

Amended & Restated
MUTUAL RECOGNITION AGREEMENT

Recommended by

Chartered Accountants Australia and New Zealand

and

International Qualifications Appraisal Board

Representing

**National Association of
State Boards of Accountancy**

and

**American Institute of
Certified Public
Accountants**

NASBA

AICPA

MUTUAL RECOGNITION AGREEMENT

Introduction

The State Boards of Accountancy or their equivalent in each of the United States' jurisdictions (known collectively as the "State Boards"), which act pursuant to their authorizing statutes, are legislatively empowered by law to protect the public interest by granting and regulating the Certified Public Accountant credential and license to practice. Chartered Accountants Australia and New Zealand (CA ANZ) is empowered to grant the Chartered Accountant (CA) credential in Australia and New Zealand to qualified applicants. The State Boards and CA ANZ grant respectively the US CPA and CA ANZ CA credentials and either grant licenses to practice or their members have access to a license to practice.

The National Association of State Boards of Accountancy (NASBA) and the American Institute of Certified Public Accountants (AICPA) jointly established the International Qualifications Appraisal Board (IQAB) to:

1. Assist State Boards seeking to establish abbreviated pathways through which experienced professionals, who hold substantially equivalent foreign professional accounting credentials, may obtain a Certified Public Accountant license in their jurisdiction (US CPA credential); and
2. Enable US CPAs to obtain foreign professional accounting credentials and the right to practice through similar abbreviated pathways.

CA ANZ is a member-based organisation operating under a Royal Charter in Australia, with members in New Zealand regulated by the New Zealand Institute of Chartered Accountants Act 1996. The Supplemental Royal Charter was granted to CA ANZ on 26 November 2014. On 1 January 2015, the Institute of Chartered Accountants in Australia (ICAA) and the New Zealand Institute of Chartered Accountants (NZICA), who each held separate Mutual Recognition Agreements with IQAB prior to this current agreement, merged to form Chartered Accountants Australia and New Zealand (CA ANZ). Former members of each body are now considered to be members of CA ANZ.

CA ANZ, under the Royal Charter, its By-Laws and Regulations, has the authority to make:

1. Rules regarding criteria for membership of CA ANZ, including setting rules regarding examinations and the period of approved service, the entitlement to be called a Chartered Accountant and regulations regarding the granting of practise rights; and
2. Rules and conditions regarding the recognition of other accountancy bodies for the purposes of granting membership in CA ANZ.

Due to certain New Zealand legislative requirements, CA ANZ members resident in New Zealand are members of both CA ANZ and NZICA. NZICA and the NZICA Board remain responsible under the New Zealand Institute of Chartered Accountants Act 1996 (NZ) (NZICA Act) for disciplinary and enforcement matters relating to members resident in New Zealand. CA ANZ administers all other membership matters (other than the regulatory functions described above) relating to members resident in New Zealand.

All CA ANZ Regional Councils report to the CA ANZ Board under section 8 of the CA ANZ By-Laws. The New Zealand Regional Council also acts as the NZICA Council required under the NZICA Act.

Believing that there are a significant number of US CPAs who desire to obtain the CA ANZ CA credential, including the CA ANZ Certificate of Public Practice (CPP) and Registered Company Auditor status in Australia and Licensed Auditor status in New Zealand, and a significant number of CA ANZ CAs who desire to obtain the US CPA credential, the IQAB and CA ANZ (known collectively as the “Parties”) set out to evaluate each other’s credential to ascertain if they are substantially equivalent and would thus allow both parties to create for qualified holders of either of the credentials an abbreviated qualification pathway.

Eligibility of Applicants under this Agreement:

To be considered a “qualified holder” under this agreement, candidates must affirm that they are capable of performing audit and attest services based on their competence to complete such services according to the relevant professional standards¹, including having the requisite additional experience/training or licenses necessary for such work.

IQAB’s Undertaking

The IQAB undertakes to renegotiate Appendix 1 of this agreement with the aim of expanding access to this agreement to CA ANZ members who are not citizens of Australia or New Zealand; or holders of visas granting legal residency in Australia or New Zealand.

Basis of Review

The Parties have reviewed each other’s credential requirements for entry-level qualification and maintenance of the credential. The review included a comparison of each other’s education, experience, examination and other qualification requirements as well as such factors as continuing education, adherence to a code of ethics, enforcement and judicial processes, organizational structure, administrative responsibilities and other credential maintenance requirements to their own corresponding requirements.

The IQAB compared CA ANZ’s requirements to those set out in the Uniform Accountancy Act (UAA). The UAA is a model law, and not enforceable. Much of the UAA’s language is used by the US jurisdictions as they draft the laws and rules that must be followed. Each individual US jurisdiction’s requirements can be found in that jurisdiction’s laws and rules.²

CA ANZ compared the UAA education, examination, and experience requirements to the Global Accounting Alliance (GAA) ‘Framework for Recognition between Professional Accountancy Bodies’ (Framework) and the requirements of CA ANZ’s professional qualification program.

¹ US CPAs generally practice under standards set by the AICPA, the Financial Accounting Standards Board, the Governmental Accounting Standards Board, the Public Company Accounting Oversight Board and the International Accounting Standards Board. CAs in Australia must comply with the CA ANZ Royal Charter, By-Laws and Regulations, applicable standards published by the Australian Professional and Ethical Standards Board, the Australian Accounting Standards Board, the Australian Auditing and Assurance Standards Board, and relevant provisions in the Australian *Corporations Act 2001 (Cth)*. CAs in New Zealand must generally comply with the CA ANZ Royal Charter, By-Laws and Regulations, the NZICA Rules and the applicable codes and/or standards published by NZICA, the External Reporting Board, the NZ Accounting Standards Board and the NZ Auditing and Assurance Standards Board and relevant provisions in the *Financial Reporting Act 2013 (NZ)* and where applicable the *Auditor Regulation Act 2011* and the regulations under these Acts.

² To access the laws and rules of each jurisdiction visit: <https://nasba.org/stateboards/>.

Basis of Recognition

As a result of these reviews, the Parties are satisfied that the US CPA credential and CA ANZ CA credential are substantially equivalent subject to the conditions set forth in this agreement and accompanying appendices.

Therefore, the Parties agree:

1. To create an abbreviated qualification pathway for eligible holders of the other's credential.
 - a. A holder of the CA ANZ CA credential will be eligible to obtain the US CPA credential via this agreement if the holder meets the eligibility requirements set out in Appendix 1A.
 - b. A holder of a US CPA credential will be eligible to obtain the CA ANZ CA credential via this agreement if the holder meets the eligibility requirements set out in Appendix 1B.
2. An eligible holder, as set out in 1 above, may obtain the other Party's credential via the following abbreviated pathways:
 - a. The abbreviated pathway to the US CPA credential for eligible holders of a CA ANZ CA credential is set out in Appendix 2A.
 - b. The abbreviated pathway to the CA ANZ CA credential for eligible holders of a US CPA credential is set out in Appendix 2B.
3. To assist holders of the other's credential, who are both eligible for an abbreviated pathway, as set out in 1 above, and who successfully complete the abbreviated pathway, as set out in 2 above, to obtain licensure in their respective jurisdictions.
 - a. Appendix 3A sets out the process that a CA ANZ CA credential holder should follow to obtain licensure in the United States.
 - b. Appendix 3B sets out the process that a US CPA credential holder should follow to obtain a CA ANZ Certificate of Public Practice (CPP) and Registered Company Auditor status in Australia and/or Licenced Auditor status in New Zealand.
4. This agreement shall be in force for until December 31, 2025. This agreement may be renewed, or extended, through mutual agreement in writing.
5. To inform the other Parties, on an annual basis, if any:
 - a. Material changes are made to the qualification requirements of their credential.
 - b. Mutual recognition agreements, reciprocal membership agreements, or other similar agreements are signed or renewed with other institutes or professional accountancy organizations, subject to compliance with any obligations of confidentiality.
 - c. New or existing pathways to membership or licensure for foreign credential holders are initiated or materially altered.
 - d. Strategic alliances, joint ventures, or material relationships with other institutes or professional accountancy organizations are initiated or materially altered, subject to compliance with any obligations of confidentiality.
6. Either Party may, with 60 (sixty)-days' notice, withdraw their consent to this agreement.

7. Where personal data of an individual is required to be disclosed by one party (the **discloser**) to the other party (the **recipient**) under the terms of this Agreement, the discloser agrees to obtain and document the individual's specific, express, and written consent to the disclosure of such personal data prior to disclosing it to the recipient.
8. For the purposes of clause 7, personal data means any information relating to an identified or identifiable natural person ("**data subject**"); an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that person.



On behalf of
American Institute of
Certified Public Accountants



On behalf of National Association of
State Boards of Accountancy.

January 31, 2025

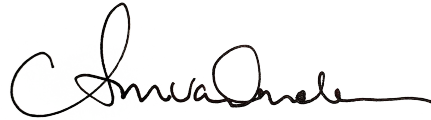
Date

January 23, 2025

Date



On behalf of NASBA/AICPA
International Qualifications Appraisal Board



On behalf of Chartered Accountants
Australia and New Zealand
(ABN 50 084 642 571)

December 20, 2024

Date

10 December 2024

Date

Appendix 1A

Eligibility Requirements for Members of Chartered Accountants of Australia/ New Zealand (CA ANZ)

A holder of a CA ANZ CA credential may be eligible to obtain the US CPA credential via this agreement if he or she is either a citizen of Australia or New Zealand, or a holder of a visa granting legal residency in Australia or New Zealand, and is a member in good standing of CA ANZ, and meets the additional criteria set out in each of the following sections and applicable US jurisdiction's laws and State Board Rules.

1) Education Criteria:

The UAA requires at least 150 semester hours of college or university education, including a baccalaureate or higher degree conferred by a college or university deemed acceptable by the State Board.

US jurisdictions' legal requirements are identical or similar to the education criteria set forth in the UAA. Additionally, many US jurisdictions' laws and rules mandate the completion of specific coursework and the satisfaction of additional education criteria for licensure. Each individual US jurisdiction's education requirements can be found in that jurisdiction's laws and rules.³

Legacy CA Credential Holders:

CA ANZ was established by the 2015 merger of two separate bodies: The Institute of Chartered Accountants in Australia (ICAA) and the New Zealand Institute of Chartered Accountants (NZICA). These two legacy bodies awarded the Chartered Accountant (CA) credential in their respective jurisdictions.

To meet the education criteria of the eligibility requirements of this agreement, CA ANZ CAs who obtained their CA credential by virtue of their having earned one of the two legacy credentials must:

1. Hold at least a baccalaureate or higher degree; and
2. Have completed the relevant legacy body's educational program namely, ICAA's Professional Year Programme or NZICA's Professional Accounting School pre-merger or the CA ANZ Chartered Accountants Program (CA Program) post-merger.

Post-Merger CA Credential Holders:

To meet the education criteria of the eligibility requirements of this agreement, CA ANZ CAs who obtained their CA credential subsequent to the merger of the two legacy bodies must:

1. Hold at least a baccalaureate or higher degree; and
2. Have completed the CA ANZ CA Program

2) Examination Criteria:

Under the UAA and under all US jurisdictions' laws and rules, passage of the Uniform CPA Examination is a necessary prerequisite for licensure as a US CPA. Each individual US jurisdiction's examination requirements can be found in that jurisdiction's laws and rules.

³ To access the laws and rules of each jurisdiction visit: <https://nasba.org/stateboards/>.

Legacy CA Credential Holders:

To meet the examination criteria of the eligibility requirements of this agreement, CA ANZ CAs who obtained their CA credential by virtue of their having earned one of the two legacy credentials must have passed the full capstone final examination for their legacy credential.

Post-Merger CA Credential Holders:

To meet the examination criteria of the eligibility requirements of this agreement, CA ANZ CAs who obtained their CA credential subsequent to the merger of the two legacy bodies must have passed CA ANZ's CA Program, which is comprised of the following modules:

- Taxation
- Audit and Assurance
- Financial Accounting and Reporting
- Management Accounting and Applied Finance
- Capstone module

3) Experience Criteria:

Under the UAA, US CPAs must have at least one year of experience verified by a licensee of a State Board. This experience includes providing a service or advice involving the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, and meeting requirements prescribed by a US jurisdiction's laws and rules. This experience may be acceptable if it was gained through employment in government, industry, academia or public practice. Each individual US jurisdiction's experience requirements can be found in that jurisdiction's laws and rules, which are generally similar or identical to the experience criteria set forth in the model UAA.

To meet the experience criteria of the eligibility requirements of this agreement, both Legacy CA credential holders and Post-Merger CA credential holders must have completed a minimum of three years of relevant work experience prior to obtaining the CA ANZ CA credential and being admitted to membership in CA ANZ and at least an additional two years and eight months of relevant work experience. –Additional specific experience requirements may be required by the State Board from which the credential is sought. Some State Boards may exercise the authority to verify such experience and will determine how such verification will be performed, including working with NASBA's Experience Verification Service.

4) Continuing Professional Education Criteria:

Under the UAA, requirements for continuing professional education (CPE) are set by the State Boards. Each individual US jurisdiction's requirements for CPE verification can be found in that jurisdiction's laws and rules.

To meet the CPE criteria of the eligibility requirements of this agreement, CA ANZ CAs must be in compliance with the continuing professional development (CPD) requirements of CA ANZ.

Exclusions:

CA ANZ CAs who obtained their CA credential by qualifying under a reciprocal agreement that CA ANZ (or ICAA or NZICA) may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other similar agreements which CA ANZ, or one of the two legacy bodies, may have or have had at any time.

Appendix 1B

Eligibility Requirements for Holders of a US CPA Credential

A holder of a US CPA credential may be eligible to obtain the CA ANZ CA credential under this agreement if they are in good standing with a State Board and meet the additional criteria set out in each of the following sections.

1) Education Criteria:

To obtain the CA ANZ CA credential, CA ANZ mandates that applicants:

1. Hold a baccalaureate or higher degree; and
2. Complete the CA ANZ CA Program ⁴.

To meet the education criteria of the eligibility requirements of this agreement, US CPAs must have the equivalent of at least 150 semester-hours of college or university education, including a baccalaureate or higher degree conferred by a college or university acceptable to a State Board.

US CPAs who qualified prior to the introduction of the 150 semester-hour requirement are grandfathered into this agreement as having met the 150 semester-hour requirement.

Additional requirements, set out in Appendix 3B, are required of all CA ANZ CAs who wish to obtain a Certificate of Public Practice and/or provide Public Accounting Services in Australia or New Zealand.

2) Examination Criteria:

To meet the examination criteria of the eligibility requirements of this agreement, CA ANZ CAs must have passed CA ANZ's CA program⁵, which consists of five twelve-week modules, including a final written examination:

- Taxation
- Audit and Assurance
- Financial Accounting and Reporting
- Management Accounting and Applied Finance
- Capstone module.

To meet the examination criteria of the eligibility requirements of this agreement, US CPAs must have passed the Uniform CPA Examination.

Additional requirements, set out in Appendix 3B, are required of all CA ANZ CAs who wish to obtain a Certificate of Public Practice and/or provide Public Accounting Services in Australia or New Zealand.

3) Experience Criteria:

CA ANZ requires CA members to obtain at least three years full-time (or part-time equivalent) approved employment mentored by a CA mentor, in one or more relevant areas including:

⁴ or previous legacy bodies education as defined.

⁵ or previous legacy bodies education as defined.

- audit
- taxation
- financial reporting
- management accounting; and
- finance.

Experience may be gained through approved employment in government, commerce, academia or public practice and the CA member must demonstrate required levels of technical and non-technical competency as verified by a CA mentor⁶.

To meet the experience requirement of this agreement, US CPAs must have satisfied the experience requirement of their State Board.

Additional requirements, set out in Appendix 3B, are required of all CA ANZ CAs who wish to obtain a Certificate of Public Practice and/or provide Public Accounting Services in Australia or New Zealand.

4) Continuing Professional Development Criteria:

CA ANZ members holding a CA credential, with the exception of those living in New Zealand, must complete 120 continuing professional development (CPD) hours over each triennium (3-year period) of which 90 hours must be formal CPD⁷. A minimum of 20 hours CPD must be completed in each year. CA ANZ members holding a CA credential and who are living in New Zealand must complete 120 CPD hours each triennium, of which 60 hours must be formal CPD. A minimum of 20 hours CPD must be completed each year. They must undertake a minimum of 4 hours of ethics training every 5 years. A members' first triennium commences on 1 July in the financial year following the date of admission of the member⁸.

To meet the CPD criteria of the eligibility requirements of this agreement, US CPAs must be in compliance with the continuing professional education (CPE) requirements of their State Board.

Exclusions:

US CPAs who obtained their CPA credential by qualifying under a reciprocal agreement that the IQAB may have with another professional accountancy organization are not eligible under this agreement. This includes all mutual recognition agreements, reciprocal membership agreements, and other similar agreements which the IQAB may have or may have had at any time, or any that are concluded after the date of this agreement.

⁶ Further information on CA ANZ's experience requirements can be found on CA ANZ's website at: <https://www.charteredaccountantsanz.com/become-a-member/course-descriptions/chartered-accountant/mentored-practical-experience>

⁷ Formal CPD, as defined in CA ANZ's Regulation 7, should maintain and/or expand the individual's capacity to discharge their professional obligations and should have the following characteristics:

- i. an organised, orderly framework developed from a clear set of objectives;
- ii. a structure for imparting knowledge of an educational or technical nature; and
- iii. a requirement for involvement by the participant.

⁸ Further information on CA ANZ's CPD requirements can be found on CA ANZ's website at: <https://www.charteredaccountantsanz.com/learning-and-events/managing-your-cpd/cpd-requirements>

Appendix 2A

Abbreviated Pathway to the US CPA Credential for Eligible Holders of a CA ANZ CA Credential

To obtain the US CPA credential, an eligible holder of a CA ANZ CA credential must:

1. Pass the International Qualification Examination (IQEX); and
2. Upon successfully passing the IQEX, apply to a State Board.

To sit for the IQEX, an eligible holder must take the following steps (please note that the following list is not intended to be a comprehensive list):

1. Create an online user account⁹ with NASBA.
2. Complete an application form¹⁰.
3. Obtain a letter of good standing¹¹ from CA ANZ. This letter will confirm that the eligible holder has met the eligibility requirements set out in Appendix 1A and must be sent directly to NASBA by CA ANZ.
4. Pay the requisite fees¹².

The process for applying to a State Board differs depending upon the US jurisdiction to which an eligible holder applies. However, in general, an eligible holder must take the following steps (please note that the following list is not intended to be comprehensive, and licensure is fully at the discretion and direction of the State Boards and their authorizing statutes):

1. Select a State Board¹³ and complete the State Board's application.
2. Request NASBA to report her/his IQEX score to the State Board.
3. Satisfy the State Board's requirements which may include:
 - a) Specific educational course work.
 - b) Passing an ethics exam and/or CPE course.
 - c) Providing evidence of the eligible holder's good character and/or reconfirmation of some of the eligibility requirements set out in Appendix 1A.
 - d) Providing evidence that the eligible holder is in compliance with the State Board CPE requirements.
 - e) Paying the State Board's fees.

⁹ Registering for a user account will allow an eligible holder to apply for the examination, maintain her/his current information, view her/his scores, check her/his application status and reprint her/his Notice to Schedule. Detailed information may be found at www.nasba.org.

¹⁰ The application form will require information which will allow NASBA to verify that the applicant has met all of the required eligibility requirements set out in Appendix 1A and information required to schedule the applicant's IQEX. Detailed information may be found within the IQEX Candidate Bulletin at www.nasba.org.

¹¹ A template letter of good standing with completion instructions and a form which eligible holders may send to CA ANZ to request its completion may be found at www.nasba.org.

¹² Fees charged for applying for the IQEX are changed periodically. A current list of fees, may be found at www.nasba.org.

¹³ While the AICPA and NASBA's Boards have approved this agreement, it is up to each State Board, as directed by state law, to decide if they will adopt it. A current list of State Boards which will accept applications from CA ANZ CAs may be found within the IQEX Candidate Bulletin at www.nasba.org.

Appendix 2B

Abbreviated Pathway to the CA ANZ CA Credential for Eligible Holders of a US CPA Credential

To obtain the CA ANZ CA credential, an eligible holder must:

1. Create an online user account with CA ANZ.
2. Complete a Special Admission to Membership Application under By-Law 14.
3. Provide a letter of good standing from the eligible holder's State Board and a certified copy of their current US CPA license. These documents will confirm that the eligible holder has met the eligibility requirements set out in Appendix 1B as well as provide confirmation of no criminal convictions, and must be dated within 3 months of their application submission date.
4. Pay the requisite fees.

Appendix 3A

Process to Obtain Licensure in the US for Eligible Holders of a CA ANZ CA Credential

In the United States, the US CPA credential is a license to practice public accounting, issued by a US jurisdiction, valid for use in such jurisdiction.

Upon completing the Abbreviated Pathway and successfully applying to a State Board (as set out in Appendix 2A), the eligible holder of the CA ANZ CA credential may receive a CPA license in a US jurisdiction.

Once licensed, CPA licensees are under the auspices of, and subject to, all relevant federal laws and regulations, U.S. jurisdictions' laws, regulations, and policies. Maintenance of the license requires meeting periodic renewal requirements, including timely completion of renewal forms, continuing professional education and payment of fees. In some instances, obtainment of a firm license, in addition to an individual license, will be necessary to legally provide certain restricted services in US jurisdictions.

Appendix 3B

Process to Obtain Licensure for the Provision of Public Accounting Services in Australia or New Zealand for Eligible Holders of a US CPA Credential

License for Practice – Public Accounting Services

Any CA ANZ member providing Public Accountancy Services in Australia or New Zealand must hold a Certificate of Public Practice. The following are definitions of what Public Accountancy Services and Certificate of Public Practice mean:

“Public Accountancy Services” are defined in the Supplemental Royal Charter as such services as the Board may from time to time determine to be “public accounting services”. The Board has determined such services include, but are not limited to: accounting, auditing, financial planning services, forensic accounting, insolvency, management consulting, taxation, financial management, risk management, corporate advisory services and business valuation services.

“Certificate of Public Practice” or “CPP” means a certificate issued pursuant to CA ANZ’s Regulation CR2 permitting a CA ANZ member to provide Public Accounting Services.

Due to certain New Zealand legislative requirements, CA ANZ members resident in New Zealand are members of both CA ANZ and NZICA. NZICA and the NZICA Board remain responsible under the New Zealand Institute of Chartered Accountants Act 1996 (NZ) (NZICA Act) for disciplinary and enforcement matters relating to Members resident in New Zealand. CA ANZ administers all other membership matters (other than the regulatory functions described above) relating to members resident in New Zealand.

To be eligible to obtain a CA ANZ CPP, a US CPA must satisfy the requirements specified in CA ANZ regulation CR2 Certificates of Public Practice¹⁴ (for US CPAs wishing to practice in Australia) or the NZICA Rules¹⁵ (for US CPAs wishing to practice in New Zealand) which are the following:

1. Be admitted as a CA ANZ member by satisfying the requirements in Appendices 1B and 2B
2. Have at least two years’ experience in public practice in Australia, New Zealand or the US
3. Provide certified copies of results in CA ANZ approved subjects in local taxation and company law
4. Provide a current Ministry of Justice certificate issued within the past 6 months (for US CPAs wishing to practice in New Zealand)
5. Hold compliant professional indemnity insurance (a) in Australia,¹⁶ (for US CPAs wishing to practice in Australia); or (b) in New Zealand¹⁷ (for US CPAs wishing to practice in New Zealand); and

¹⁴<http://membershandbook.charteredaccountants.com.au/im/resultDetailed.jsp?hitlist=index.jsp&commentaries=BJG9mreM0R56WvAMDdJx6S&mappedToId=BJG9mreM0R56WvAMDdJx6S>

¹⁵ <https://www.charteredaccountantsanz.com/member-services/member-obligations/regulations-and-guidance/new-zealand-regulations>

¹⁶http://membershandbook.charteredaccountants.com.au/im/resultDetailed.jsp?id=D4_bwTbzMR5r5cAMDdJx6S&dataMappedToId=#TPS.AAAS~CR~2A

¹⁷http://membershandbook.charteredaccountants.com.au/im/resultDetailed.jsp?id=D4_bwTbzMR5r5cAMDdJx6S&dataMappedToId=#TPS.AAAS~CR~2A

6. Successfully complete the CA ANZ Public Practice Program or meet the program exemptions.¹⁸

Once a CPP is issued, CA ANZ CA members are under the auspices of, and subject to, Public Practice rules and regulations as set out in CA ANZ Regulations CR2 Certificates of Public Practice¹⁹ and CR3 Public Practice Regulations²⁰ (for US CPAs wishing to practice in Australia), or the NZICA Rules²¹, (for US CPAs wishing to practice in New Zealand) and standards issued by the Accounting Professional and Ethics Standards Board.

License to Perform Prescribed Services

In addition to the requirements imposed by CA ANZ, a CA ANZ CA member will be required to satisfy several licensing requirements, as listed below, when conducting Public Accounting Services or providing certain prescribed services (such as statutory audits) in either Australia or New Zealand.

Statutory Audits (Registered Company Auditor) - Australia

The Australian Securities and Investments Commission (ASIC) is Australia's corporate, markets and financial services regulator. ASIC regulates the licensing of certain prescribed services, such as registered company auditors (RCA) in Australia. ASIC Regulatory Guide RG 180 *Auditor Registration* (RG 180²²) sets out the requirements for registering as a RCA. After obtaining the CPP from CA ANZ, a US CPA must:

1. Apply using Form 903AA application for registration as an auditor and pay the appropriate fee to ASIC.
2. Meet the approved competency standard OR have practical experience as prescribed by the Corporations Regulations OR have equivalent practical, overseas, and supervisory experience²³.
3. Generally, a US CPA must demonstrate the obtainment and detail of at least 3000 hours (i.e., 2 years and 8 months) of work experience auditing reporting entities, during the 5 years immediately before the date of their application. Experience obtained, either in the US or Australia is acceptable.
4. Show the capability to perform the duties of an auditor AND be a fit and proper person²⁴.
 - A US CPA must file a *capability report* including details of the three most significant audits they have worked on showing they have had experience in handling complex audits and a *capability declaration* from their supervisor(s) verifying their capability of performing the duties of an auditor. In addition, the report must include details of their CPE in the last 5 years.

¹⁸ The Public Practice Program currently consists of four online modules and a 2-day workshop. The online modules are self-paced and must be successfully completed prior to the 2-day workshop. The indicative time to complete all four online modules is approximately 5 hours including assessment.

¹⁹<http://membershandbook.charteredaccountants.com.au/im/resultDetailed.jsp?hitlist=index.jsp&commentaries=BJG9mreM0R56WvAMDdJx6S&mappedToId=BJG9mreM0R56WvAMDdJx6S>

²⁰<http://membershandbook.charteredaccountants.com.au/im/resultDetailed.jsp?limit=20&commentaries=D5KkIbzMR5r5cAMDdJx6S&hitlist=resultSummary.jsp&mappedToId=D5KkIbzMR5r5cAMDdJx6S>

²¹ <https://www.charteredaccountantsanz.com/member-services/member-obligations/regulations-and-guidance/new-zealand-regulations>

²² <http://asic.gov.au/regulatory-resources/find-a-document/regulatory-guides/rg-180-auditor-registration/>

²³ RG 180.36 – RG 180.96 and RG 180.118 – RG 180.130

²⁴ RG 180.97-RG 180.115

- A US CPA must file a *fit and proper statement*, containing details of any previous disqualifications, disciplinary action taken, litigation matter, criminal conviction, or resignation or removal as an auditor, etc.

Other Audit Licenses

Additional requirements apply for Assurance Practitioners Undertaking Review Engagements and SMSF (pension fund) auditors. For further information, refer to ASIC Regulatory Guide 243 “*Registration of self-managed superannuation fund auditors*”²⁵. The ASIC website²⁶ provides access to Auditor Licensing Pathways, Regulatory Guides (RGs) and guidance and application processes for finance professionals.

Further Guidance

CA ANZ’s website includes Regulations and Guidance for CA ANZ members.²⁷

New Zealand requirements:

In New Zealand, the Financial Markets Authority (FMA) is the government agency responsible for enforcing securities, financial reporting, and company law as they apply to financial services and securities markets. FMA regulates the licensing of auditors under the Auditor Regulation Act 2011 (ARA) and through accredited bodies. NZICA has been authorized by the FMA to license individuals to conduct Financial Markets Conduct Act 2013 (FMC) audits.²⁸

A CPP holder must be a Licensed Auditor or Qualified Auditor to conduct regulated audits in New Zealand. The Licensed Auditor regime includes audits regulated under the Financial Markets Authority (FMA) including audits of listed companies, banks, and issuers of financial products/derivatives. The Qualified Auditor regime includes regulated audits such as non-FMC companies and larger charities.

Due to certain New Zealand legislative requirements, CA ANZ members resident in New Zealand are members of both CA ANZ and NZICA. NZICA and the NZICA Board remain responsible under the New Zealand Institute of Chartered Accountants Act 1996 (NZ) (NZICA Act) for disciplinary and enforcement matters relating to Members resident in New Zealand. CA ANZ administers all other membership matters (other than the regulatory functions described above) relating to members resident in New Zealand.

CA ANZ members resident in New Zealand may apply directly to CA ANZ to be licensed or be approved as a qualified auditor in New Zealand; however, auditors resident overseas must apply directly to the FMA (for a licence) or to Companies Office (for qualified auditor status).

Audits which are not regulated by statute (such as smaller charities and other not for profits) may be performed by a CPP holder without further qualification.

²⁵ <http://asic.gov.au/regulatory-resources/find-a-document/regulatory-guides/rg-243-registration-of-self-managed-superannuation-fund-auditors/>

²⁶ <http://asic.gov.au/for-finance-professionals>

²⁷ <https://www.charteredaccountantsanz.com/member-services/member-obligations/regulations-and-guidance>

²⁸ <https://www.charteredaccountantsanz.com/member-services/technical/audit-and-assurance/auditor-regulation>

Licensed auditors (auditing of issuers of regulated products and other FMC reporting entities)

If a CPP holder is responsible for conducting Financial Markets Conduct Act 2013 (FMC) audits in New Zealand, the CPP holder must hold a license under the Auditor Regulation Act 2011 (New Zealand) (ARA). NZICA is an accredited body authorised to license NZ resident individuals under the ARA to conduct FMC audits.

After obtaining the CPP in New Zealand, a US CPA must:

1. Complete the application form and pay the appropriate fee to CA ANZ on behalf of NZICA.
2. Provide details of at least 3,000 hours (i.e., 2 years and 8 months) of audit work within the five years prior to making an application to demonstrate competency levels have been maintained, including at least 750 hours of work on issuer audits and/or similar audit engagements and a minimum of 375 hours (included in the 750 hours) of work on issuer audits. The audit work may be performed in either the US or New Zealand.
3. Attain an *Advanced Certificate of Competence* certifying that the applicant has demonstrated competence in all key aspects of the audit, including a declaration by an approved assessor.
4. Disclose any matter that may impact on whether they are a fit and proper person and obtain a current criminal conviction record from the Ministry of Justice.

Qualified auditors (statutory audits other than FMC (issuer) audits)

NZICA may recognise members who meet NZICA's eligibility criteria as qualified auditors who can conduct certain statutory assurance engagements, including companies (other than FMC reporting entities), large and medium charities and other statutory bodies.

Further Guidance

CA ANZ has information on [audit regulations in New Zealand](#) on its website.