

ABOUT TÜRMOB

TÜRMOB, the Union of Chambers of Certified Public Accountants Turkey, is the national professional body with the sole authority to award professional license. TÜRMOB was founded in 1989 with the Law 3568 on Certified Public Accountancy and Sworn-in Certified Public Accountancy.

The organizational structure of the TÜRMOB is supported by two distinct Chambers;

- Chambers of Certified Public Accountants (SMMM) and
- Chambers of Sworn-In Certified Public Accountants (YMM).

85 Chambers form the TÜRMOB, of which 77 are SMMM Chambers and 8 are YMM Chambers.

TÜRMOB is the national umbrella for the local Chambers.

The Union renders a public service and is founded primarily to carry out activities to insure the development of the profession and the protection of due interests of the members of the profession and the preservation of professional dignity, ethics, order and traditions.

To comply with the aforementioned duties and responsibilities, the Union extends a continuous and intensive effort especially in areas such as practical training, licensing, professional rules and regulations, publishing and membership and participates in the activities of international professional organizations.

In order to fulfill its duties such as the development of the profession, protection of interests of its members and the preservation of professional ethics and order, the Union carries out comprehensive efforts in areas like awarding of licenses, practical training, examinations, standard setting, quality control, application and enforcement of professional standards, professional rules and regulations, publications and continuous professional education.

Although it has a long history, the accounting and auditing profession in Turkey has received its legal public recognition only lately. After many attempts have been made by the interested parties ranging from the Associations of the members of profession to some Ministers and bureaucrats beginning almost from the first years of the Republican era to

bring an Accountants Law before the Parliament, “The Law on Certified Public Accountancy and Sworn-in Certified Public Accountancy” was enacted only in 1989. The Law was amended in 2009. The Law establishes accounting and auditing as a profession and defines those who are rendering services in these fields as professionals.

The Law primarily applies to the private sector with the objective of providing effective and reliable accountancy and auditing services in Turkey and sets the qualifications that should be possessed to be a member of the profession and organizational setup of the profession.

The Law creates and defines two categories of accounting and auditing professionals;

- Certified Public Accountant, (SMMM)
- Sworn-in Certified Public Accountant, (YMM)

Admission to the Profession

- ***General conditions for being a member of the profession are as follows:***
 - a) To be a citizen of the Republic of Turkey.
 - b) To be competent in exercising the civil rights.
 - c) Not to be deprived of public rights.
 - d) Not to be sentenced for offences against state security, offences against Constitutional order and the functioning of this order, offences against national defense, offences against secrets of the state and espionage, embezzlement, official corruption, bribery, theft, swindling, fraud, breach of confidence, fraudulent bankruptcy, bid rigging, corruption in performance of an obligation, laundering the value of assets gained via an offense or smuggling, irrespective of being sentenced to one or more years of imprisonment for intentional offences or granted amnesty, although the periods specified in Article 53 of Turkish Criminal Code have been passed.
 - e) Not to be penalized by expulsion from the government service consequent to an investigation.
 - f) Not to possess conditions incompatible with the honor and dignity of the profession.

The Law specifies that admission is compulsory in order to conduct the profession and besides the aforementioned general requirements, these two categories of professional members are required to have acquired some specific educational and 3 years of practical training qualifications and be successful in the relevant admission examinations.

Educational and practical training requirements and subjects on which the candidates are to be successful in the exams held in order to be awarded a license, are given below for these two categories of members of profession;

a. Practical Experience

Practical experience of certified public accountancy is gained at public practices of certified public accountants' or sworn-in certified public accountants' firms. In order to begin the practical experience it is a must to pass the practical experience entrance exam and to successfully complete the education program of the Education and Training Center established by the Union. The periods, not longer than six months, spent at the courses and seminars of the Education and Training Center are considered as practical experience periods.

- ***Certified Public Accountants (SMMMs)***

The following conditions are required to become a Certified Public Accountant:

- a) To have at least a B.A. degree in law, economics, business administration, accounting, banking, public administration and political science from a Turkish university, or from foreign universities offering degrees equivalent to their Turkish counterparts, on the condition that this equivalence is ratified by the Higher Education Committee, or to hold a post-graduate degree in one of the disciplines mentioned above.
- b) To have a practical experience of minimum 3 years.
- c) To be successful at the proficiency exam for SMMMs.
- d) To receive a license as a Certified Public Accountant.

To be awarded a license for SMMM, the written proficiency examinations conducted by TÜRMOB are to be passed and these consist of the following subjects:

1. Financial Accounting
2. Financial Statements and analysis
3. Cost Accounting
4. Auditing
5. Tax legislation and implementation
6. Law
7. The Professional Accountancy Law

- ***Sworn-in Certified Public Accountants (YMMs)***

In order to become a Sworn-in Certified Public Accountant the following conditions apply:

- a) At least ten years of experience as a Certified Public Accountant,
- b) To be successful at the proficiency exam for Sworn-in CPAs.
- c) To receive a license for practicing in the field of sworn-in certified public accountancy.

To be awarded a license for YMM, the written proficiency examinations conducted by TÜRMOB are to be passed and these consist of the following subjects:

1. Advanced Financial Accounting
2. Financial Management
3. Management Accounting
4. Auditing, Reporting and Professional Accountancy Law
5. Revision
6. Taxation Techniques
7. Income Taxes
8. Excise and Wealth Taxes
9. Foreign Trade and Exchange Legislation

10. Capital Market Legislation

MEMBERSHIP FIGURES

As of the end of 2017;

- Approximately 108.543 members.
- Approximately 20.000 students
- 3 out of 4 professional members are male
- More than half of the professional members are working in public practice and others in commerce and industry, academia and governmental institutions

ORGANIZATIONAL STRUCTURE

TÜRMOB's organizational structure is supported by two distinct Chambers:

- Chambers of Certified Public Accountants (SMMM), and
- Chambers of Sworn-In Certified Public Accountants (YMM)

which both of them form TÜRMOB.

TÜRMOB is the national umbrella for the local Chambers and the only authority to issue professional licenses in Turkey.

- ***The Union***

TÜRMOB, the Union of Chambers of Certified Public Accountants of Turkey, is founded by the Law No. 3568 enacted in 1989 as an official association of the profession through the participation of the Chambers of Certified Public Accountants and the Chambers of Sworn-in Certified Public Accountants. The Union is the unique authority that is empowered to award professional licenses. The qualifications that are required to become a member of the profession are specified by the Law and only those who have been awarded a license by TÜRMOB are entitled to render professional services.

The major characteristics of the Union stemming from the Law No. 3568 can be given as follows:

- All the members of the Board, Disciplinary and Auditing Boards of the Union are elected directly by the professional members each of who

represent and act on behalf of 75 professional members who comprise the General Assembly.

- The elections concerning the members of the Organs of the Union are based on secret voting system and are carried out under the superintendency of the lawsuit.
- The revenues of the Union consist primarily of the fees and receipts received in exchange for the services rendered (license fees, training and examination fees). Any government subsidy or financial contribution is irrelevant.
- The functioning of the Union and the provision of services by the members of profession are subject to the rules and regulations are subject to the rules and regulations adopted by the Union.

The Organs of the Union of Certified Public Accountants of Turkey (TÜRMOB) are as follows:

- a. General Assembly
- b. Board
- c. Disciplinary Board
- d. Supervisory board

b. General Assembly

General Assembly of the Union consists of the representatives to be elected from amongst the members of the union. Each chamber elects a representative at a rate of one for every seventy-fifth of its total members, and an equal amount of reserves in addition to elect three representatives without depending on its number of members.

The representatives are elected for a period of three years at the general assembly meeting of each chamber. Reelection is possible.

Major Duties of the General Assembly include:

- To elect the members of the Board, Disciplinary Board and the Supervisory Board.
- To scrutinize and approve the regulations and reports to be prepared by the Board of the Union.

- To discuss and reach a resolution on budget and final accounts of the union, to determine the rate of shares to be collected from the chambers.
- To provide the Board the necessary authorization for the implementation of the General Assembly's decisions
- To adopt required professional decisions,

c. Board

The duties of the Board of the Union which consists of nine members includes mainly the implementation of the decisions of the General Board, preparation and implementation of the budget, carrying out examinations, provision of professional licenses, acquisition, purchase and sales of property.

d. Disciplinary Board

The Disciplinary Board of the TÜRMOB consists of five members elected from amongst the members of the General Board. The Disciplinary Board is responsible for inquiring about the objections to be made against decisions of the Disciplinary Boards of the Chambers by the convicted professional members and to take necessary decisions on these issues.

e. Supervisory Board

The Supervisory Board consists of three members elected from amongst the members of the General Assembly for a period of two years and is responsible for the audit and supervision of the transactions and accounts of the Union and for the preparation and submission of a report to the General Board.

f. Chambers

Chambers of Certified Public Accountants and Sworn-in Certified Public Accountants are professional organizations regarded as legal entities with the qualities of public institutions, and are established for the objectives of meeting the needs of the members of the profession, facilitating their professional activities, providing the development of the profession in compliance with common benefits, maintaining professional discipline and ethics, and providing the prevalence of honesty and mutual confidence among the members of the profession and in their relations with the entrepreneurs.

Below are the organs of the Chambers:

- a. General Assembly
- b. Board
- c. Disciplinary Board
- d. Supervisory board

a. General Assembly

General Assembly is the highest organ of the chamber and is formed by the participation of all the members of the profession registered to the Chamber.

Major duties of the General Assembly include;

- To adopt the necessary resolutions and measures for the fulfillment of the objectives of the chambers,
- To elect the members of the Board, Disciplinary Board and the Supervisory board and the representatives of the Union,
- To make proposals to the Union on the adoption of professional decisions that would have a binding effect among the professional members,
- To approve the annual budget and the final accounts,
- To decide upon disciplinary investigations on the responsible persons when deemed necessary,
- To determinate entrance fees for the trainees of the Chamber and annual fees for the registered members.

EDUCATION & TRAINING CENTER (TESMER)

TÜRMOB's Education and Training Center (TESMER) was founded in 1992.

TESMER has the following objectives:

- To develop educational programs for improving and maintaining the professional competencies of its members,
- To develop and implement the practical experience programs to support the pre-qualification training,

- To ensure the training, supervision and the proficiency test for the qualified intermediate staff.

TESMER's major activities and projects are:

- Conducting the Nation-wide professional development programs for approximately 108.543 members, measuring learning in training and conducting the proficiency tests,
- Conducting the training and exams for the approximately 20.000 students through three years of their practical experience period,
- Developing and implementing the "Interactive Training Set for Preparation to Practical Experience Entrance Exam" for the students required to succeed at the practical experience entrance exam,
- Developing and implementing the "Interactive Training Set for Preparation to Proficiency Exams" for the students who complete practical experience period and the members required to succeed at the proficiency exams,
- Implementing, measuring and evaluating the compulsory training for the students throughout their practical experience period and developing the audio-visual course materials for this internet based distance learning program,
- Conducting the training for trainers,
- Trainer and training material support for the local chambers.