



**INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
OF UGANDA**

LICENSING FOR ACCOUNTANCY PRACTICE

FREQUENTLY ASKED QUESTIONS (FAQs)

2021



FREQUENTLY ASKED QUESTIONS (FAQs) ON LICENSING FOR ACCOUNTANCY PRACTICE ¹

1. How do I become a full member of the Institute of Certified Public Accountants of Uganda (ICPAU)?

After completing the Certified Public Accountants (CPA) qualification course and completing a period of practical training of three years, you may apply to the Council to be enrolled as a full member in accordance with section 25 of the Accountants Act, 2013.

2. What do I need to open up my accounting firm?

You should be a full member of ICPAU in good standing and possess the relevant practical experience as prescribed by the Council.

3. I do not have sufficient Continuing Professional Development (CPD) hours in the previous year – what should I do?

To be a full member of ICPAU in good standing means that:

- You have maintained your ICPAU membership by paying your annual subscription fees;
- You have met your CPD obligations and filed a CPD return; and
- You do not have a disciplinary case before the ICPAU Disciplinary Committee.

Before you apply for a Certificate of Practice, ensure that you have fulfilled the requirements for CPD.

4. I am a member of another accountancy body - can I practise accountancy in Uganda?

You will be required to obtain the ICPAU membership before applying for registration as a practising accountant.

5. Tell me about the types of Certificates of Practice issued by ICPAU

There are two broad categories of certificates of practice issued by ICPAU. The first category permits a practising accountant to provide all types of accountancy services (including audit and assurance services). The second category of certificates of practice permits the holder to only provide non-assurance services (that is excluding audit and assurance services).

6. What then determines the type of Certificate one is issued?

- A member who intends to obtain a certificate of practice that permits provision of all types of services will be required to acquire and demonstrate professional capacity, training and competence to undertake all assignments under this license. The applicant will be assessed, at application stage and on an ongoing basis.
- If you wish to provide only non-assurance services, a Certificate of practice to provide only non-assurance services will be issued.

¹ This document has been prepared by ICPAU. It is a non-authoritative document, issued for information purposes only to provide insight into the ICPAU practice licensing process. The reader is encouraged to refer to the Accountants Act, 2013 and Regulations thereunder.

7. Specifically, what experience do I need to have in order to get a Certificate of practice that permits provision of all services?

- Audit and assurance, financial reporting, taxation, financial management, management accounting, insolvency practice, information technology, etc.
- Above all, you need to have mandatory experience of at least 3 years in external audit obtained from a firm licensed by ICPAU.

8. Does that imply that I do not need to have any experience to qualify for a Certificate to provide only non-assurance services?

You will be required to have experience in other areas of accountancy in which you would like to specialize.

9. How do I prove this experience?

You will be required to provide a completed professional experience form, and a letter of recommendation from the practising accountant under whose supervision you worked.

10. Does the experience I obtain from internal audit count as experience in audit and assurance?

Whereas internal audit experience gives you an understanding of audit techniques, internal audit primarily focuses on improving risk management, control and governance processes. Such experience alone would not give you the understanding and application of International Standards on Auditing (ISAs) required for you to efficiently conduct external audit assignments.

11. Is my experience obtained as Head of Finance or Chief Financial Officer (CFO) relevant for audit practice?

Such experience is relevant but not sufficient for you to lead an audit engagement. You are required to have the experience as an external auditor and not as an auditee. However, your experience as Head of Finance or CFO may enable you obtain a Certificate of Practice to provide non-assurance services.

12. I have never worked in an accounting firm but I have been part of my Institute's quality review team for 4 years. Do I have the relevant practical experience?

Yes. An audit quality review involves checking the whole audit cycle from client acceptance to reporting. It also involves a detailed understanding of the application of International Standards on Auditing (ISAs).

13. I gathered audit experience before completing the CPA course. Will this be considered relevant experience?

Yes, it will be considered but must be evidenced through a completed audit and assurance experience form, and a letter of recommendation from the practitioner under whose supervision you worked.

14. Can I partner with a non-member?

Under Section 28(3) of the Accountants Act, 2013 your accounting firm will not be licensed unless every partner in the firm is a member of ICPAU and holds a valid practising certificate. In addition, the professional code of ethics prohibits a CPA from entering into professional business with a person who is not a CPA.

15.Are all partners required to obtain Certificates of Practice?

Yes. All partners in the firm are required to register as practising accountants and obtain Certificates of Practice (refer to Section 28(3)). It does not matter whether such partners do not actually handle any audit engagements, they will still be required to obtain a Certificate of Practice.

16.How many Continuing Professional Development (CPD) hours do I require to be a member in good standing?

You should have obtained at least 40 CPD hours, in accordance with ICPAU's CPD Guidelines, in the year prior to the application for a Practising Certificate

17.If I meet all the requirements, what is the application process?

The first step is to apply to the Council for approval of your firm's name prior to registering with the Uganda Registration Services Bureau.

18.What should I consider in coming up with the firm name?

Regulation 2 of the Accountants (Practice) Regulations, 2019 requires that the name of the accounting firm shall;

- Comply with the requirements of the law under which the accounting firm is to be registered;
- Be consistent with the dignity of the accountancy profession;
- Not be misleading or confused with the name of another firm;
- Not make any reference, actual or implied, to any symbolic, cultural, political, religious, sectarian or discriminatory classification or association;
- Not be offensive; or
- Not be directly or indirectly associated with or suggest any connection with any Government agency, parastatal or nongovernmentorganisationNon-Governmental Organisation

Additionally, there are guidelines on names of accounting firms that can be accessed on the Institutes website via <https://www.icpau.co.ug/taxonomy/term/65>

19.How do I submit my application for registration as a practising accountant?

Applications are currently submitted in hard copy using the approved forms. The forms are available on the Institute's website www.icpau.co.ug under the member's menu. An online application platform will soon be rolled out.

20.How long does the process take?

If you have submitted all the required documentation, the licensing process should take no more than 3 months.

21.When does firm inspection take place?

Before your Certificate of Practice and firm license are granted, your firm shall be inspected in accordance with the requirements under section 33(1) of the Accountants Act, 2013.

22. What do I need to prepare for the firm's inspection?

- Firm premises – you must have suitable office premises, including a separate room for the practitioner/practising accountant and appropriate signage.
- Professional reference books and other firm documents and records of the accounting firm.
- Correct titles and description of the accounting firm on its letterhead.

Please refer to Regulation 3 and schedule 1 of Accountants (Practice) Regulations, 2019 for further guidance.

23. One of our partners is leaving to form a new practice – what do we need to do?

- Inform ICPAU in writing about the departure of the partner and provide the legal documentation to evidence this.
- Any fees owed to ICPAU must be cleared before any new applications can be considered.
- The new firm will have to submit the relevant application form and pay a registration fee.

24. Our firm is changing its legal form – do we need to pay any further fees?

- If your firm changes to a partnership or to a limited liability partnership, no additional fees for the year will be required, provided: all the existing partners continue as partners in the new entity; no new partners are added; and the license of the former entity is returned to ICPAU.
- However, your firm must submit a new application form as it is a different legal entity that is now registered.

25. Our firm is changing its name – what do we need to do?

- Apply for change of firm name. The new name should comply with the guidelines on names of accounting firms. It will not be required to submit a new application or to pay a additional fees, unless the practice has increased the number of partners.
- Provide a notice of change of particulars to evidence the change of name.

26. What are the fees applicable?

- Fees are set by the Council on an annual basis.
- Current rates: UGX 550,000 (firm license) and UGX 1,250,000 (Certificate of Practice) for each practising accountant.

27. How do I get further guidance?

For further inquiries, please contact us at standards@icpau.co.ug.

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