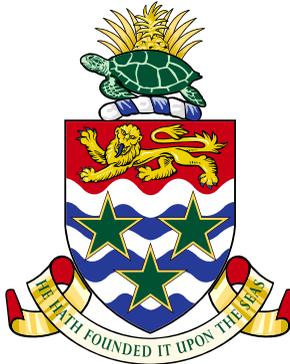


CAYMAN ISLANDS



**Accountants Act
(2020 Revision)**

**ACCOUNTANTS (QUALITY ASSURANCE)
(AMENDMENT) REGULATIONS, 2023**

(SL 8 of 2023)

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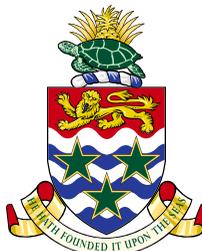
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CAYMAN ISLANDS

Accountants Act
(2020 Revision)**ACCOUNTANTS (QUALITY ASSURANCE)
(AMENDMENT) REGULATIONS, 2023**

(SL 8 of 2023)

In exercise of the powers conferred by section 30 of the Accountants Act (2020 Revision), the Cabinet, in consultation with the Council, makes the following Regulations —

Citation

1. These Regulations may be cited as the Accountants (Quality Assurance) (Amendment) Regulations, 2023.

Amendment of regulation 2 of the Accountants (Quality Assurance) Regulations (2020 Revision) - definitions

2. The *Accountants (Quality Assurance) Regulations (2020 Revision)*, in these Regulations referred to as the “principal Regulations”, are amended in regulation 2 as follows —
 - (a) in the definition of the words “**auditing standards**”, by deleting the words “quality control standards” and substituting the words “quality management standards”; and
 - (b) in the definition of the words “**professional standards**” as follows —
 - (i) by deleting the words “Regulations 4, 5 and 6” and substituting the words “regulations 5 and 6”; and

- (ii) by deleting the words “quality control standards” and substituting the words “quality management standards”.

Amendment of regulation 5 - professional standards and conduct of assurance work

- 3. The principal Regulations are amended in regulation 5(1)(b) by deleting the words “quality control standards” and substituting the words “quality management standards”.

Repeal and substitution of regulation 6 - quality control standards

- 4. The principal Regulations are amended by repealing regulation 6 and substituting the following regulation —

“Quality management standards

- 6. (1) A public practice firm shall comply with the International Standards on Quality Management issued by the International Auditing and Assurance Standards Board.
- (2) A public practice firm shall prepare documentation that is —
 - (a) sufficient to provide evidence of compliance with the standards required under paragraph (1); and
 - (b) sufficient to enable the Institute to understand the nature, timing and extent of the public practice firm’s procedures performed.
- (3) A public practice firm shall retain documentation required under paragraph (1) for not less than five years.
- (4) A public practice firm shall provide the documentation required under paragraph (1) as agreed with the Institute prior to the commencement of a quality assurance review of the public practice firm.”.

Amendment of regulation 8 - quality assurance review process

- 5. The principal Regulations are amended in regulation 8(1) by deleting the words “quality control standards” and substituting the words “quality management standards”.

Amendment of regulation 9 - appointment of the quality assurance review team

- 6. The principal Regulations are amended in regulation 9(2) as follows —
 - (a) in subparagraph (e), by deleting the word “and”;
 - (b) in subparagraph (f), by deleting the words “professional judgement.” and substituting the words “professional judgement; and”;
 - (c) by inserting after subparagraph (f) the following subparagraph —



“(g) understanding of, and experience relevant to, engagements of a similar nature and complexity.”.

Amendment of regulation 11 - review methodology

7. The principal Regulations are amended in regulation 11 as follows —

- (a) in paragraph (1) as follows —
 - (i) in subparagraph (a), by deleting the words “quality control” and substituting the words “quality management”;
 - (ii) by repealing subparagraphs (b) and (c); and
 - (iii) in subparagraph (d), by repealing sub-subparagraph (i) and substituting the following sub-subparagraph —
 - “(i) the significant judgments made and the conclusions reached in the context of professional standards; and”;
- (b) in paragraph (4)(a), by deleting the words “quality controls” and substituting the words “system of quality management”.

Amendment of regulation 14 - reporting

8. The principal Regulations are amended in regulation 14(1)(a) and (b) by deleting the words “quality control” and substituting the words “quality management”.

Amendment of regulation 17 - imposing conditions

9. The principal Regulations are amended in regulation 17 as follows —
- (a) in paragraph (2) as follows —
 - (i) by repealing subparagraph (a); and
 - (ii) by repealing subparagraph (f) and substituting the following subparagraph —
 - “(f) appropriate actions to respond to identified deficiencies of the system of quality management such that they are remediated on a timely basis;” and
 - (b) in paragraph (6), by deleting the words “quality control standards” and substituting the words “quality management standards”.

Made in Cabinet the 31st day of January, 2023.

Kim Bullings
Clerk of the Cabinet

