

This factsheet outlines the requirements to be eligible to take advantage of the cover under ACCA's Consumer Credit Group Licence.

This document has no regulatory status. It is issued for guidance purposes only. Nothing contained in this document should be taken as constituting the amendment or adaptation of the *ACCA Rulebook*. In the event of any conflict between the content of this document and the content of the *ACCA Rulebook*, the latter shall at all times take precedence.

GENERAL

The main purpose of the Consumer Credit Act 1974 is to protect the public from unfair loan agreements and related financial services. The Act requires any person, firm or company providing finance or other specified services to obtain a licence from the director general of Fair Trading. To obtain this licence the applicant must satisfy strict conditions of eligibility that are intended to safeguard the public.

ACCA was granted a group licence under the Consumer Credit Act 1974 by the Office of Fair Trading on 10 April 1979. The licence covers the following categories of business; Category A Consumer Credit; Category C Credit Brokerage and Category D Debt Adjusting and Debt Counselling. The Group Licence number is G900008.

EXTENT OF COVER

The cover afforded by the licence for categories A, C and D is limited to activities arising in the course of a member's practice as a Chartered Certified Accountant/Certified Accountant and only applies to the United Kingdom of Great Britain and Northern Ireland. The Consumer Credit Act does not extend to the Channel Islands and the Isle of Man. Only those sole practitioners, companies and firms with offices within the United Kingdom are therefore subject to the provisions of the Act. The group licence covers sole practitioners, companies and firms where the sole practitioner, the directors in the company, or the partners in the firm hold any type of practising certificate(s) and insolvency

licences issued by ACCA, or the practice is registered to carry on audit work or permitted to describe itself as 'Chartered Certified Accountants' or 'Authorised Public Accountants'. ACCA provides cover under the group licence for members free of charge.

In 1979, similar licences were granted to the Institute of Chartered Accountants in England and Wales, the Institute of Chartered Accountants of Scotland and the Institute of Chartered Accountants of Ireland. The effect of the four group licences is that firms composed of a Chartered Certified Accountant(s)/Certified Accountant(s) and members of the other three bodies are covered by the combination of group licences.

Members and firms whose practices engage in any of the categories of business not covered by the group licence, ie Category B Consumer Hire, Category E Debt Collecting and Category F Credit Reference Agency, must obtain the relevant standard licence from the Office of Fair Trading for the additional categories.

REGISTER

ACCA maintains a register of sole practitioners and firms covered by the group licence and, as a condition of holding the group licence, is responsible for supplying to members of the public making enquiries, accurate, complete and up-to-date information in respect of practices on the register. It is therefore of the utmost importance that members and firms covered by the licence notify the Glasgow office at 2 Central Quay, 89 Hydepark Street, Glasgow G3 8BW immediately there are any changes to the practice or to the composition of a firm.

AAPA MEMBERS

The Consumer Credit Group Licence was extended to cover AAPA sole practitioners and firms within the United Kingdom in May 1998.