in a competent hand it can open many doors!!!

It is up to us to thrive!!!
Questions & Discussion
Thank you for your attention!

Kyriakos Iordanou
General Manager
ICPAC