

NOTIFICATION OF AN INSTRUMENT AMENDING A SCHEME AND OF A SCHEME

Professional Standards Act 2003 (Vic)

Notification is hereby given pursuant to Section 9 of the *Professional Standards Act 2003* (Vic) of an Instrument amending a scheme ("the Instrument"), and of a Scheme intended to operate in both Victoria and Tasmania, both prepared by the Chartered Accountants Australia and New Zealand (CA ANZ).

The Instrument is intended to amend the Chartered Accountants Australia and New Zealand Professional Standards Scheme (Victoria) currently operating in Victoria only, by adding a new clause for the Scheme to operate in both Victoria and Tasmania.

The scheme:

1. Applies to all members of CA ANZ ('participants'), including affiliate members and practice entity members, with an Australian Certificate of Public Practice issued by the CA ANZ except financial services licensees, unless exempted by the CA ANZ.
2. Limits the occupational liability of participants, in accordance with the following:

	Fee band	Category 1 Monetary Ceiling	Category 2 Monetary Ceiling	Category 3 Monetary Ceiling
(a)	Less than \$100,000	\$2 m	\$2 m	\$2 m
(b)	\$100,000 or more but less than \$300,000	\$5 m	\$5 m	\$5 m
(c)	\$300,000 or more but less than \$500,000	\$10 m	\$10 m	\$10 m
(d)	\$500,000 or more but less than \$1 m	\$20 m	\$20 m	\$20 m
(e)	\$1 m or more but less than \$2.5m	\$50 m		
(f)	\$2.5 m or more	\$75 m		

Where:

Category 1 refers to the following services provided in Australia:

- I. all Corporations Act audits or reviews performed under auditing or assurance standards issued by the Auditing and Assurance Standards Board (including



- financial statement audits and reviews, Australian financial services licence audits, credit licence audits, and compliance plan audits);
- II. all audits or reviews performed by a registered company auditor for the purposes of prudential reporting to the Australian Prudential Regulation Authority;
 - III. all audits of self-managed superannuation funds under section 35C of the *Superannuation Industry (Supervision) Act 1993*; and
 - IV. all other audits of financial statements which are filed with a regulator and audit procedures performed on financial information which forms part of a financial statement filed with a regulator.

Category 2 refers to the following services provided in Australia:

- I. services to which Chapter 5 or Chapter 5A of the *Corporations Act 2001* applies;
- II. services provided pursuant to s.233(2) of the *Corporations Act 2001*;
- III. services to which the *Bankruptcy Act 1966* applies; and
- IV. services arising out of any court appointed liquidation or receivership

and

the “fee band” refers to the highest total billed by the Participant in a single financial year pursuant to a contract for provision of Category 2 services, full details of which are found on the scheme document.

Category 3 refers to services provided in Australia by a Participant in the performance of his, her or its occupation, which are not Category 1 services or Category 2 services, including services provided pursuant to Regulation 7.1.29A of the *Corporations Regulations 2001* and limited financial services (as defined in Regulation 7.6.01BA (3) of the *Corporations Regulations 2001*) but excluding all other financial services (as defined in section 766A of the *Corporations Act 2001*).

3. Requires the participants to have insurance and/or business assets for occupational liability of an amount not less than the amount of their limited liability.

CA ANZ requires the participants to comply with relevant risk management strategies.

The Instrument and the scheme may commence 2 months after the date of the gazettal of the Instrument and/or the Scheme, as may be specified in the *Gazette*, whichever being the later. The scheme may remain in force up to 8 October 2019.

A copy of the Instrument and the Scheme may be obtained from or inspected at the office or website of the Professional Standards Councils.

Before approving the Instrument or the Scheme, the Council hereby invites comments and submissions to be made in writing to be received by the Chief Executive Officer, Professional Standards Authority, within 28 days after the publication of this notice.

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Comments and submissions received will be public unless confidentiality is specifically requested, and will be subject to the *Freedom of Information Act 1982* (Vic).

Professional Standards Council