

THE STATUTES OF THE REPUBLIC OF SINGAPORE

**ACCOUNTANTS ACT
(CHAPTER 2A)**

Act
26 of 1987

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Accountants Act

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An Act to provide for the establishment of the Public Accountants Board and for purposes connected therewith and to repeal and re-enact with amendments the Accountants Act (Chapter 2 of the 1985 Revised Edition).

[1988]

PART I

PRELIMINARY

1. This Act may be cited as the Accountants Act 1987 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint*. Short title and commencement.
2. In this Act, unless the context otherwise requires — Interpretation.
 - “appointed day” means the date of commencement of this Act;
 - “Board” means the Public Accountants Board established under section 3;
 - “certified public accountant” means a person who is for the time being a member of the Institute;
 - “Chairman” means the Chairman of the Board;
 - “Council” means the Council of the Institute established under section 29;
 - “Disciplinary Committee” means the Disciplinary Committee appointed under the repealed Accountants Act; 1985 Ed. Cap. 2.
 - “Inquiry Committee” means an Inquiry Committee appointed by the Board under section 19 (1);
 - “Institute” means the Institute of Certified Public Accountants of Singapore;

*No date has yet been appointed for the coming into operation of this Act.

1985 Ed.
Cap. 2.

“Investigation Committee” means the Investigation Committee appointed under the repealed Accountants Act;

“lay person”, in relation to an Inquiry Committee, means an architect, banker, advocate and solicitor, company director, insurer, professional engineer, medical practitioner or a person who possesses such other qualifications as may be approved by the Board;

“public accountant” means a person who is registered or deemed to be registered in accordance with this Act as a public accountant;

“Registrar” means the Registrar of the Board appointed under section 11 (1);

“repealed Accountants Act” means the Accountants Act in force immediately before the appointed day;

“Society” means the Singapore Society of Accountants established under the repealed Accountants Act.

PART II

PUBLIC ACCOUNTANTS BOARD

Establishment of Public Accountants Board.

3. There is hereby established a body to be known as the Public Accountants Board which shall be a body corporate with perpetual succession and a common seal and shall by that name be capable of —

- (a) suing and being sued;
- (b) acquiring, owning, holding and developing or disposing of property, both movable and immovable; and
- (c) doing and suffering such other acts or things as bodies corporate may lawfully do and suffer.

Constitution of Board.

4.—(1) The Board shall consist of the following members:

- (a) the Accountant-General;
- (b) the Auditor-General;
- (c) a member from the Nanyang Technological Institute or from the National University of Singapore to be appointed by the Minister; and

- (d) 7 other members to be appointed by the Minister, of whom 3 shall be appointed by the Minister on the nomination of the Council.

(2) The Schedule shall have effect with respect to the Board, its members and proceedings.

5. The functions of the Board are —

Functions of Board.

- (a) to register public accountants;
- (b) to maintain a register of public accountants;
- (c) to determine the qualifications of persons for registration as public accountants under this Act;
- (d) to control and regulate the practice of the profession of accountancy by public accountants;
- (e) to determine and regulate the professional conduct and ethics of public accountants;
- (f) to discourage dishonourable conduct and practices by public accountants and for this purpose hold inquiries into the conduct of public accountants;
- (g) to hold or arrange for the holding of such examinations as the Board considers necessary for the purpose of enabling persons to qualify for registration as public accountants under this Act; and
- (h) to generally do all such acts, matters and things as are necessary to be carried out under this Part and Parts III, IV and VI.

6. The Board shall have the powers to do anything for the purpose of discharging its functions under this Act, or which is incidental or conducive to the discharge of those functions and, in particular, may —

Powers of Board.

- (a) utilise all the property of the Board, movable and immovable, in such manner as the Board may think expedient, including the raising of loans by mortgaging such property;
- (b) borrow or raise or secure the repayment of money in such manner as the Board may think fit; and
- (c) charge for the use of any facility or service provided by the Board.

7. All expenses incurred by the Board in carrying out the purposes of this Act shall be met from the funds of the Board.

Expenses.

Bank
accounts and
application
of revenue.

8.—(1) The Board shall open and maintain an account or accounts with such bank or banks as the Board thinks fit; and every such account shall be operated as far as practicable upon by cheque signed by such person or persons as may from time to time be authorised in that behalf by the Board.

(2) The moneys of the Board shall be applied only in payment or discharge of the expenses, obligations and liabilities of the Board and in making any payments that the Board is authorised or required to make.

(3) The Board shall keep full and proper accounts of all moneys received and expended by it and the accounts shall be audited by an auditor or auditors approved by the Minister.

Investment.

9. Moneys belonging to the Board may, subject to the approval of the Minister, be invested from time to time in securities in which trust funds may, by any written law for the time being in force relating to trustees, be invested.

PART III

REGISTRATION OF PUBLIC ACCOUNTANTS

Register
of Public
Accountants.

10. The Board shall keep and maintain, in such form as the Board may determine, a register to be called the Register of Public Accountants.

Appointment
and duties of
Registrar.

11.—(1) The Minister shall appoint a Registrar of the Board.

(2) The Registrar shall be under the general direction of the Board and shall sign all certificates of registration and record all entries of registration, cancellations and reinstatements in the Register of Public Accountants.

(3) The Registrar shall attend all meetings of the Board and record the proceedings thereof, and shall conduct the correspondence and deal with such matters as may be assigned to him by the Chairman or by the Board.

(4) The Registrar shall —

(a) prepare and publish in the *Gazette* a list containing the names, qualifications and addresses of all public accountants as soon as may be convenient

after the appointed day and thereafter shall publish a revised list at least once in 3 years; and

- (b) from time to time publish in the *Gazette* the names, qualifications and addresses of public accountants added to or removed from the Register of Public Accountants.

(5) In any proceedings, a list published under subsection (4) shall be prima facie evidence that the persons whose names appear therein are public accountants.

(6) The Minister may appoint a person to act as Registrar during the absence from Singapore or incapacity from illness or otherwise of the Registrar.

12.—(1) No person shall be registered as a public accountant by the Board if he is under the age of 21 years or if in the opinion of the Board he is not of good character or reputation or is engaged in any business or occupation inconsistent with the integrity of a public accountant. Qualifications for registration.

(2) A body corporate shall not be eligible for registration.

(3) Subject to subsections (1) and (2), every person shall be entitled, on payment of such registration fee as may be prescribed by the Board, to be registered as a public accountant under this Part if he has passed such examinations in accountancy and other matters (if any) as may be prescribed by the Board and has complied with all the requirements relating to practical experience as may be prescribed by the Board.

(4) The Minister may after consultation with the Board exempt, subject to such conditions as he thinks fit, any person from such requirements as may be prescribed by the Board pursuant to this section.

13.—(1) Any person who desires to be registered as a public accountant shall make an application to the Board in such form or manner as the Board may require. Application for registration.

(2) An application under subsection (1) shall be accompanied by such fee as the Board may prescribe.

Appeal
against
refusal to
register.

14. Any person aggrieved by the refusal of the Board to register him as a public accountant may, within 30 days of the receipt of the notice in writing of such refusal, appeal to the High Court whose decision shall be final.

Certificates
of registra-
tion.

15.—(1) Any person registered as a public accountant under this Part shall, on payment of the prescribed fee, be entitled to receive a certificate of registration, including a renewal of certificate of registration, under the hand of the Registrar.

(2) Subject to the provisions of this Act, every such certificate of registration, including a renewal of certificate of registration, shall be in force from the date of issue to 31st December of the third year following that in which it is issued.

1985 Ed.
Cap. 2.

(3) Any certificate of registration issued to a public accountant or licensed accountant under the repealed Accountants Act which is valid on the appointed day shall be deemed to be a certificate of registration issued under this section and shall expire on 31st December of the year in which it is issued.

(4) The Board may revoke the certificate of registration of any person who has ceased to be registered in the Register of Public Accountants.

Notification
of changes in
particulars in
Register of
Public
Accountants.

16. Every public accountant shall notify the Registrar in writing within one month of any of the following changes bearing on the particulars entered in the Register of Public Accountants:

- (a) change of name; and
- (b) change of business address.

Persons
deemed to be
registered
under this
Act.

17. Every person who immediately before the appointed day was registered as a public accountant or licensed accountant with the Society shall be deemed to be registered as a public accountant under the corresponding provisions of this Act.

Public
accountants
to be
members of
Institute.

18. Any person registered as a public accountant shall, unless he is a member of the Institute by virtue of section 26 (2), apply to the Institute within 21 days from the date of issue of the certificate of registration to be a member of the Institute.

PART IV

DISCIPLINARY PROCEEDINGS

19.—(1) The Board may from time to time appoint one or more committees comprising — Appointment of Inquiry Committee.

- (a) 4 certified public accountants; and
- (b) a lay person,

to be known for the purposes of this Act as Inquiry Committees to hear and determine any complaint of professional misconduct made against any public accountant.

(2) An Inquiry Committee shall be appointed in connection with one or more matters or for a fixed period of time as the Board may think fit.

(3) The Board may at any time revoke the appointment of any Inquiry Committee or may remove any member of an Inquiry Committee or fill any vacancy in an Inquiry Committee.

(4) Three members of an Inquiry Committee of whom one shall be a lay person shall constitute a quorum.

(5) An Inquiry Committee may act notwithstanding any vacancy in its membership provided that there is a quorum; and no act done by or under the authority of the Inquiry Committee shall be invalid in consequence of any defect that is subsequently discovered in the appointment or qualification of the members or any of them.

(6) The Board shall appoint a member of the Inquiry Committee to be the Chairman.

(7) The Inquiry Committee shall meet from time to time for the despatch of business and, subject to the provisions of this Act, may regulate its own procedure and the mode of deciding questions before the Committee.

20.—(1) Any application by any person that a public accountant be dealt with under this Part and any complaint of the conduct of a public accountant in his professional capacity shall be made to the Board. Applications and complaints.

(2) Every application or complaint shall be in writing and shall be supported by such statutory declarations as the Board may require.

(3) Where the Board has received any application or complaint under this section or where facts are brought to

the knowledge of the Board which satisfy the Board that there may be grounds for such application or complaint, it shall be the duty of the Board to lay the application, complaint or facts, as the case may be, before an Inquiry Committee which shall inquire into the matter and report its findings to the Board.

(4) For the purposes of any inquiry, an Inquiry Committee may —

- (a) call upon or employ any person to make or assist in the making of whatever preliminary inquiries it thinks necessary;
- (b) require the production for inspection by the Inquiry Committee or any person so employed of any books, documents, papers or other records which may relate to or be connected with the subject-matter of the inquiry; and
- (c) require the public accountant concerned to give all information in relation to any such books, documents, papers or other records which may be reasonably required by an Inquiry Committee or by the person so employed.

(5) Any public accountant and any other person who without lawful excuse refuses or fails to produce to an Inquiry Committee, or to any person whom the Committee may employ for the purpose of inquiry, any books, documents, papers or other records referred to in subsection (4), or fails to give any such information relating thereto, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$2,000.

(6) Before an Inquiry Committee commences its hearing in respect of any matter, the Inquiry Committee shall send by registered post or deliver to the public accountant concerned —

- (a) copies of the application or complaint and any statutory declaration that have been made in support of the application or complaint; and
- (b) a notice inviting the public accountant concerned, within such period (not being less than 14 days) as may be specified in the notice, to give to the Inquiry Committee any written explanation he may wish to offer and to advise the Inquiry Committee if he wishes to be heard by the Inquiry Committee.

(7) The Inquiry Committee shall allow the time specified in the notice to elapse and shall give the public accountant concerned reasonable opportunity to be heard if he so desires and shall give due consideration to any explanation he may make.

21.—(1) Upon consideration of the report of an Inquiry Committee, the Board may —

Suspension
or cancella-
tion of
registration.

(a) by order suspend the public accountant from practice for a period not exceeding two years or by order cancel the registration of any public accountant if —

(i) the public accountant is convicted of an offence involving dishonesty;

(ii) the public accountant is judged by the Board to have been guilty of professional misconduct;

(iii) the registration of the public accountant under Part III has been obtained by fraud or misrepresentation;

(iv) it appears to the Board that the public accountant is no longer in a position to carry out the duties of a public accountant effectively; or

(v) the public accountant has been adjudicated bankrupt or has made any arrangement with his creditors;

(b) in any case in which it considers that no cause of sufficient gravity for suspension or cancellation of registration exists —

(i) by order impose on the public accountant a penalty not exceeding \$5,000; or

(ii) by writing under the hand of the Chairman censure the public accountant; or

(c) dismiss the application or complaint.

(2) The Chairman may by writing under his hand order the public accountant to pay to the Board such sums as he thinks fit in respect of costs and expenses of and incidental to any hearing held by the Inquiry Committee.

(3) Any penalty imposed or costs and expenses incurred by the Board under this section shall be recoverable as a debt due to the Board.

(4) While any public accountant remains suspended, he shall be deemed not to be registered as a public accountant under this Act but immediately upon the expiry of his period of suspension, his rights and privileges as a public accountant shall forthwith be revived.

(5) The Board may appoint a legal assessor who may be present at any hearing into any matter to advise the Board on all matters of law.

(6) The Board may, where it thinks fit, require an Inquiry Committee to consider further evidence and meet for that purpose except that the public accountant concerned shall be given not less than 14 days' notice of such further meeting of the Inquiry Committee.

Appeal
against
suspension or
cancellation
of registra-
tion.

22.—(1) Any person who is aggrieved by any order of suspension or cancellation or any imposition of penalty made by the Board under section 21 may, within a period of 30 days or within such further period as may be allowed by the Board on the application of the person in any particular case, after the service on him of the notice of the order, appeal to the High Court whose decision shall be final.

(2) A decision of the Board shall take effect while the person to whom the order relates remains entitled to appeal against the order in accordance with subsection (1) or while any such appeal by him awaits determination by the High Court, unless the Minister orders otherwise.

Removal
from Register
of Public
Accountants.

23.—(1) There shall be removed from the Register of Public Accountants the name and other particulars of any registered public accountant —

- (a) who has died;
- (b) who has failed to renew his certificate of registration as a public accountant within one month of the date of the expiry thereof;
- (c) whose registration has been cancelled under section 21;
- (d) who has failed to comply with section 18;

- (e) whose application pursuant to section 18 has been refused by the Institute; or
- (f) who has ceased to be registered as a member of the Institute.

(2) Notwithstanding subsection (1) (d), the Board may, in its discretion, allow any person who has failed to comply with section 18 to remain registered in the Register of Public Accountants or, where the name of such person has been removed from the Register pursuant to that subsection, to be reinstated if it is shown to the satisfaction of the Board that the person was prevented from lodging the application in due time owing to absence from Singapore, sickness or other reasonable cause and that there has been no unreasonable delay on the part of that person.

24.—(1) Any person whose name has been removed from the Register of Public Accountants under section 23 (1) (b) shall be reinstated as soon as possible after he has notified the Registrar of his desire to be reinstated and upon payment of the prescribed fee. Rein-statement.

(2) Any person whose name has been removed from the Register of Public Accountants under section 23 (1) (c) shall, if his appeal to the High Court is allowed, be forthwith reinstated without payment of any fee.

(3) The Board may in its discretion, after expiration of not less than two years from the cancellation of registration of any person, consider any application for registration by such person in accordance with Part III.

PART V

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF SINGAPORE

25.—(1) The Singapore Society of Accountants shall continue to exist as a body corporate having perpetual succession and a common seal and shall be capable of — Society to continue to exist.

- (a) suing and being sued;
- (b) acquiring, owning, holding and developing or disposing of property, both movable and immovable;

- (c) doing and suffering such other acts or things as bodies corporate may lawfully do and suffer; and
- (d) exercising such other powers as are conferred under or by virtue of this Part.

(2) As from the appointed day, the Society shall be known as the Institute of Certified Public Accountants of Singapore.

Members
of Institute.

26.—(1) Any person who desires to be a member of the Institute shall make an application to the Institute in such form or manner as the Institute may require.

(2) Every person who immediately before the appointed day was registered with the Society as a public accountant, registered accountant, licensed accountant or provisional member shall be deemed to be a member of the Institute under the corresponding provisions of this Act.

(3) Any person aggrieved by the refusal of the Institute to register him as a member may, within 30 days of the receipt of the notice in writing of such refusal, appeal to the Minister whose decision shall be final.

(4) The members of the Institute shall be classified as —

- (a) practising members;
- (b) non-practising members;
- (c) honorary members; and
- (d) provisional members.

(5) (a) Practising members of the Institute shall consist of —

- (i) members who are public accountants; and
- (ii) members who, in any place outside Singapore, are accountants in public practice.

(b) Non-practising members of the Institute shall consist of members who are registered in accordance with the rules of the Institute as non-practising members.

(c) Honorary members of the Institute shall consist of members who are registered in accordance with the rules of the Institute as honorary members.

(d) Provisional members of the Institute shall consist of members who are registered in accordance with the rules of the Institute as provisional members.

27. The functions of the Institute shall be —

Functions
of Institute.

- (a) to establish and administer or to participate in the establishment and administration of any organisation, whether incorporated or not and whether subsidiary to the Institute or not, having as its principal object or one of its principal objects the advancement of the science of accountancy or any part thereof where in the opinion of the Council the interests of the accountancy profession may be most advantageously served through the medium of such an organisation;
- (b) to determine the qualifications of persons for admission to membership of the Institute;
- (c) to grant prizes and scholarships, to hold exhibitions and to establish and subsidise lectureships in universities and other educational institutions in subjects relating to accountancy;
- (d) to grant pecuniary or other assistance to any member of the Institute or any association, institute, society or other body established in Singapore in the interests of the profession of accountancy or of accountancy students; and
- (e) to promote, in any manner which the Institute thinks fit, the interests of the profession of accountancy in Singapore.

28. For the carrying out of its functions under this Act, the Institute may —

General
powers of
Institute.

- (a) take up and subscribe for or otherwise acquire shares in any company; if membership of the company is essential or advantageous to the Institute in connection with the acquiring and holding of any lease or tenancy from the company of land required for any of its purposes;
- (b) borrow money whether by way of bank overdraft or otherwise for any of its purposes;
- (c) guarantee any contract of any company from which the Institute holds or intends to hold any lease or tenancy in accordance with paragraph (a) and any other contract in which the Institute may have a financial interest and to which it may

lawfully be a party in accordance with this section;

- (d) issue diplomas or certificates to members of the Institute; and
- (e) generally do all things which are necessary for carrying out the functions of the Institute.

Council.

29.—(1) The Institute shall have a Council which shall consist of —

- (a) 8 practising members of the Institute to be elected by the practising members of the Institute;
- (b) 8 non-practising members of the Institute to be elected by the non-practising members of the Institute; and
- (c) 3 members nominated by the Government all of whom shall be appointed by the Minister.

(2) The Council may from time to time in its discretion appoint any member of the Institute to be a co-opted member of the Council except that there shall not be more than two co-opted members in office at any one time.

(3) A practising member who has been suspended from practice as a public accountant for a period of 6 months or more or whose registration has been cancelled under section 21 or who has been convicted of an offence involving fraud or dishonesty shall not be eligible for election or appointment as a member of the Council.

(4) A non-practising member who ceases to be a member of the Institute or has been convicted of an offence involving fraud or dishonesty shall not be eligible for election or appointment as a member of the Council.

(5) The President, the Vice-President and the Treasurer of the Institute shall be elected by the Council from among its members and in the event of any casual vacancy arising in respect of the office of the President, Vice-President or Treasurer of the Institute, the Council shall at its next meeting or as soon as possible thereafter elect one of its members to fill the vacancy.

(6) The President of the Institute shall be the chairman of the Council and shall preside at all its meetings. In the absence of the President of the Institute at any meeting of

the Council, the Vice-President of the Institute shall preside and in the absence of the President and the Vice-President of the Institute at any such meeting the members present shall elect one of their number to preside.

(7) Notwithstanding this section, a person who holds office as a member of the Council of the Society immediately before the appointed day shall —

- (a) if he is a member appointed under section 9 (1) (a), (b) or (e) of the repealed Accountants Act, retire from his office on the appointed day; 1985 Ed. Cap. 2.
- (b) if he is a member elected under section 9 (1) (c) of the repealed Accountants Act, continue to hold office as a member of the Council for the residue of his term of office and shall be deemed to be a member of the Council elected under subsection (1) (a); and
- (c) in the case of a member elected under section 9 (1) (d) of the repealed Accountants Act, continue to hold office for the residue of his term of office and shall be deemed to be a member elected under subsection (1) (b).

(8) A practising member or non-practising member shall before his appointment or election as a member of the Council file a declaration with the Institute stating that he is not disqualified from holding office as a member of the Council by virtue of subsection (3) or (4).

(9) Any person who fails to comply with subsection (8) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1,000.

30.—(1) Every member of the Council except a member appointed under section 29 (1) (c) shall hold office for a term of two years, commencing from the date of his election under section 29 (1) (a) or (b) or appointment under section 29 (2) or 31 but may continue in office until the election or appointment of his successor in office. Tenure of office of members of Council.

(2) Every member of the Council appointed under section 29 (1) (c) shall hold office for a term of 3 years.

(3) Every member of the Council shall be eligible for re-election or reappointment.

Failure of
members to
elect.

31. If the members of the Institute fail at any time to make the necessary elections in accordance with section 29 (1) or 33 (2) within 3 months from the date the vacancy arose, the Minister may appoint such persons from among the members of the Institute who are practising members or non-practising members, as the case may be, to hold office in the Council.

When
members of
Council to
vacate office.

32. If a member of the Council —

- (a) dies;
- (b) resigns his seat on the Council;
- (c) fails to attend 3 consecutive meetings of the Council without leave of the Council;
- (d) becomes insolvent or enters into a composition with any creditor or is adjudged a bankrupt;
- (e) becomes of unsound mind;
- (f) is in arrears for not less than 6 months of any fees prescribed by the Council;
- (g) ceases to be a practising member, if he was elected or appointed as a member of the Council from among members of the Institute who are practising members;
- (h) ceases to be a non-practising member, if he was elected or appointed as a member of the Council from among members of the Institute who are non-practising members;
- (i) has his appointment under section 29 (1) (c) revoked;
- (j) has been suspended from practice as a public accountant for a period of 6 months or more or whose registration has been cancelled under section 21;
- (k) ceases to be a member of the Institute;
- (l) after due inquiry is found by the Council to have been guilty of professional misconduct;
- (m) has been convicted of an offence involving fraud or dishonesty; or
- (n) is removed from his office before the expiration of his period of office by the members of the Institute in accordance with this Act or any rules made thereunder,

his seat shall become vacant, and the vacancy thereby created shall be deemed to be a casual vacancy.

33.—(1) Subject to subsection (2), any casual vacancy arising among the members of the Council elected under section 29 (1) (a) or (b) or appointed under section 29 (2) or 31 shall be filled by the appointment by the Council of a practising member or a non-practising member, as the case may be, and any such new member shall hold office for only the residue of his predecessor's term of office. Casual vacancies.

(2) Where the Council has less than 8 elected members, any casual vacancy shall be filled by a practising or non-practising member, as the case may be, to be elected by the practising or non-practising members of the Institute, as the case may be.

(3) Any casual vacancy arising among the members of the Council appointed under section 29 (1) (c) shall be filled by the appointment by the Minister of a new member in accordance with section 29 (1) (c) and any such new member shall hold office for only the residue of his predecessor's term of office.

34. The Council may act notwithstanding any vacancy in its membership, but, if and so long as its number of members is reduced below the number fixed by section 38 (2) as the necessary quorum, the Council may act for the purpose of increasing the number of members to that number or of holding a general meeting. Council may act notwithstanding vacancies.

35.—(1) The management and control of the affairs of the Institute and of its funds shall be vested in the Council and all such powers, acts or things as may be exercised or done by the Institute which are not by this Act expressly directed or required to be exercised or done by the Institute in general meeting may, subject to the provisions of this Act and any resolutions passed from time to time by the Institute in general meeting, be exercised or done by the Council. General powers of Council.

(2) Notwithstanding subsection (1), no resolution of the Institute shall invalidate the exercise of any power or the doing of any act or thing by the Council previously which would have been valid if the resolution had not been passed.

Specific
powers of
Council.

36. Without prejudice to the general powers conferred by section 35, the Council shall have power —

- (a) to prescribe the conditions for applicants for admission as members of the Institute and for changes in the classification of members, either generally or in any particular case;
- (b) to establish prizes for students and to lay down the conditions for their award as it thinks fit;
- (c) at its discretion to appoint such officers, employees and agents for permanent, temporary or special services as it may from time to time think fit and to determine their duties and terms of service;
- (d) to appoint from time to time the bankers and legal advisers of the Institute;
- (e) to purchase, rent or otherwise acquire and furnish suitable premises for the use of the Institute;
- (f) to take cognizance of anything affecting the Institute or the professional conduct of its members and take such action as it thinks fit in relation thereto;
- (g) with a view to extending the benefits to members of the Institute, to communicate from time to time with other similar bodies and with members of the profession in other places for the purpose of obtaining and communicating information on all matters likely to prove beneficial or interesting to members and to negotiate and arrange with such bodies for the reciprocal recognition of the status of the members of the Institute;
- (h) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Institute or its officers or otherwise concerning the affairs of the Institute and to compound and allow time for payment or satisfaction of any debts due or of any claims or demands made by or against the Institute;
- (i) to refer any claims or demands by or against the Institute to arbitration and to observe and perform every award made as a result of such arbitration;
- (j) to make and give receipts, releases and other discharges for moneys payable to and for claims and demands of the Institute;

- (k) to invest and deal with any moneys of the Institute from time to time in securities authorised for the investment of trust funds by any written law for the time being in force;
- (l) from time to time to borrow or raise money by bank overdraft or otherwise by the issue of debentures or any other securities founded or based upon all or any of the property and rights of the Institute or without any such security and upon such terms as to priority or otherwise as the Council shall think fit;
- (m) from time to time as it thinks fit to establish branches of the Institute;
- (n) from time to time in its discretion to delegate any of its powers, authorities and discretions to any branch of the Institute on such conditions and for such period as it thinks fit;
- (o) to appoint committees of the Institute for such purposes and with such powers as may be prescribed; and
- (p) to exercise all such powers, privileges and discretions as are not by this Act expressly and exclusively required to be exercised by the members of the Institute in general meeting.

37.—(1) The Institute may accept, by way of grant, gift, testamentary disposition or otherwise, property or moneys in aid of the finances of the Institute on such conditions as it may determine. Institute may accept gifts.

(2) Registers shall be kept of all donations to the Institute including the names of donors and any special conditions on which any donation may have been given.

(3) All property, moneys or funds donated to the Institute for any specific purpose shall be applied and administered in accordance with the purpose for which they may have been donated and shall be separately accounted for.

38.—(1) The Council shall meet at such time and place and as often as may be necessary. Meetings of Council.

(2) Nine members present at any meeting of the Council shall constitute a quorum for the transaction of any business.

(3) A decision of the majority of the members of the Council present and voting at any meeting of the Council shall be a decision of the Council.

(4) The chairman or the person lawfully acting as chairman at any meeting of the Council shall have an original as well as a casting vote.

(5) The Council may regulate its own procedure and, in particular, the holding of meetings, the notice to be given of such meetings, the proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.

Expenses of
members of
Council.

39. No fees shall be paid to any member of the Council but a member may be reimbursed from the funds of the Institute for out-of-pocket and travelling expenses incurred by him in relation to the affairs of the Institute.

Fees payable
by members
of Institute.

40.—(1) Every member shall pay to the Institute on admission and thereafter annually or at such other intervals as the Council may decide such fees as may be prescribed by the Council from time to time.

(2) The Council may prescribe different fees payable by different classes of members.

(3) The Council may remove from the appropriate register the name of any member who is in arrears for 6 months or more in the payment of any prescribed fees and on notice of such removal under the hand of the Secretary of the Institute being delivered to that member or posted to his registered postal address, he shall cease to be a member of the Institute.

(4) Any member whose name is so removed from the register may, at any time within 12 months from the date of the notice of the removal referred to in subsection (3), pay to the Council all fees which are in arrears or which would have been in arrears if he had continued to be a member of the Institute together with such penalty as may be prescribed from time to time by the Council and shall thereupon be entitled to have his name restored to the register. On such restoration he shall be deemed to be re-admitted as a member of the Institute.

41. The Council shall hold an annual general meeting on or before 30th April of each year for the consideration of accounts, the election of members of the Council and the transaction of such other business as may arise.

Annual
general
meeting
of Institute.

42.—(1) A general meeting, other than the annual general meeting, shall be known as an extraordinary general meeting.

General
meetings
of Institute.

(2) The Council —

(a) shall convene an extraordinary general meeting upon a requisition in writing made by not less than 50 members of the Institute entitled to vote within 3 months from the date of such requisition; and

(b) may convene an extraordinary general meeting on such other occasions as it thinks fit.

43. Not less than 21 days' notice of any general meeting, specifying the place, date and hour of the meeting and the general nature of the business to be transacted, shall be given to every member of the Institute except that accidental omission to comply with this section in respect of a member of the Institute shall not invalidate the proceedings at the meeting.

Notice of
general
meetings
of Institute.

44.—(1) The quorum at any general meeting of the Institute shall be 100 members of the Institute entitled to vote.

Quorum at
general
meetings
of Institute.

(2) If within half an hour after the time appointed for a general meeting a quorum is not present, the meeting shall —

(a) if convened by the Council on the requisition of members of the Institute under section 42 (2) (a), be dissolved; or

(b) if convened by the Council other than on the requisition of members of the Institute under section 42 (2) (a), stand adjourned to the same day, 14 days thereafter at such place and time as the Council may determine; and, if at the adjourned meeting a quorum is not present within half an hour after the time appointed for the meeting, those members of the Institute who are present shall constitute a quorum.

Chairman of
general
meetings
of Institute.

45.—(1) The President of the Institute shall preside as chairman at every general meeting.

(2) In the absence of the President of the Institute at any general meeting, the Vice-President of the Institute shall preside and in the absence of the President and the Vice-President of the Institute at any such meeting the chairman shall be elected from among themselves by those members of the Institute present at the meeting.

Resolutions.

46.—(1) A resolution at a general meeting shall be decided on a show of hands unless a poll is demanded by a person entitled to vote.

(2) Unless a poll is demanded, a declaration by the chairman that a resolution has been carried on a show of hands shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

(3) A demand for a poll may be withdrawn.

(4) Where a poll is taken, it shall be taken in such manner as the chairman thinks fit, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

(5) In the case of an equality of votes (whether on a show of hands or a poll), the chairman shall be entitled to a casting vote in addition to his original vote.

Council may
make rules.

47.—(1) Subject to subsection (2), the Council may make such rules as may be necessary or expedient for giving effect to this Part and, in particular, may make rules for any of the following matters:

- (a) the admission of members to the Institute and the manner in which they shall cease to be members thereof;
- (b) the election, resignation and removal of members of the Council;
- (c) the election, appointment, resignation and removal of the President, the Vice-President and the Treasurer of the Institute;
- (d) the qualifications of persons for admission as members of the Institute;

- (e) the classification from time to time of the members of the Institute;
- (f) the manner of voting at any meeting of the Council or of the members of the Institute and at any meeting held by the Institute;
- (g) the regulation of the professional conduct and ethics of members of the Institute;
- (h) the fees payable by members of the Institute;
- (i) the holding of meetings of the Council and of the members of the Institute;
- (j) the training, education or examination of candidates in subjects relating to accountancy and the fees payable therefor;
- (k) the use and custody of the common seal of the Institute;
- (l) the custody, investment and expenditure of the funds and property of the Institute;
- (m) the regulation and administration of the Institute in all matters within its powers; and
- (n) the discipline of members of the Institute.

(2) The Council shall not make rules for the matters prescribed in subsection (1) (a), (b), (c), (d), (e), (f) and (g) without the approval of the Minister.

(3) All such rules shall be published in the *Gazette*.

PART VI

GENERAL

48.—(1) A person who is not registered as a public accountant under this Act shall not —

Holding out as public accountant.

- (a) practise as a public accountant or tax consultant;
- (b) hold himself out to be a public accountant or tax consultant;
- (c) adopt, use or exhibit the term “public accountant” or “tax consultant”; or
- (d) adopt, use or exhibit the term “accountant” or “auditor” or any other similar term or name in such circumstances as to indicate or to be capable of being understood as indicating or to be likely to lead persons to infer that he is a public

accountant or that he is qualified by any written law to practise or is in practice as a public accountant.

(2) Nothing in this section shall operate to prevent —

(a) an advocate and solicitor of the Supreme Court from carrying on the work of a tax consultant; and

(b) any person who is a member of the Institute from using the term “certified public accountant” or the initials “CPA”.

(3) The Minister may exempt any person from all or any of the provisions of subsection (1).

No remuneration recoverable in respect of appointment as public accountant except by public accountants.

49. No person shall be entitled to recover any expenses or remuneration for or in respect of any appointment as a public accountant unless he has been registered as a public accountant under this Act.

Saving.

50. Section 49 shall not apply to the Auditor-General or to any public officer authorised by him or to any public officer or any officer of any statutory authority authorised by the Minister in the exercise of their powers or in the performance of their official duties.

Penalty for certain offences.

51. Any person who contravenes section 48 or 49 shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding one year and in the case of a second or subsequent conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 2 years or to both.

Acts by body corporate or firm implying public accountancy qualification.

52.—(1) Any act done by a body corporate or by any director, officer or employee thereof of such a nature or in such a manner as to be calculated to imply that the body corporate is a public accountant shall be an offence under this Act and the body corporate shall be liable on conviction to a fine not exceeding \$5,000 and where the act is done by a director, officer or employee of the body corporate that director, officer or employee shall also be liable on conviction to a fine not exceeding \$5,000.

(2) Where any firm does any act which in the case of a person would be an offence under any provision of this Act, every member of the firm shall be deemed to have committed the offence unless he proves that he was unaware of the commission of the act.

53. Any person who —

- (a) procures or attempts to procure registration or a certificate of registration as a public accountant under this Act or registration as a member of the Institute by knowingly making or producing or causing to be made any false or fraudulent declaration, certificate, application or representation, whether in writing or otherwise;
- (b) wilfully makes or causes to be made any falsification in the Register of Public Accountants or any register of membership maintained by the Institute;
- (c) forges, alters or counterfeits any certificate of registration as a public accountant issued under this Act;
- (d) uses any forged, altered or counterfeited certificate of registration as a public accountant under this Act knowing the certificate to have been forged, altered or counterfeited; or
- (e) personates a public accountant or buys, sells or fraudulently obtains a certificate of registration as a public accountant issued under this Act,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 6 months or to both.

54. Any person who, not being a member of the Institute, describes himself as a certified public accountant, or uses in connection with his name, or with the name under which he carries on business, the initials “CPA”, or an abbreviation of the words “certified public accountant”, or any combination of such initials or abbreviations, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding one year and in the case of a second or subsequent conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 2 years or to both.

Fraudulent practices in relation to registration.

Holding out as certified public accountant.

Restrictions
on employing
disqualified
persons.

55.—(1) No public accountant shall in connection with his practice as such, without the consent of the Board, employ or remunerate any person who to his knowledge —

- (a) is an undischarged bankrupt;
- (b) has had his name removed from the Register of Public Accountants pursuant to section 23 (1) (c);
- (c) has been suspended from practising as a public accountant under section 21 (1) (a);
- (d) has had his name removed from the register maintained by the Institute otherwise than at his own request or pursuant to section 40 (3); or
- (e) has been convicted of an offence by a court of law and sentenced to imprisonment for a term of not less than one year or to a fine of not less than \$2,000.

(2) On application made by any person, the Board may make an order directing that, as from the date to be specified in the order, no public accountant shall in connection with his practice as such employ or remunerate any person, the subject of the application, who —

- (a) has been a party to any act or default of a public accountant in respect of which a complaint has been or might properly have been made against that public accountant under the provisions of this Act; or
- (b) has so conducted himself while employed by a public accountant that, had he himself been a public accountant, his conduct might have formed the subject of a complaint under the provisions of this Act against him.

(3) Every application under subsection (2) shall be served upon the person in respect of whom it is made and upon his employer or previous employer if his employer or previous employer is a public accountant, not less than 10 days before the application is to be heard.

(4) Every order made under subsection (2) shall be filed in a file kept for this purpose by the Registrar and such file may be inspected by any public accountant without fee.

(5) Disciplinary proceedings may be taken against any public accountant who contravenes subsection (1) or fails to comply with an order made under subsection (2).

56. In addition to any other method of recovery and to any other right, remedy or power vested in the Board, any sum of money whatsoever payable to the Board under this Act or any rules made thereunder may be recoverable by the Board as a debt in any court of competent jurisdiction.

Recovery of money by Board.

57.—(1) The Board may, with the approval of the Minister, make rules to give effect to this Part and Parts II, III and IV

Rules.

(2) Without prejudice to the generality of subsection (1), the Board may, with the approval of the Minister, make rules —

- (a) prescribing the form of application for and the certificates of registration as a public accountant under this Act;
- (b) prescribing the fees payable for registration of public accountants under this Act;
- (c) prescribing the form of the Register of Public Accountants to be kept and the particulars to be entered therein;
- (d) prescribing the qualifications for registration of public accountants under this Act and the manner in which a person shall cease to be registered as a public accountant under this Act;
- (e) prescribing the classification from time to time of public accountants;
- (f) prescribing the code of professional conduct and ethics of public accountants;
- (g) relating to the discipline of public accountants; and
- (h) prescribing the procedure of an Inquiry Committee.

PART VII

REPEAL, SAVINGS AND TRANSITIONAL PROVISIONS

58. The Accountants Act is repealed.

Repeal.
1985 Ed.
Cap. 2.

59.—(1) Where on the appointed day —

- (a) any disciplinary proceedings were pending against any public accountant, the proceedings shall be carried on and completed by the Board under this Act;

Continuation and completion of disciplinary proceedings against public accountants.

- (b) any matter in respect of a public accountant was in the course of being investigated by the Investigation Committee, the Investigation Committee shall continue to exist to complete the hearing and to refer, when it thinks fit, such matter to the Disciplinary Committee; and
- (c) any matter in respect of a public accountant was in the course of being referred to the Disciplinary Committee, the Investigation Committee shall continue to exist to refer the matter to the Disciplinary Committee.

(2) The Disciplinary Committee shall continue to exist for the purpose of dealing with any matter referred to it under subsection (1) (b) or (c) and may, notwithstanding the repeal of the Accountants Act, make such order, ruling or direction as it could have made under the power conferred upon it by the repealed Accountants Act.

(3) Any order, ruling or direction made or given by the Disciplinary Committee pursuant to subsection (2) shall be treated as an order, ruling or direction under this Act and shall have the same force or effect as if it had been made or given by the Board pursuant to the authority vested in the Board under this Act.

1985 Ed.
Cap. 2.

Misconduct
or neglect
of duty
by public
accountants
prior to
appointed
day.

60. The Board may take disciplinary action against any public accountant who had, whilst he was registered as a public accountant with the Society, been guilty of any misconduct or neglect of duty which would have rendered him liable to any disciplinary action if he had continued to be registered as such with the Society and as if this Act had not been enacted.

Continuation
and comple-
tion of
disciplinary
proceedings
against
registered
accountants
and pro-
visional
members of
Society.

61.—(1) Where on the appointed day —

- (a) any disciplinary proceedings were pending against any registered accountant or provisional member registered with the Society, the proceedings shall be carried on and completed by the Institute under this Act;
- (b) any matter in respect of a registered accountant or provisional member registered with the Society was in the course of being investigated by the Investigation Committee, the Investigation

Committee shall continue to exist to complete the hearing and to refer, when it thinks fit, such matter to the Disciplinary Committee; and

- (c) any matter in respect of a registered accountant or provisional member registered with the Society was in the course of being referred to the Disciplinary Committee, the Investigation Committee shall continue to exist to refer the matter to the Disciplinary Committee.

(2) The Disciplinary Committee shall continue to exist for the purpose of dealing with any matter referred to it under subsection (1) (b) or (c) and may, notwithstanding the repeal of the Accountants Act, make such order, ruling or direction as it could have made under the power conferred upon it by the repealed Accountants Act.

1985 Ed.
Cap. 2.

(3) Any order, ruling or direction made or given by the Disciplinary Committee pursuant to subsection (2) shall be treated as an order, ruling or direction under this Act and shall have the same force or effect as if it had been made or given by the Institute pursuant to the authority vested in the Institute under this Act.

62. The Institute may take disciplinary action against any member of the Institute who had, whilst he was registered as a registered accountant or provisional member with the Society, been guilty of any misconduct or neglect of duty which would have rendered him liable to any disciplinary action if he had continued to be registered as such with the Society and as if this Act had not been enacted.

Misconduct or neglect of duty by registered accountants or provisional members of Society prior to appointed day.

63. No action or proceeding shall lie against the Board, the Institute, the Council, an Inquiry Committee, the Investigation Committee or the Disciplinary Committee or any member thereof for any act or thing done under this Part or Part IV unless it is proved to the court that the act or thing was done in bad faith or with malice.

No action in absence of bad faith.

THE SCHEDULE

Section 4 (2).

CONSTITUTION AND PROCEEDINGS OF BOARD

- Appointment of Chairman. 1. The Chairman of the Board shall be appointed by the Minister from among its members.
- Temporary Chairman. 2. The Minister may appoint any member to be a temporary Chairman during the absence from Singapore or incapacity from illness or otherwise of the Chairman.
- Revocation of appointment. 3. The Minister may, at any time, revoke the appointment of any appointed member; and in exercising his power under this paragraph, the Minister shall not be required to assign any reason for such revocation.
- Tenure of office of appointed member. 4. An appointed member, unless his appointment is revoked by the Minister or unless he resigns during his term of office, shall hold office for a period of 3 years and shall be eligible for re-appointment on completion of that period.
- Filling of vacancies. 5. If an appointed member resigns, dies or has his appointment revoked before the expiry of the term for which he has been appointed, the Minister may appoint a person to fill the vacancy in the manner in which the appointment to the vacant office was made and every person so appointed shall hold office for the residue of the term for which his predecessor was appointed.
- Board may act notwithstanding vacancy. 6. The Board may act notwithstanding any vacancy in its membership.
- Meetings of Board. 7.—(1) The Board shall meet for the despatch of business at such times and places as the Chairman may from time to time appoint.
- (2) At any meeting of the Board, 6 members shall form a quorum.
- (3) The Chairman shall preside at all meetings of the Board and in his absence, such member as the members present may elect shall preside at the meeting.
- (4) All questions arising at any meeting shall be decided by a majority of the votes of the members present and voting; except that in the case of an equality of votes, the Chairman or the member presiding at the meeting shall have a casting vote.
- (5) If for any reason the Accountant-General or the Auditor-General or the member from the Nanyang Technological Institute or from the National University of Singapore is unable to attend any meeting of the Board, he shall nominate a representative approved by the Minister to attend the meeting and his representative shall at the meeting be deemed for all purposes to be a member of the Board.

THE SCHEDULE — *continued*

(6) Subject to the provisions of this Act, the Board may make rules to regulate its own procedure generally and, in particular, regarding the holding of meetings, the notice to be given of such meetings, the proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.

8.—(1) The Board shall have a common seal and such seal may, from time to time, be broken, changed, altered and made anew as the Board thinks fit.

Common seal
and execu-
tion of
documents.

(2) The common seal shall be kept in the custody of the Chairman and shall be authenticated by the Chairman or any other member acting in the absence of the Chairman and any document purporting to be sealed with the common seal and so authenticated shall, until the contrary is proved, be deemed to be validly executed.