

(NBAA)

**THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS TANZANIA**



**ACCOUNTANTS AND AUDITORS RETIREE POLICY**

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## **Introduction**

1. This policy is issued by the National Board of Accountants and Auditors (NBAA) as a direction to prescribe the Member Annual subscription Fees and Continuing Professional Development (CPD) exemption requirements to members of the accountancy profession in Tanzania after attaining retirement age and permanently retiring from paid employment. The policy comes into effect on **1<sup>st</sup> January, 2011** following approval by the NBAA Governing Board.
2. The policy describes exemptions that retired accountants and auditors will be availed given the fact that they will not be receiving any income apart from their pensions.
3. A member transferred to retired status shall continue to be recognized as members of the Board and shall continue enjoying all the **services** from the Board as other regular members. The eligibility will include:
  - Pay a reduced membership subscription fee (25% of the full fees)
  - Required to undertake least 50% of the CPE hours per annum (20 hours).
  - Have access to the Board's "*Accountant Journal*" as part of their annual subscription benefits package.
4. It is the responsibility of the retired member to inform the Board upon retiring from paid employment and follow the process of transferring member status.

## **Purpose and Scope**

5. Retired membership status is available to Accounting Technician and Certified Public Accountants registered by the Board.
6. Retired membership status is open to those who retire from active employment and who are members in good standing of the Board at the time of their application for this classification of membership.
7. Exemptions will be available for retired members who no longer work or volunteer their services in a capacity of accountant or auditor.
8. This exemption does not apply to members who work with in audit firms in providing material explanations or representations in relation to financial statements or information; or who have a statutory responsibility for the preparation of such financial statements of

information; or who provide documentation to third parties who place reliance on the financial information presented.

9. Once a member is retired and granted the retired status membership cannot perform, or offer to perform, any professional engagement or consulting works that have financial gain.
10. A member granted retired member status must not represent himself or herself as a Certified Public Accountant or use the designation.

### **Eligibility**

11. All members are eligible for applying for retired member status provided that they meet the requirements under this part.
12. Retired status is reserved for members who have permanently withdrawn from the paid workforce and have reached the age of fifty five (55) years and above.
13. No member shall be categorized as retired member before attaining the statutory voluntary retirement age of fifty five (55) years.
14. Retired status is only reserved to members who have paid their dues up to the date of retiring (in Good Standing)<sup>1</sup>.
15. The eligibility for a retired member will include:
  - Pay a reduced membership subscription fee (25% of the full fees)
  - Required to undertake least 50% of the CPE hours per annum (20 hours).
  - Have access to the Board's "*Accountant Journal*" as part of their annual subscription benefits package.

### **Transfer to Retired Member Status**

This status shall apply when all of the requirements in para 16 to 21 are met:

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<sup>1</sup> Any member of the Board who has paid the requisite membership fees up to the current year and who has not been transferred to inactive status (dormant), or been suspended, is a member in good standing and entitled to all of the privileges and benefits from the Board.

16. The member has permanently retired from full-time employment and earning no income from part time employment as accountant or auditor.
17. The member is at least 55 years old.
18. The annual dues for members granted retired member status is 25% of regular member dues.
19. A retired member shall remain a member of the accountancy profession under retired status up to the age of seventy years and thereafter cease to be a member.
20. Upon reaching the age of seventy years, a retired member voluntarily may apply for membership for a term of two years renewable once under the status of retired member.
21. A retired member should prove that he/she has retired from employment and he/she has no any other means of obtaining income other than the pension by submitting a letter of retirement from his/her employer attached with the application form (**Attachment "A"**).

#### **Exempt from Paying Annual Membership Subscription Fees**

22. Members transferred to retired status shall pay a reduced membership subscription fee (25% of the full fees)
23. Members granted retired member status and declared to carry out full or part-time work where they are engaged in activities of a business or financial gain are not exempt and are required to comply with the requirements of paying annual subscription fees.
24. Member granted retired status but opts to continue in public practice shall not be granted exemption and obliged to pay annual membership subscription fee in the same manner as regular member for the maximum period of ten years from the date of retirement.
25. The exemption for any individual shall be revoked upon the individual if that individual is discovered to be earning income from full-time or part-time employment as accountant or auditor.

#### **Exempt from Continued Professional Development Scheme**

26. Members who are retired and not carrying out any professional work of a business or financial nature are not required to carry out CPD.
27. This exemption does not apply to members who work with a company's auditors in providing material explanations or representations in relation to financial statements or information; or who have a statutory responsibility for the preparation of such financial statements of

information; or who provide documentation to third parties who place reliance on the financial information presented.

28. Member granted retired status but opts to continue in public practice shall not be granted exemption and obliged to sustain professional competence through CPD for the maximum period of ten years from the date of retirement.
29. The exemption for any individual shall be revoked upon the individual if that individual is discovered to be full-time or part-time employed as accountant or auditor.

#### **Application Process for Retired Status**

30. Member applying for transfer of membership from regular to retired member status will be required to complete the prescribed Form **A** and submit it to the Board.
31. Member applying for transfer of membership from regular to retired member status will be required to pay transfer fee which will be determined by the Board from time to time.

#### **Membership Re-admission for Retired Member**

32. A retired member who re-enters the work force is required to apply for a change in member status by completing Form **B**. The Membership, Ethics and Compliance Committee of the Governing Board will determine re-admission.
33. Upon re-admission the member will pay full amount of membership fee that regular members pay for the year and be required to sustain professional competence through CPD in the same manner as regular members up to the period of not more than five year from the date of re-admission.

#### **Approval of the Change of Member Status**

34. Change of membership status and re-admission shall be recommended by the Membership, Ethics and Compliance Committee and shall be effective when approved by the Governing Board and communicated to the member by the Board.

#### **Effective Date**

35. This policy is effective from **1<sup>st</sup> January 2011**.

(NBAA)

**THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS TANZANIA**

**APPLICATION FOR RETIRED MEMBER STATUS**

This application form is for the purpose of requesting retired membership status with the Board.

Name \_\_\_\_\_  
Registration No. \_\_\_\_\_  
Date and Year of Birth \_\_\_\_\_  
Employer (at retirement) \_\_\_\_\_  
Postal Address \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_ Email Address: \_\_\_\_\_

**Conditions**

I understand that the conditions for granting of retired member status require that:

The Member is in good standing. (b) The Member has permanently retired from full time or part-time employment as accountant or auditor. (c) The Member has completed an application for retired member status and submitted it to the Board. (d) The Governing Board of the National Board of Accountants and Auditors has approved the application.

**Declaration**

I hereby confirm my eligibility for retired member status by declaring as follows:

1. I understand that by applying for Retired Member Status, I acknowledge that I am permanently retired from full and part-time employment in the accountancy profession.
2. I understand that I must not represent myself as a Certified Public Accountant or use the designation.
3. I undertake to immediately advise the Board of any changes in my circumstances that may affect my retired member status.
4. I will be bound by the rules, regulations, by-laws and Professional Code of Ethics now in force or amended from time to time by the Board.
5. I authorize the Board to lawfully obtain at any time, from any person or entity, any information about me that the Board considers necessary or desirable to obtain in order to process this application and to service and maintain my membership, and I authorize any such person or entity to release this information to the Board.
6. My designation, which includes “(Retired)” suffix, shall be displayed.
7. The information provided in this application is to the best of my knowledge, true and correct.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**FOR OFFICIAL USE ONLY**

1. Date Application received: .....
2. Annual Subscription fees outstanding Tshs/USD .....
3. Documentary evidence attached to the application consist of: .....

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4. Comments by Manager, Member Services Department

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5. Executive Director's comments: .....

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**THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS TANZANIA**

**APPLICATION TO TRANSFER TO FULL ACTIVE MEMBERSHIP  
FROM RETIRED MEMBER STATUS**

This application form is for use by retired members of the Board who wish to be transferred to active membership status with the Board.

Name \_\_\_\_\_

Registration No. \_\_\_\_\_

Date and Year of Birth \_\_\_\_\_

Current Employer \_\_\_\_\_

Position/Title \_\_\_\_\_

Postal Address \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_ Email Address: \_\_\_\_\_

**WORK ACTIVITIES**

If you are transferring to full active status from retired status, you should complete the following if you have undertaken any practical experience during this time

FULL DETAILS OF POSITION HELD	NAME & ADDRESS OF EMPLOYER	DATE	
		FROM	TO

**DECLARATION**

I hereby declare as follows:

1. The information provided in this application is to the best of my knowledge, true and correct.
2. I undertake to immediately advise the Board of any changes in my circumstances that may affect my membership status.
3. I will be bound by the rules, regulations, by-laws and Professional Code of Ethics now in force or amended from time to time by the Board.
4. I authorize the Board to lawfully obtain at any time, from any person or entity, any information about me that the Board considers necessary or desirable to obtain in order to process this application and to service and maintain my membership, and I authorize any such person or entity to release this information to the Board.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**FOR OFFICIAL USE ONLY**

1. Date Application received: \_\_\_\_\_
2. Annual Subscription fees outstanding Tshs/USD \_\_\_\_\_
3. Documentary evidence attached to the application consist of:  
\_\_\_\_\_  
\_\_\_\_\_
4. Comments by Manager, Member Services Department:  
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5. Executive Director's comments:  
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