

Cayman Islands Society of Professional Accountants



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23 June 2008

Mr John Grewe
Professional Oversight Board
Financial Reporting Council
5th Floor
Aldwych House
71-91 Aldwych
London WC2B 4HN

Dear Mr Grewe,

Re : Q1 How important is it that the Oversight Board has arrangements in place to accept and process applications (both for full registration and under transitional arrangements) from third country auditors as soon as the Commission Decision on transitional provisions is published (expected to be July)? Or should the Oversight Board allow more time to try to use common format application forms with other Member States from the outset? A realistic date for introducing this is September or October (paragraph 1.28).

We are writing on behalf of the Cayman Islands Society of Professional Accountants ("CISPA"). CISPA has been established since 1970 and has over 800 individual members, and acts as the licensing body for public accountants in the Cayman Islands. CISPA is aware that a number of firms of public accountants in the Cayman Islands have already determined that it will be necessary for them to register with European Union Member States' (including the United Kingdom) oversight bodies under the Eighth Company Law Directive on Statutory Audit issued by the European Commission.

CISPA believe that it is extremely important that the Oversight Board has arrangements in place to accept and process applications (both for firms seeking full registration and those registering under transitional arrangements) as soon as the Commission Decision is published.

It is the view of CISPA that arrangements for registration should be in place as soon as possible after 29 June 2008,

The reason for this is that whilst there is no confirmed process for registration, CISPA believe that Third Country Auditors are in a situation where they are being asked to enter into agreements with clients to provide an audit report for the year ending 30 June 2009, without being able to provide the assurances that they will be able to provide them with an audit report that will be accepted by the exchange upon which their shares/debt is traded in the European Union.

Accordingly, CISPA would like Third Country Auditors to have the option of registering as soon as possible in the UK rather than waiting for the common format application form to be agreed upon.

However, CISPA does strongly endorse the proposal to introduce a common format application form agreed by Member States. A common format application form will simplify the registration process and reduce the administrative burden on Third Country Auditors. It would also provide Third Country Auditors with greater consistency and clarity in the information we are required to provide to the various Member States.

In summary, for the reasons noted above, CISPA believes that transitional arrangements for registration with the UK oversight body should be made until such time that a common format application form has been agreed with other Member States.

Yours faithfully



John Ferrari

CISPA President



Charles Bolland

CISPA Treasurer