

Membership in retirement



A member who has been a member for at least 30 years, and who has, with a view to permanent retirement, retired from professional work or business, may apply to Council to be placed on the register of members in retirement. Members on the register of retired members shall not be permitted to hold a practising certificate or an insolvency licence, save that this shall not apply to those members who transferred to the register of retired members prior to 1 January 1998 and who held a practising certificate or an insolvency licence on 31 December 1997.

Transfer to the retired list requires the payment of one final 'commutation' fee. Thereafter, no further subscription fees need be paid for life. The commutation fee is separate from the annual subscription: a previously paid annual subscription cannot be used as the commutation fee. The commutation fee is £175 in 2008.

Many members notify ACCA that they have retired and wish to transfer to the retired list only when they receive the annual subscription demand in November and are faced with paying both the annual subscription and commutation fee at the same time. Therefore, ACCA permits members to transfer to the retired list between 1 January and 31 March each year by paying only the commutation fee. The position is set out more fully below:

Applications for transfer made between 1 January 2008 and 31 March 2008:

Commutation fee of £175 to be paid. (In addition the 2007 subscription of £170 must already have been paid. No subscription is payable for 2008.)
Total payable in 2008 = £175.

Applications for transfer made between 1 April 2008 and 31 December 2008:

Commutation fee of £175 to be paid. (In addition the 2008 subscription of £175 must already have been paid.)
Total payable in 2008 = £350

Applications for transfer made between 1 January 2009 and 31 March 2009:

Commutation fee of £175* to be paid. (In addition the 2008 subscription of £175 must already have been paid. No subscription is payable for 2009.)
Total payable in 2009 = £175*
(*2009 commutation fee subject to confirmation at the time of writing, December 2007.)

Council may, at its absolute discretion, consider an application for transfer to the retired list from a member who fails to meet the minimum qualifying requirements but who, for health or other personal reasons, wishes to be considered for transfer. Any such application should be accompanied by an explanation of the reasons for applying and the commutation fee (which will be returned/not collected if the application is not granted).

The register of retired members is strictly for those who have retired fully and permanently: a member may not be in receipt of earned income whilst on the retired list. A retired member who subsequently returns to professional work, whether full-time or part-time, must notify ACCA and may be required to return to the active list.

A member on the retired list is not permitted to hold a practising certificate or an insolvency licence. A member on the retired list who wishes to enter into public practice as a principal must return to the 'active list' and resume paying the annual subscription. A member on the retired list may, however, undertake 'honorary'

(ie unpaid) tasks falling within the definition of public practice for small charities, voluntary bodies and individuals within the undermentioned limits without holding one of the above certificates if the following criteria are adhered to:

- the annual gross income/turnover of each individual charity, body or individual for whom work is performed must not exceed £100,000
- the combined gross annual income/turnover for all charities, bodies and individuals for whom work is performed must not exceed £200,000
- no fee or other significant benefit should be accepted in respect of such work
- charities or bodies for whom the work is carried out must not be limited liability companies or other entities requiring an audit by a registered auditor.

Council has defined 'significant benefit' as amounting to a non-monetary gift worth more than £50 in value. Furthermore, it would be a breach of this provision for a member to accept an 'inflated' expenses payment in relation to the completion of a task. The reimbursement of expenses should relate only to items strictly necessary to the completion of a task.

This provision (Chartered Certified Accountants' Global Practising Regulation 4(3)) exists to allow members to use their skills to make a contribution to their local communities or to assist relatives, friends and neighbours as a favour. It is not acceptable to produce business stationery in connection with such work which purports to be that of a practising firm.

Council's Admissions and Licensing Committee will consider applications from members who wish to carry out work which will exceed the income/turnover limits described above but it will be unlikely to grant waivers other than in circumstances where to not do so will cause considerable inconvenience to the charity, body or individual for whom the work is to be carried out.

A retired member is required to comply with the bye-laws and regulations of ACCA including that of notifying ACCA promptly of any change in his/her mailing address. A member on the retired list retains all normal rights of membership including the use of the designatory letters and the right to vote at General Meetings.

Members on the retired list normally receive only the Annual Report and Notice of the Annual General Meeting (and any other General Meetings) but may make a separate written application to also receive, without charge, the magazine *accounting&business*. Members on the retired list are not entitled to free copies of any other ACCA publications.

District societies and members' network enrolments are normally cancelled on transfer to the retired list but a member may make a separate written application for these to be retained. Where enrolments are retained, a member will continue to receive mailings for the society or network concerned.

