

Regulatory Guidance for CIPFA Members in the Republic of Ireland

Regulation of Members in the Republic of Ireland (Ireland)

In furtherance of its public protection role CIPFA has been working with the IAASA (the Irish Auditing & Accounting Supervisory Authority) in order to ensure clarification of the position of CIPFA members in Ireland.

In consequence, CIPFA now requires its members in Ireland to make themselves aware of the matters in this guidance note and to provide the information detailed below to the Institute.

For the avoidance of doubt, to ensure regulatory compliance, this information is required from **all** members in Ireland including from those members who have recently provided some similar information to the Institute by way of an Annual Member Statement.

The Criminal Justice (Money Laundering and Terrorist Finance) Act 2010

The Criminal Justice (Money Laundering and Terrorist Finance) Act 2010 (as amended) imposes obligations in terms of money laundering and terrorist financing on a range of legal persons including

- Auditors, external Accountants or Tax Advisers
- Trust or Company Service Providers
- Dealers in High Value Goods
- Private Members' Clubs

These obligations include requirements in relation to the;

- Identification of customers / beneficial owners
- Maintenance of records
- Reporting of suspicious transactions
- Implementation of procedures for the prevention of money laundering and terrorist financing.

It is important that you make yourself aware of your legal obligations.

Members should read the relevant guidance material at:

<http://www.antimoneylaundering.gov.ie/website/aml/amlcuweb.nsf/page/index-en>

CIPFA Members are asked to pay particular additional reference to:

Tax Advisers/external accountants (ie book-keepers):

http://www.antimoneylaundering.gov.ie/website/aml/amlcuweb.nsf/page/Tax_Advisers-en

Trust or Company Service Providers:

<http://www.antimoneylaundering.gov.ie/website/aml/amlcuweb.nsf/page/trust-en>

Required Notification to CIPFA

Members in Ireland are required to e-mail CIPFA at membership@cipfa.org with the subject line: ROI Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 to report either;

1. I am not providing services that fall within the scope of the Criminal Justice (Money Laundering and Terrorist Finance) Act 2010 (as amended)
- or
2. I am providing services that fall within the scope of the Criminal Justice (Money Laundering and Terrorist Finance) Act 2010 (as amended)

Depending on the responses received, CIPFA may contact members regarding regulatory requirements and review the support that it provides to members in this area.

Affiliates and Associates in Ireland

CIPFA is aware of there being a regulatory concern that members of the public in Ireland could erroneously believe that affiliate and associate members of CIPFA living and/or working in Ireland are full members of the Institute.

Whilst the position is under review at the current time, CIPFA would advise anyone working and/or living in Ireland who may be considering applying for affiliate or associate status with the Institute in the future that these regulatory concerns could mean that they are unable to use affiliate or associate designatory letters in Ireland.

The Companies Act 2014 (“The Act”) Transition Period

We should like to take this opportunity to remind our members in Ireland that the transition period under the Act in which private companies could elect to convert to either Designated Activity Company (DAC) or Private Company Limited by Shares (LTD) has come to an end. All companies that made no election to convert to either type of company will now become a LTD automatically. They should receive a new digital Certificate of Incorporation reflecting this change shortly. Any company now wishing to change its form can no longer use forms N1-N3 but must use the appropriate form as detailed on the Companies Registration Office website and pay the required fees.

Under the Act Irish companies may now be one of the following types:

- Private Company Limited by Shares (LTD’s) - a new model form under the Act. LTD’s may have one director (in which case it must have a different person as the secretary) and a one document constitution which replaces the Memorandum and Articles of Association. It has full and unlimited capacity to undertake any business or activity - having the contractual capacity of a natural person with the ultra vires rule not being applicable.
- Designated Activity Company (DAC) - a second new form of company under the Act. Existing private guarantee companies are deemed to be DAC’s under the Act. DAC’s will have two directors and a Memorandum and Articles of Association.

- The Memorandum must specify the objects of the company and the company is limited to doing only those things set out in its Memorandum. The company name must include at the end “Designated Activity Company” (or the Irish equivalent).
- Public Limited Companies (PLC’s) – in relation to which few substantive changes have been introduced by the Act
- Guarantee Companies (CLG’s) - which includes any guarantee company with no share capital existing at the time of coming into force of the Act. Such companies may now have one member and those with one member may dispense with a physical AGM and have a written AGM. The company name must include at its close the words “company limited by guarantee” or “CLG” unless exempted by the Act. If guarantee companies have a share capital they will be treated as DAC’s.
- Unlimited Companies (ULC’s) - which includes private and public unlimited companies with a share capital and public unlimited companies without a share capital. Such companies may now have one member and those with one member are permitted to have a written (and not a physical) AGM. Their name must include, at the end, the words “unlimited company” or “UC” unless exempted from so doing.

See : <https://www.cro.ie/About-CRO/Latest-News/ArtMID/1567/ArticleID/1049/Transition-Period-has-now-ended>

Liquidators in Ireland

We wish to remind our members in Ireland that since the coming into force of the Companies Act 2014, in June 2015, that there are now minimum requirements for those wishing to act as liquidators in the context of corporate insolvency.

Although a prescribed body in Ireland, as CIPFA no longer operates a practising certificate scheme, membership of the Institute does not qualify an individual to act as a company liquidator in Ireland.

Any Institute member acting as a liquidator without being otherwise qualified to act in such a role may be in breach of the Companies Act 2014.

For the avoidance of doubt, no member since 1 June 2015 is permitted to take on any new liquidation appointments.

Further details about this issue can be found on the website of the Irish Auditing and Accounting Supervisory Authority at www.iaasa.ie/Functions/Liquidators

Further questions

If you have any questions in relation to the above please do not hesitate to contact CIPFA at membership@cipfa.org

This information provides general guidance on your rights and responsibilities and is not legal advice. If you need more details on your rights or legal advice about what action to take, please contact an adviser or solicitor. CIPFA will not accept liability for any loss, damage or inconvenience arising as a consequence of any use of any information in this bulletin.