

SINGAPORE ACCOUNTANCY COMMISSION ACT 2013

(No. 5 of 2013)

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An Act to establish the Singapore Accountancy Commission, to establish a framework for the growth and development of the accountancy sector and its related fields in Singapore, to provide for the registration of chartered accountants in Singapore, and for matters connected therewith, and to make consequential amendments to certain other written laws.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

PART I
PRELIMINARY

Short title and commencement

1. This Act may be cited as the Singapore Accountancy Commission Act 2013 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Interpretation

2.—(1) In this Act, unless the context otherwise requires —

“certified public accountant” means any person registered with or recognised by the Institute as a Certified Public Accountant Singapore immediately before the date of commencement of Part VII;

“Chairman” means the Chairman of the Commission appointed under section 5(1)(a) and includes any temporary Chairman of the Commission appointed under paragraph 3 of the First Schedule;

“chartered accountant” means a person registered or deemed to be registered as a Chartered Accountant of Singapore under this Act;

“Chief Executive Officer” means the Chief Executive Officer of the Commission appointed under section 10 and includes any person acting in that capacity;

“Commission” means the Singapore Accountancy Commission established under section 3;

“committee member” means a member of any committee appointed under section 9(1);

“designated entity” means any company, association or body of persons, corporate or unincorporate, specified in the Third Schedule;

“Institute” means the Institute of Certified Public Accountants of Singapore, being a society registered under the Societies Act

(Cap. 311) immediately before the date of commencement of Part VII;

“member” —

- (a) in relation to the Commission, means a person appointed as a member of the Commission under section 5(1) and includes the Chairman; and
- (b) in relation to a designated entity, means a person who is admitted to such membership specified by the designated entity as being required to be held by persons registered or seeking to be registered as chartered accountants under this Act, and “membership” shall be construed accordingly;

“officer”, in relation to the Commission, includes the Chief Executive Officer.

(2) Unless the context otherwise requires, any reference in this Act to a person registered as a chartered accountant shall be a reference to a person who is registered, or deemed to be registered, as a Chartered Accountant of Singapore by a designated entity under Part VII and whose registration is not suspended under this Act.

PART II

SINGAPORE ACCOUNTANCY COMMISSION

Establishment and incorporation of Singapore Accountancy Commission

3. There shall be established a body to be known as the Singapore Accountancy Commission which shall be a body corporate with perpetual succession 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.

Common seal

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

(2) All deeds and documents requiring the seal of the Commission shall be sealed with the common seal of the Commission.

(3) Every instrument to which the common seal is affixed shall be signed by any 2 members of the Commission generally or specially authorised by the Commission for the purpose, or by one member and the Chief Executive Officer.

(4) The Commission may, by resolution or otherwise in writing, appoint any officer or employee of the Commission or any other agent, either generally or in a particular case, to execute or sign on behalf of the Commission any agreement or other instrument not under seal in relation to any matter coming within the powers of the Commission.

(5) All courts, judges and persons acting judicially shall take judicial notice of the common seal of the Commission affixed to any document and shall presume that it was duly affixed.

Constitution of Commission

5.—(1) The Commission shall consist of the following members, all of whom shall be appointed by the Minister:

(a) a Chairman; and

(b) such other members, not being less than 5 or more than 15, as the Minister may, from time to time, determine.

(2) The Minister may, if he thinks fit, appoint —

(a) a member of the Commission to be its Deputy Chairman; and

(b) the Chief Executive Officer to be a member of the Commission.

(3) The First Schedule shall have effect with respect to the Commission, its members and its proceedings.

PART III

FUNCTIONS AND POWERS OF COMMISSION

Functions of Commission

6.—(1) Subject to the provisions of this Act, the functions of the Commission shall be —

- (a) to oversee the strategic direction for, and promote, facilitate and assist in, the growth and development of the accountancy sector and its related fields in Singapore;
- (b) to develop, provide for or administer, or facilitate or collaborate on the development, provision or administration of, programmes, qualifications, certifications, specialisations and continuing professional developments relating to the accountancy sector and its related fields in Singapore;
- (c) to promote, develop, improve or maintain, or facilitate or collaborate on the promotion, development, improvement or maintenance of, competencies, expertise and professional standards in the accountancy sector and its related fields in Singapore;
- (d) to promote, facilitate or collaborate on research and development activities for the advancement of the accountancy sector and its related fields in Singapore;
- (e) to develop or manage co-operation and exchange with other persons and organisations, including foreign and international organisations, in respect of matters relating to the accountancy sector and its related fields in Singapore;
- (f) to advise the Government on matters relating to the development of the accountancy sector and its related fields in Singapore; and
- (g) to perform such other functions as are conferred on the Commission by or under this Act or any other written law.

(2) The Commission may undertake such other functions as the Minister may, by notification published in the *Gazette*, assign to the Commission, and in so doing, the Commission shall be deemed to be

fulfilling the purposes of this Act, and the provisions of this Act shall apply to the Commission in respect of such functions.

(3) Nothing in this section shall be construed as imposing on the Commission, directly or indirectly, any form of duty or liability enforceable by proceedings before any court to which it would not otherwise be subject.

Powers of Commission

7.—(1) Subject to the provisions of this Act, the Commission shall have the power to do anything for the purpose of performing its functions and discharging its duties under this Act or any other written law, or which is incidental or conducive to the performance of those functions and discharge of those duties.

(2) Without prejudice to the generality of subsection (1) but subject to the provisions of this Act, the Commission may —

- (a) provide for, develop, administer, promote, co-ordinate, collaborate with any person (within or outside Singapore) on or facilitate the training, development, education, examination, assessment and certification of persons practising, or desiring to practise, in the accountancy sector and its related fields in Singapore;
- (b) provide for, administer, collaborate with any person (within or outside Singapore) on or facilitate the accreditation of any body, programme or qualification in connection with any programme, qualification, certification, specialisation or continuing professional development relating to the accountancy sector and its related fields in Singapore;
- (c) establish and administer funds in support of, to promote the growth and development of, for the advancement of competencies, expertise and professional standards in, and for the conduct and development of research relating to, the accountancy sector and its related fields in Singapore;
- (d) with the approval of the Minister, form or participate in the formation of any company, partnership or association,

corporate or unincorporate, or enter into any joint venture or partnership, for the purpose of performing its functions;

- (e) enter into such contracts or arrangements as may be necessary or expedient for the purpose of performing its functions;
- (f) become a member or an affiliate of any international body, the functions or objects of which are similar to or connected with those of the Commission;
- (g) provide, whether by itself or in collaboration with any person (within or outside Singapore), advisory, consultancy and informational services in relation to its functions;
- (h) levy fees and charges for services and facilities provided by the Commission and for any other matter or thing done under this Act;
- (i) receive donations and contributions from any source and raise funds by all lawful means;
- (j) award scholarships, bursaries and training grants in fields related to the functions of the Commission;
- (k) grant or guarantee loans to officers or employees of the Commission for any purpose specifically approved by the Commission; and
- (l) provide recreational facilities and promote recreational activities for, and activities conducive to, the welfare of officers and employees of the Commission and members of their families.

(3) This section shall not be construed as limiting any power of the Commission conferred by or under this Act or any other written law.

Directions by Minister

8.—(1) The Minister may give to the Commission such directions, not inconsistent with the provisions of this Act, as he thinks fit as to the performance of its functions and the exercise of its powers under this Act, and the Commission shall give effect to all such directions.

(2) The Commission shall furnish the Minister with such information in respect of its property and activities in such manner and at such times as the Minister may require.

Appointment of committees and delegation

9.—(1) The Commission may appoint from among its own members or from among other persons such number of committees as it thinks fit for purposes which, in the opinion of the Commission, would be more expediently carried out or managed by means of such committees.

(2) Where a committee is appointed under subsection (1), the Commission shall appoint a person to be the chairman of that committee.

(3) The Commission may, from time to time, alter or discharge any committee appointed under subsection (1), and define or vary the terms of reference of the committee.

(4) Subject to the provisions of this Act and to the control of the Commission, each committee appointed under subsection (1) may regulate its procedure in such manner as the committee thinks fit.

(5) The Commission may, subject to such conditions or restrictions as it thinks fit, delegate —

- (a) to any of its members;
- (b) to its Chief Executive Officer or any of its officers or employees;
- (c) to any committee appointed by it under subsection (1); or
- (d) to any other person as it thinks fit,

any of its functions or powers under this Act or any other written law, except the power of delegation conferred by this section and the power to make any subsidiary legislation.

(6) Any function or power delegated under subsection (5) to any person or committee may be performed or exercised by that person or committee in the name and on behalf of the Commission.

(7) No delegation under this section shall restrict or prevent the performance or exercise of any function or power by the Commission.

PART IV

PROVISIONS RELATING TO STAFF

Appointment of Chief Executive Officer, officers, employees, etc.

10.—(1) The Commission shall appoint a Chief Executive Officer on such terms and conditions as the Commission may determine.

(2) The Chief Executive Officer shall —

(a) be known by such designation as the Commission may determine; and

(b) be responsible to the Commission for the proper administration and management of the functions and affairs of the Commission in accordance with the policy laid down by the Commission.

(3) If the Chief Executive Officer is temporarily absent from Singapore or temporarily incapacitated by reason of illness or for any other reason temporarily unable to discharge his duties, another person may be appointed by the Commission to act in the place of the Chief Executive Officer during any such period of absence from duty.

(4) The Commission may, from time to time, appoint or employ, on such terms and conditions as the Commission may determine, such officers, employees, consultants and agents as may be necessary for the effective performance of its functions.

Preservation of secrecy

11.—(1) Except for the purpose of the performance of his functions or the discharge of his duties or when lawfully required to do so by any court or under the provisions of any written law, no person who is or has been —

(a) a member, an officer, an employee, a consultant or an agent of the Commission; or

(b) a committee member,

shall disclose any information relating to the affairs of the Commission or any other person which has been obtained by him in the performance of his functions or the discharge of his duties under this Act.

(2) Any person who contravenes subsection (1) 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.

Protection from personal liability

12.—(1) No liability shall lie personally against any member, officer or employee of the Commission, committee member or other person acting under the direction of the Commission who, acting in good faith and with reasonable care, does or omits to do anything in the execution or purported execution of this Act or any other written law.

(2) Where the Commission provides a service to the public whereby information is supplied to the public pursuant to any written law, neither any of its members, officers or employees nor any committee member involved in the supply of such information shall be liable for any loss or damage suffered by any member of the public by reason of any error or omission of whatever nature appearing therein or however caused if the member, officer, employee or committee member had acted with reasonable care and in good faith and in the ordinary course of the discharge of his duties.

Public servants

13. All members, officers and employees of the Commission —

- (a) shall be deemed to be public servants for the purposes of the Penal Code (Cap. 224); and
- (b) in relation to their administration, assessment, collection or enforcement of payment of composition sums, shall be deemed to be public officers for the purposes of the Financial Procedure Act (Cap. 109), and section 20 of that Act shall

apply to such persons notwithstanding that they are not or were not in the employment of the Government.

PART V FINANCIAL PROVISIONS

Funds and property of Commission

- 14.** The funds and property of the Commission shall include —
- (a) all grants made to the Commission under section 17;
 - (b) all moneys paid to, and all other moneys and property lawfully received or recovered by, the Commission for the purposes of the Commission;
 - (c) all moneys paid to the Commission by way of grants, subsidies, donations, gifts and contributions;
 - (d) all moneys received by the Commission by way of fees and charges for services rendered by the Commission to any person and for matters and things done under this Act;
 - (e) all moneys, dividends, royalties, interest and income received from any transaction made pursuant to the powers conferred on the Commission by or under this Act or any other written law;
 - (f) all moneys borrowed by the Commission under this Act; and
 - (g) all accumulations of income derived from any such property or money.

Application of moneys

15. The moneys of the Commission shall be applied only in the payment of expenses incurred by it in the performance of its functions and the discharge of its obligations and liabilities and in the making of any payment that it is authorised or required to make.

Bank account

16.—(1) The Commission shall open and maintain one or more accounts with such bank or banks as the Commission thinks fit.

(2) Every such account shall be operated by such person or persons as may, from time to time, be authorised in that behalf by the Commission.

Grants

17. For the purpose of enabling the Commission to carry out its functions under this Act, the Minister may, from time to time, make grants to the Commission of such sums of money, as the Minister may determine, out of moneys to be provided by Parliament.

Power to borrow

18.—(1) For the purpose of discharging its functions under this Act or any other written law, the Commission may, from time to time, raise loans from the Government or, with the approval of the Minister, raise loans within or outside Singapore from such source as the Minister may direct by —

- (a) mortgage, overdraft or other means, with or without security;
- (b) charge, whether legal or equitable, on any property vested in the Commission or on any other revenue receivable by the Commission under this Act or any other written law; or
- (c) the creation and issue of debentures, bonds or any other instrument as the Minister may approve.

(2) For the purposes of this section, the power to raise loans shall include the power to enter into any financial agreement or arrangement whereby credit facilities are granted to the Commission for the purchase of goods, materials or things.

Power of investment

19. The Commission may invest its moneys in accordance with the standard investment power of statutory bodies as defined in section 33A of the Interpretation Act (Cap. 1).

Annual estimates

20.—(1) The Commission shall, in every financial year, prepare or cause to be prepared, and shall adopt, annual estimates of income and expenditure of the Commission for the ensuing financial year.

(2) Supplementary estimates may be adopted by the Commission at any of its meetings.

(3) A copy of all annual estimates and supplementary estimates shall, upon their adoption by the Commission, be sent as soon as possible to the Minister.

Financial provisions

21. The financial provisions specified in the Second Schedule shall have effect with respect to the Commission.

PART VI

TRANSFER OF PROPERTY, ASSETS, LIABILITIES AND EMPLOYEES

Interpretation of this Part

22. In this Part, unless the context otherwise requires —

“Authority” means the Accounting and Corporate Regulatory Authority established under section 3 of the Accounting and Corporate Regulatory Authority Act (Cap. 2A);

“transfer date” means the date of commencement of this Part;

“transferred employee” means any employee of the Authority transferred to the service of the Commission under section 24(1).

Transfer of property, assets, liabilities, etc.

23.—(1) On the transfer date —

(a) such movable property as the Minister for Finance may determine and vested in the Authority immediately before that date for the purposes of the Accountancy Development Division of the Authority (referred to in this Part as the transferred Division); and

(b) all assets, interests, rights, privileges, debts, liabilities and obligations of the Authority relating to the transferred Division,

shall, by virtue of this section, be transferred to and vest in the Commission without further assurance.

(2) If any question arises as to whether any particular property, asset, interest, right, privilege, debt, liability or obligation has been transferred to or vested in the Commission under subsection (1), a certificate under the hand of the Minister for Finance shall be conclusive evidence that the property, asset, interest, right, privilege, debt, liability or obligation was or was not so transferred or vested.

(3) Every agreement relating to any of the transferred property, assets, interests, rights, privileges, debts, liabilities or obligations to which the Authority was a party immediately before the transfer date, whether or not of such a nature that the rights and liabilities thereunder could be assigned, shall have effect and shall be enforceable by or against the Commission as from that date as if —

- (a) the Commission had been a party to such an agreement instead of the Authority; and
- (b) for any reference to the Authority in the agreement there were substituted in respect of anything to be done on or after the transfer date a reference to the Commission.

(4) Any proceedings or cause of action pending or existing immediately before the transfer date by or against the Authority, or any person acting on its behalf, relating to any portion of the property, assets, interests, rights, privileges, debts, liabilities and obligations transferred to and vested in the Commission under subsection (1) may be continued and enforced by or against the Commission.

(5) The operation of this section shall not be regarded —

- (a) as a breach of contract or confidence or otherwise as a civil wrong;
- (b) as a breach of any contractual provision prohibiting, restricting or regulating the assignment or transfer of assets or liabilities;
- (c) as giving rise to any remedy by a party to a legal instrument, or as causing or permitting the termination of any legal

instrument, because of a change in the beneficial or legal ownership of any asset or liability; or

(d) as an event of default under any contract or other legal instrument.

(6) Any provision in any existing contract, agreement, conveyance, deed, lease, guarantee, bond, indemnity or other instrument or undertaking, to which the Authority is a party or may be bound, prohibiting or having the effect of prohibiting the transfer of any property, asset, interest, right, privilege, debt, liability or obligation transferred to the Commission under this section shall be deemed by this Act to have been waived.

Transfer of employees

24.—(1) On the transfer date, such persons or categories of persons as the Minister may determine and employed by the Authority immediately before that date in the transferred Division shall be transferred to the service of the Commission on terms no less favourable than those enjoyed by them immediately prior to their transfer.

(2) If any question arises as to whether any person has been transferred to the service of the Commission under subsection (1), a certificate under the hand of the Minister shall be conclusive evidence that the person was or was not so transferred.

(3) Until such time as terms and conditions of service are drawn up by the Commission, the scheme and terms and conditions of service in the Authority shall continue to apply to a transferred employee as if he were still in the service of the Authority.

(4) The terms and conditions of service to be drawn up by the Commission for the transferred employees shall —

- (a) take into account the salaries and terms and conditions of service (including any accrued rights to leave) enjoyed by them while in the employment of the Authority; and
- (b) in the case of any such term or condition relating to the length of service with the Commission, provide for the recognition

of service with the Authority by the transferred employees as service by them with the Commission.

(5) All deeds, schemes, bonds, agreements, instruments and arrangements subsisting immediately before the transfer date to which the Authority is a party and relating to a transferred employee shall have effect and shall be enforceable by or against the Commission as from that date as if —

- (a) the Commission had been a party thereto instead of the Authority; and
- (b) for any reference to the Authority therein there were substituted in respect of anything to be done on or after the transfer date a reference to the Commission.

(6) Where, on the transfer date —

- (a) any disciplinary proceedings were pending against any transferred employee, the proceedings shall be carried on and completed by the Commission; and
- (b) any matter concerning any transferred employee was in the course of being heard or investigated or had been heard or investigated by a committee of the Authority acting under due authority but no order, ruling or direction had been made thereon, the committee shall complete the hearing or investigation and shall make such order, ruling or direction as it could have made under the authority vested in it before that date,

and any order, ruling or direction made by such a committee pursuant to this subsection shall be treated as an order, a ruling or a direction of the Commission and have the same force and effect as if it had been made by the Commission pursuant to the authority vested in the Commission under this Act.

(7) The Commission may reprimand, reduce in rank, retire, dismiss or punish in some other manner any transferred employee for any misconduct or neglect of duty committed before the transfer date which would have rendered him liable to be reprimanded, reduced in rank, retired, dismissed or punished in some other manner if he had

continued to be in the employment of the Authority and if this section had not been enacted.

(8) Any proceedings or cause of action pending or existing immediately before the transfer date by or against the Authority, or any person acting on its behalf, relating to any transferred employee may be continued and enforced by or against the Commission.

(9) For the avoidance of doubt, section 18A of the Employment Act (Cap. 91) shall not apply to the transfer under this section of any employee of the Authority to the Commission.

(10) Nothing in subsection (1) shall prevent the terms and conditions of service of any transferred employee from being varied on or after the transfer date; and “vary”, in relation to the terms and conditions of service, includes omitting any of the terms and conditions, or substituting new terms and conditions for any of those terms and conditions.

PART VII

CHARTERED ACCOUNTANTS OF SINGAPORE

Restrictions on use of “Chartered Accountant of Singapore”

25.—(1) Any person who is registered as a chartered accountant under this Act, and no other, may —

(a) describe himself as “Chartered Accountant of Singapore”;
and

(b) use the initials “C.A. (Singapore)” after his name.

(2) A person who is not registered as a chartered accountant, or whose registration as such is suspended, under this Act shall not —

(a) practise as, or hold himself out to be, a Chartered Accountant of Singapore; or

(b) use, verbally or otherwise, in connection with his business, employment, profession, description or name (or the name under which he carries on business) —

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- (i) the expression “Chartered Accountant of Singapore” or any of its derivatives or abbreviations, in any language;
 - (ii) the initials “C.A. (Singapore)”; or
 - (iii) any word, designation or description, in any language, tending to convey the impression that he is a Chartered Accountant of Singapore, or that he is qualified or authorised to practise as such.

(3) Any person who contravenes subsection (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and, in the case of a second or subsequent offence, to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 6 months or to both.

Registration of chartered accountant

26.—(1) No person, except a designated entity, shall register, or renew the registration of, any person as a chartered accountant.

(2) A designated entity may, on the application of any person made in accordance with the membership rules or other requirements of the designated entity, register the person as a chartered accountant if the person —

- (a) has completed, to the satisfaction of the Commission, such professional qualification programme as may be specified by the Commission for such class of persons to which that person belongs;
- (b) is a member of the designated entity;
- (c) satisfies the requirements relating to chartered accountants specified in the membership rules of the designated entity; and
- (d) satisfies such other requirements as may be prescribed.

(3) Subject to subsections (4) and (5), every registration of a member of a designated entity as a chartered accountant under this Act —

- (a) shall be valid for one year, unless the registration ceases or is revoked earlier under this Act; and
 - (b) upon its expiry and on an application made by the member in accordance with the membership rules of the designated entity, may be renewed by the designated entity for the same period.
- (4) A designated entity shall not renew the registration of a chartered accountant under subsection (3)(b) if he —
- (a) ceases to be a member of the designated entity;
 - (b) does not satisfy any of the requirements relating to chartered accountants specified in the membership rules of the designated entity; or
 - (c) does not satisfy any of such other requirements as may be prescribed.
- (5) Without prejudice to subsection (4), a designated entity shall not renew the registration of a chartered accountant under subsection (3)(b) while his membership in the designated entity is suspended.
- (6) Any person, other than a designated entity, that holds himself or itself out as a designated entity, or purports to register, or renew the registration of, any person as a chartered accountant, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and, in the case of a second or subsequent offence, to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 6 months or to both.

Suspension or termination of membership in designated entity

27.—(1) Nothing in this Part shall affect the right of a designated entity under its membership rules to suspend or terminate the membership of any of its members registered as a chartered accountant.

(2) The registration of a member of a designated entity as a chartered accountant under this Act shall, by virtue of this subsection —

- (a) be suspended, for the applicable period in subsection (3), immediately upon the suspension of his membership in the designated entity; and
- (b) cease immediately upon the termination of his membership in the designated entity.

(3) The period of any suspension of the registration of a chartered accountant under subsection (2)(a) shall be the shorter of the following:

- (a) the period of the suspension of his membership in the designated entity;
- (b) the period remaining of the validity of his registration as a chartered accountant.

Revocation or suspension of registration by designated entity

28.—(1) Subject to subsection (2), a designated entity may take such disciplinary or other action against, or impose such penalties on or make such other orders against, any of its members registered with it as a chartered accountant as provided in its membership rules.

(2) A designated entity shall not revoke or suspend the registration of any person as a chartered accountant except as provided under this section.

(3) Subject to subsection (4), if, upon taking such disciplinary or other action as provided in its membership rules against any member registered with it as a chartered accountant, the designated entity (or such body of persons specified in its membership rules as being responsible for making that assessment) is of the opinion that —

- (a) the member has contravened any code of professional conduct, standards or ethics applicable to chartered accountants under its membership rules; and
- (b) there exists cause of sufficient gravity for revoking the registration of the chartered accountant,

the designated entity may revoke his registration as a chartered accountant.

(4) A designated entity may, instead of revoking the registration of a chartered accountant under subsection (3), suspend the registration for a period not exceeding 10 months.

Revocation or suspension of registration by Commission

29.—(1) A designated entity shall inform the Commission, within such period as the Commission may specify, of every complaint received, investigation undertaken, disciplinary or other action taken, penalty imposed or other order made by the designated entity in respect of any member of the designated entity who is registered with it as a chartered accountant.

(2) The Commission may, at any time, review any matter concerning any contravention or alleged contravention by any member of a designated entity registered as a chartered accountant of any code of professional conduct, standards or ethics applicable to chartered accountants under the membership rules of the designated entity where the designated entity —

- (a) did not take any disciplinary or other action against the member in respect of such contravention or alleged contravention; or
- (b) having taken such action, suspends his registration under section 28(4), or imposes any lesser penalty or makes any other order provided for under its membership rules.

(3) Subject to subsections (4) and (5), if, upon a review under subsection (2), the Commission is satisfied that —

- (a) any member of a designated entity registered as a chartered accountant has contravened any code of professional conduct, standards or ethics applicable to chartered accountants under the membership rules of the designated entity; and
- (b) there exists cause of sufficient gravity for revoking the registration of the chartered accountant,

the Commission may revoke his registration as a chartered accountant.

(4) Subject to subsection (5), the Commission may, instead of revoking the registration of a chartered accountant under subsection (3) —

- (a) in a case where the designated entity has suspended the registration under section 28(4), extend the suspension of the registration for a period not exceeding 10 months in the aggregate; or
- (b) in any other case, suspend the registration for a period not exceeding 10 months.

(5) Before revoking, suspending or extending the suspension of the registration of any person as a chartered accountant under this section, the Commission shall give the person notice in writing of its intention to do so and an opportunity to submit reasons, within such period as the Commission may specify in that notice, as to why his registration should not be revoked or suspended or why the suspension of his registration should not be extended.

(6) The Commission may require any person who appears to the Commission to have information that is relevant to the performance of its functions or the exercise of its powers under this section to provide the Commission with all such information, and any person so required to provide such information must provide it in such manner and within such period as may be specified by the Commission.

(7) For the avoidance of doubt, the Commission —

- (a) is not under any obligation to review any matter, or take any action in respect of such matter, under this section; and
- (b) may, at any time, discontinue the review of any matter, or any action taken in respect of such matter with a view to revoking or suspending, or extending the suspension of, the registration of any chartered accountant, under this section.

Appeals to Commission

30.—(1) Any person aggrieved by any decision of a designated entity —

- (a) refusing to register him as a chartered accountant under section 26;

- (b) refusing to renew his registration as a chartered accountant under section 26;
- (c) revoking his registration as a chartered accountant under section 28(3); or
- (d) suspending his registration as a chartered accountant under section 28(4),

may, within 30 days after receipt of the decision, appeal to the Commission.

(2) Any person who makes an appeal to the Commission under subsection (1) shall, within the period specified therein —

- (a) state as concisely as possible the circumstances under which the appeal arises and the issues and grounds for the appeal; and
- (b) submit to the Commission all relevant facts, evidence and arguments in respect of the appeal.

(3) Where an appeal has been made to the Commission under subsection (1), the Commission may require —

- (a) any party to the appeal; or
- (b) any person who is not a party to the appeal but appears to the Commission to have information that is relevant to the matters in that subsection,

to provide the Commission with all such information as the Commission may require for the purpose of considering and determining the appeal, and any person so required to provide such information must provide it in such manner and within such period as may be specified by the Commission.

(4) The Commission may reject any appeal under subsection (1) if the appellant fails to comply with subsection (2) or (3).

(5) Unless otherwise directed by the Commission, an appeal under subsection (1) from a decision of a designated entity shall not affect the operation of the decision or prevent the taking of any action to implement the decision.

(6) The Commission may determine an appeal under subsection (1) from a decision of a designated entity by —

- (a) confirming the decision;
- (b) directing the designated entity to register the appellant as a chartered accountant;
- (c) directing the designated entity to renew the registration of the appellant as a chartered accountant;
- (d) quashing any revocation or suspension of the registration of the appellant as a chartered accountant;
- (e) substituting any suspension of the registration of the appellant as a chartered accountant with revocation;
- (f) substituting any revocation of the registration of the appellant as a chartered accountant with suspension for a period not exceeding 10 months;
- (g) extending any suspension of the registration of the appellant as a chartered accountant for a period not exceeding 10 months in the aggregate, or reducing the period of the suspension; or
- (h) directing the designated entity to reconsider its decision,

and the decision of the Commission shall be final.

Appeals to Minister

31.—(1) Any person aggrieved by any decision of the Commission —

- (a) revoking his registration as a chartered accountant under section 29(3);
- (b) suspending his registration as a chartered accountant under section 29(4); or
- (c) extending the suspension of his registration as a chartered accountant under section 29(4),

may, within 30 days after receipt of the decision, appeal to the Minister.

(2) Any person who makes an appeal to the Minister under subsection (1) shall, within the period specified therein —

- (a) state as concisely as possible the circumstances under which the appeal arises and the issues and grounds for the appeal; and
- (b) submit to the Minister all relevant facts, evidence and arguments in respect of the appeal.

(3) Where an appeal has been made to the Minister under subsection (1), the Minister may require —

- (a) any party to the appeal; or
- (b) any person who is not a party to the appeal but appears to the Minister to have information that is relevant to the matters in that subsection,

to provide the Minister with all such information as the Minister may require for the purpose of considering and determining the appeal, and any person so required to provide such information must provide it in such manner and within such period as may be specified by the Minister.

(4) The Minister may reject any appeal under subsection (1) if the appellant fails to comply with subsection (2) or (3).

(5) Unless otherwise directed by the Minister, an appeal under subsection (1) from a decision of the Commission shall not affect the operation of the decision or prevent the taking of any action to implement the decision.

(6) The Minister may determine an appeal under subsection (1) from a decision of the Commission by —

- (a) confirming the decision;
- (b) quashing the decision;
- (c) substituting any suspension of the registration of the appellant as a chartered accountant with revocation;
- (d) substituting any revocation of the registration of the appellant as a chartered accountant with suspension for a period not exceeding 10 months;

- (e) extending any suspension of the registration of the appellant as a chartered accountant for a period not exceeding 10 months in the aggregate, or reducing the period of the suspension; or
 - (f) directing the Commission to reconsider its decision,
- and the decision of the Minister shall be final.

(7) In this section, any reference to the Minister shall include a reference to any Minister of State designated by the Minister to hear any appeal under this section in place of the Minister.

Powers relating to revocation or suspension not affected by membership rules, etc.

32. The Commission and the Minister may exercise their powers, respectively, under this Part in respect of the revocation or suspension of the registration of a member of a designated entity as a chartered accountant notwithstanding —

- (a) anything in the membership rules of the designated entity;
- (b) anything done or omitted to be done by the designated entity in respect of the member;
- (c) any irregularity in any disciplinary or other action taken by the designated entity against the member; or
- (d) any penalty imposed on or any other order made against the member by the designated entity.

Designated entities

33.—(1) Subject to section 34, the Commission may, with the approval of the Minister, by order published in the *Gazette*, amend the Third Schedule by adding thereto, deleting therefrom or otherwise varying any designated entity.

(2) A designated entity shall be subject to such conditions as the Commission may, from time to time, specify.

(3) Without prejudice to the Societies Act (Cap. 311) or any other legislation governing or regulating the designated entity, a designated entity may, with the concurrence of the Commission, modify any of its

membership rules relating to chartered accountants in such manner as provided in its membership rules.

(4) In the event of any inconsistency between the membership rules of a designated entity relating to chartered accountants and this Act, this Act shall prevail to the extent of the inconsistency.

(5) In this section, “membership rules”, in relation to a designated entity, includes but is not limited to the requirements for the registration, and renewal of the registration, of chartered accountants, codes of professional conduct, standards and ethics applicable to chartered accountants, and rules relating to disciplinary and other actions that may be taken by the designated entity against its members who are chartered accountants.

Deletion of designated entity

34.—(1) Subject to subsection (2), before deleting a designated entity from the Third Schedule under section 33(1), the Commission shall give the designated entity notice in writing of its intention to do so and an opportunity to submit reasons, within such period as the Commission may specify in that notice, as to why the designated entity should not be deleted.

(2) Subsection (1) shall not apply in the case where the designated entity requests in writing that it be deleted from the Third Schedule.

(3) Any order under section 33(1) deleting a designated entity from the Third Schedule shall not take effect until the expiration of not less than 30 days after the date on which the Commission informs the designated entity of its decision to delete the designated entity from the Third Schedule.

(4) If a designated entity is deleted from the Third Schedule —

- (a) it shall immediately cease to register, or renew the registration of, any person as a chartered accountant; and
- (b) every person who, on the eve of the deletion, is registered with it as a chartered accountant shall cease to be a registered chartered accountant under this Act on the expiry of such period after the deletion as the Commission may specify, by notification published in the *Gazette* (referred to in this

section as the transitional period), unless before the expiry of the transitional period —

- (i) he becomes a member of another designated entity (referred to in this section as the successor designated entity); and
- (ii) the successor designated entity certifies that he satisfies the requirements relating to chartered accountants specified in its membership rules.

(5) Any person referred to in subsection (4) who, before the expiry of the transitional period, becomes a member of and is certified by the successor designated entity under paragraph (b)(ii) of that subsection shall, on the date of being so certified, be deemed to be registered as a chartered accountant by the successor designated entity under this Act and for such period that is equal to the remaining period of validity of his registration as a chartered accountant with the deleted designated entity but for the deletion.

(6) Every person registered as a chartered accountant with a designated entity on the eve of the deletion of the designated entity from the Third Schedule shall, notwithstanding the deletion, be deemed to be registered as a chartered accountant under this Act during —

- (a) the transitional period; or
- (b) the period commencing on the date of the deletion and ending on the date immediately before the date on which he is deemed to be registered as a chartered accountant by the successor designated entity under subsection (5),

whichever is the shorter.

(7) For the purposes of subsection (5), the remaining period of validity of the registration of a chartered accountant with a deleted designated entity shall be the period during which such registration would have been valid but for the deletion of the designated entity less the period during which he is deemed to be registered as a chartered accountant under subsection (6).

PART VIII
MISCELLANEOUS

Annual report

35. The Commission shall, as soon as practicable after the end of each financial year, cause to be prepared and transmitted to the Minister a report dealing generally with the activities of the Commission during the preceding financial year.

Symbol, design or representation of Commission

36.—(1) The Commission shall have the exclusive right to the use of such symbol, design or representation as it may select or devise in connection with its activities or affairs.

(2) Any person who, without the prior permission of the Commission, uses a symbol, design or representation identical with that of the Commission or which so resembles the symbol, design or representation thereof as to deceive or cause confusion or to be likely to deceive or cause confusion 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 and, in the case of a continuing offence, to a further fine not exceeding \$250 for every day or part thereof during which the offence continues after conviction.

Offences by bodies corporate, etc.

37.—(1) Where an offence under this Act committed by a body corporate is proved —

- (a) to have been committed with the consent or connivance of an officer of the body corporate; or
- (b) to be attributable to any neglect on his part,

the officer as well as the body corporate shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member of the body corporate in connection with his functions of management as if he were a director of the body corporate.

(3) Where an offence under this Act committed by a partnership is proved —

- (a) to have been committed with the consent or connivance of a partner of the partnership; or
- (b) to be attributable to any neglect on his part,

the partner as well as the partnership shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(4) Where an offence under this Act is committed by a limited liability partnership is proved —

- (a) to have been committed with the consent or connivance of a partner or manager of the limited liability partnership; or
- (b) to be attributable to any neglect on the part of such a partner or manager,

the partner or manager (as the case may be) as well as the limited liability partnership shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

(5) Where an offence under this Act committed by an unincorporated association (other than a partnership) is proved —

- (a) to have been committed with the consent or connivance of an officer of the unincorporated association or a member of its governing body; or
- (b) to be attributable to any neglect on the part of such an officer or member,

the officer or member (as the case may be) as well as the unincorporated association shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(6) In this section —

“body corporate” and “partnership” exclude a limited liability partnership;

“officer” —

- (a) in relation to a body corporate, means any director, member of the committee of management, chief

executive, manager, secretary or other similar officer of the body corporate and includes any person purporting to act in any such capacity; or

- (b) in relation to an unincorporated association (other than a partnership), means the president, the secretary, or any member of the committee of the unincorporated association, or any person holding a position analogous to that of president, secretary or member of such a committee, and includes any person purporting to act in any such capacity;

“partner” includes a person purporting to act as a partner.

(7) The Minister may make rules to provide for the application of any provision of this section, with such modifications as the Minister considers appropriate, to any body corporate, limited liability partnership or unincorporated association formed or recognised under the law of a territory outside Singapore.

Composition of offences

38.—(1) The Chief Executive Officer or any officer of the Commission authorised by him may, in his discretion, compound any offence under this Act which is prescribed as a compoundable offence by collecting from a person reasonably suspected of having committed the offence a sum not exceeding the lower of the following:

- (a) one half of the amount of the maximum fine that is prescribed for the offence;
- (b) \$5,000.

(2) On payment of such sum of money, no further proceedings shall be taken against that person in respect of the offence.

(3) All sums collected under this section shall be paid to the Consolidated Fund.

General exemption

39. The Commission may, with the approval of the Minister, by order published in the *Gazette*, exempt any person or class of persons

from any or all of the provisions of this Act, subject to such conditions or restrictions as may be specified in the order.

Service of documents

40.—(1) Subject to subsection (3), any document required or authorised to be served under this Act may be served —

(a) in the case of an individual —

- (i) by delivering it to the individual personally;
- (ii) by leaving it with an adult person apparently resident at, or by sending it by pre-paid registered post to, the usual or last known address of the place of residence of the individual;
- (iii) by leaving it with an adult person apparently employed at, or by sending it by pre-paid registered post to, the usual or last known address of the place of business of the individual;
- (iv) by affixing a copy of the notice in a conspicuous place at the usual or last known address of residence or business of the individual;
- (v) by sending it by facsimile transmission to the fax transmission number operated at the usual or last known address of the place of residence or business of the individual, or the last fax number given to the Commission by the individual as the fax transmission number for the service of documents on the individual;
or
- (vi) by electronic communication, by sending an electronic communication of the document to the last email address given to the Commission by the individual as the email address for the service of documents on the individual;

(b) in the case of a partnership other than a limited liability partnership —

- (i) by delivering it to any one of the partners or the secretary or other like officer of the partnership;
 - (ii) by leaving it at, or by sending it by pre-paid registered post to, the principal or last known place of business of the partnership in Singapore;
 - (iii) by sending it by facsimile transmission to the fax transmission number operated at the principal or last known place of business of the partnership in Singapore; or
 - (iv) by electronic communication, by sending an electronic communication of the document to the last email address given to the Commission by the partnership as the email address for the service of documents on the partnership; and
- (c) in the case of a limited liability partnership or other body corporate, or an unincorporated association —
- (i) by delivering it to the secretary or other like officer of the body corporate or unincorporated association or, in the case of a limited liability partnership, the manager thereof;
 - (ii) by leaving it at, or by sending it by pre-paid registered post to, the registered office or principal office of the limited liability partnership, body corporate or unincorporated association in Singapore;
 - (iii) by sending it by facsimile transmission to the fax transmission number operated at the registered office or principal office of the limited liability partnership, body corporate or unincorporated association in Singapore; or
 - (iv) by electronic communication, by sending an electronic communication of the document to the last email address given to the Commission by the limited liability partnership, body corporate or unincorporated association as the email address for the service of documents on the limited liability

partnership, body corporate or unincorporated association.

(2) Where any notice or other document required or authorised to be served under this Act is —

- (a) sent by a facsimile transmission to a fax transmission number in accordance with subsection (1), it shall be deemed to have been duly served on the person to whom it is addressed on the day of transmission, subject to receipt on the sending facsimile machine of a notification (by electronic or other means) of a successful transmission to the place of residence or business or registered office or principal office, as the case may be;
- (b) sent by electronic communication to an email address in accordance with subsection (1), it shall be deemed to have been duly served on the person to whom it is addressed at the time of entering the information system addressed to the email address; and
- (c) sent by pre-paid registered post in accordance with subsection (1), it shall be deemed to have been duly served on the person to whom it is addressed 2 days after the day the notice or document was posted, whether or not it is returned undelivered.

(3) Service of any document under this Act on a person by electronic communication may be effected only if the person gives as part of his or its address for service an email address.

(4) This section shall not apply to notices and documents to be served in proceedings in court.

Regulations

41.—(1) The Commission may, with the approval of the Minister, make regulations to give effect to the provisions and purposes of this Act.

(2) Without prejudice to the generality of subsection (1), regulations may be made under that subsection for or with respect to any or all of the following matters:

- (a) conditions or restrictions applicable to designated entities;
 - (b) the fees and charges payable under this Act, and the waiver, refund or remission, whether wholly or in part, of such fees and charges;
 - (c) matters required or permitted to be prescribed by this Act or which are necessary or expedient to be prescribed to give effect to this Act.
- (3) Regulations made under subsection (1) may —
- (a) provide that a contravention of any specified provision thereof shall be an offence; and
 - (b) provide for penalties not exceeding a fine of \$5,000 or imprisonment for a term not exceeding 6 months or both for any offence specified therein and, in the case of a continuing offence, a further penalty not exceeding a fine of \$250 for every day or part thereof during which the offence continues after conviction.

Savings and transitional provisions

42. For a period of 2 years after the commencement of a provision in this Act, the Minister may, by regulations, prescribe such provisions of a savings or transitional nature consequent on the enactment of that provision as he may consider necessary or expedient, including but not limited to deeming registration of a certified public accountant as a chartered accountant under this Act.

Consequential amendment to Accountants Act

43. The long title to the Accountants Act (Cap. 2) is amended by inserting, immediately before the word “accountants”, the word “public”.

Consequential amendment to Accounting and Corporate Regulatory Authority Act

44. Section 6(4) of the Accounting and Corporate Regulatory Authority Act (Cap. 2A) is amended by inserting, immediately after

the words “accounting corporations”, the words “providing public accountancy services”.

FIRST SCHEDULE

Sections 2(1) and 5(3)

CONSTITUTION AND PROCEEDINGS OF COMMISSION

Terms of office of Chairman and members

1. The Chairman and other members shall hold office for such period and on such terms and conditions as the Minister may determine, and shall be eligible for re-appointment.

Role of Deputy Chairman

2. Where the Minister has appointed a Deputy Chairman under section 5(2)(a), the Deputy Chairman so appointed may, subject to such direction as may be given by the Chairman, exercise any or all of the powers exercisable by the Chairman under this Act.

Temporary Chairman

3. The Minister may appoint any person to be a temporary Chairman during the temporary incapacity from illness or otherwise, or during the temporary absence from Singapore, of the Chairman.

Chairman may delegate functions

4. The Chairman may, in writing, authorise any member to exercise any power or perform any function conferred on the Chairman by or under this Act, except the power of delegation conferred on the Chairman by this paragraph.

Revocation of appointment

5. The Minister may, at any time, revoke the appointment of the Chairman or any other member if he considers such revocation necessary in the interest of the effective and economical performance of the functions of the Commission under this Act or in the public interest.

Resignation

6. The Chairman or any other member may resign from his office at any time by giving not less than one month’s notice in writing to the Minister.

FIRST SCHEDULE — *continued*

Vacation of office

7. The office of any member shall become vacant —
- (a) on his death;
 - (b) if he fails to attend 3 consecutive meetings of the Commission without sufficient cause (the sufficiency thereof to be decided by the Commission);
 - (c) if he becomes in any manner disqualified from membership of the Commission;
 - (d) if he is adjudicated a bankrupt;
 - (e) if he resigns from his office; or
 - (f) if his appointment is revoked.

Filling of vacancies

8. If a vacancy occurs in the membership of the Commission, the Minister may, subject to paragraph 9, appoint any person to fill the vacancy, and the person so appointed shall hold office for the remainder of the term for which the vacating member was appointed.

Disqualification from membership

9. No person shall be appointed or shall continue to hold office as a member if he —
- (a) is incapacitated by physical or mental illness;
 - (b) is an undischarged bankrupt or has made any arrangement or composition with his creditors;
 - (c) is convicted of an offence involving dishonesty, fraud or moral turpitude and has not received a free pardon;
 - (d) has been sentenced to imprisonment for a term of 6 months or more and has not received a free pardon; or
 - (e) is otherwise unable or unfit to discharge the functions of a member.

Disclosure of interest by members

10.—(1) A member who is in any way, directly or indirectly, interested in a contract, transaction or project of, or any matter before, the Commission shall disclose the nature of his interest at the first meeting of the Commission at which he is present after the relevant facts have come to his knowledge.

FIRST SCHEDULE — *continued*

(2) A disclosure by a member under sub-paragraph (1) shall be recorded in the minutes of the meeting of the Commission and, after the disclosure, that member —

(a) shall not take part in any deliberation or decision of the Commission with respect to that contract, transaction, project or matter; and

(b) shall be disregarded for the purpose of constituting a quorum of the Commission for such deliberation or decision.

(3) For the purposes of this paragraph and paragraph 14(2), a member whose spouse, parent, step-parent, son, adopted son, step-son, daughter, adopted daughter or step-daughter has an interest in the contract, transaction, project or matter referred to in sub-paragraph (1) shall be deemed to be interested in such contract, transaction, project or matter.

Salaries, fees and allowances payable to members of Commission

11. There shall be paid to the members of the Commission, out of the funds of the Commission, such salaries, fees and allowances as the Minister may, from time to time, determine.

Procedure at meetings

12.—(1) The Chairman or any officer authorised by him shall, subject to such standing orders as may be made by the Commission under sub-paragraph (2), summon all meetings of the Commission for the despatch of business.

(2) Subject to the provisions of this Act, the Commission may make standing orders 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, the custody, production and inspection of such minutes, and the opening, keeping, closing and auditing of accounts.

(3) Where not fewer than 4 members, by notice in writing signed by them, request the Chairman to convene a meeting of the Commission for any purpose specified in the notice, the Chairman shall, within 7 days from the receipt of the notice, convene a meeting for that purpose.

Quorum

13.—(1) At every meeting of the Commission, one-third of the number of members or 4 members, whichever is the higher, shall constitute a quorum and no business shall be transacted unless a quorum is present.

(2) The Chairman or, in his absence, the Deputy Chairman shall preside at meetings of the Commission, and if both the Chairman and Deputy Chairman are absent from any meeting or part thereof —

FIRST SCHEDULE — *continued*

(a) a member authorised in writing by the Chairman; or

(b) in any other case, such member as the members present may elect,

shall preside at that meeting or part thereof.

(3) A decision at a meeting of the Commission shall be adopted by a simple majority of the members present and voting except that, in the case of an equality of votes, the Chairman or any other member presiding at the meeting shall have a casting vote in addition to his original vote.

Transaction of business of Commission outside meetings

14.—(1) Subject to the approval of a simple majority of all the members of the Commission, the Commission may transact any of its business by the circulation of papers among members of the Commission.

(2) A member who is in any way, directly or indirectly, interested in the business being transacted by circulation of papers shall disclose the nature of his interest in writing to the Chairman at the first opportunity after the relevant facts have come to his knowledge, which disclosure shall be recorded and treated as having been made in accordance with paragraph 10, and that member shall not take part in any deliberation or decision with respect to that business.

(3) A decision in writing made by a simple majority of the members for the time being entitled to take part in the decision in respect thereof shall be taken to be a decision of the Commission, and shall be as valid and effectual as if it had been made at a meeting of the Commission duly convened and held.

(4) Separate copies of a decision in writing may be distributed for signing by the members if the wording of the decision and approval is identical in each copy.

(5) For the purpose of a decision under this paragraph, the Chairman and each member shall have the same voting rights as they have at any meeting of the Commission.

(6) The decision of the Commission shall be made when the last member thereof required for the majority signs and his decision is duly delivered in the manner provided in sub-paragraph (9).

(7) The Chairman may stipulate a period of time within which a decision may be made under this paragraph.

(8) The Commission may, if it thinks fit, deliberate on matters by the circulation of papers among all of the members of the Commission.

(9) For the purposes of this paragraph, papers (including disclosures and decisions) may be circulated among members, or delivered to such officer or

FIRST SCHEDULE — *continued*

employee of the Commission as may be designated by the Chairman, by hand or facsimile or electronic transmission of the information in the papers concerned.

Validity of act or proceeding

15. No act or proceeding of the Commission shall be questioned on the ground —

- (a) of any vacancy in, or defect in the constitution of, the Commission;
- (b) of any defect in the appointment of any person acting as the Chairman or as any other member;
- (c) of any omission, defect or irregularity in the procedure of the Commission not affecting the merits of the case; or
- (d) that any member has contravened paragraph 10 or 14(2).

SECOND SCHEDULE

Section 21

FINANCIAL PROVISIONS

Financial year

1. The financial year of the Commission shall begin on 1st April of each year and end on 31st March of the succeeding year, except that the first financial year of the Commission shall begin on the date of commencement of Part II and end on 31st March of the succeeding year.

Accounts of Commission

2. The Commission shall keep proper accounts and records of its transactions and affairs and shall do all things necessary to ensure that all payments out of its moneys are correctly made and properly authorised and that adequate control is maintained over the assets of, or in the custody of, the Commission and over the expenditure incurred by the Commission.

Auditor

3. The accounts of the Commission shall be audited by such auditor as may be appointed by the Minister.

Appointment of auditor

4. A person shall not be qualified for appointment as an auditor under paragraph 3 unless he is a public accountant registered or deemed to be registered under the Accountants Act (Cap. 2).

SECOND SCHEDULE — *continued*

Remuneration of auditor

5. The remuneration of the auditor shall be paid out of the funds of the Commission.

Annual financial statements

6. The Commission shall, as soon as practicable after the close of the financial year, prepare and submit the financial statements in respect of that year to the auditor who shall audit and report on them.

Duties of auditor

7. The auditor shall in his report state —

- (a) whether the financial statements show fairly the financial transactions and the state of affairs of the Commission;
- (b) whether proper accounting and other records have been kept, including records of all assets of the Commission whether purchased, donated or otherwise;
- (c) whether the receipts, expenditure and investment of moneys and the acquisition and disposal of assets by the Commission during the financial year were in accordance with the provisions of this Act; and
- (d) such other matters arising from the audit as he considers necessary.

Auditor's report

8.—(1) The auditor shall, as soon as practicable after the accounts have been submitted for audit, send a report of his audit to the Commission.

(2) The auditor shall submit such periodical and special reports to the Minister and to the Commission as may appear to him to be necessary or as the Minister or the Commission may require.

Powers of auditor

9.—(1) The auditor or any person authorised by him is entitled at any reasonable time to full and free access to all accounting and other records relating, directly or indirectly, to the financial transactions of the Commission.

(2) The auditor or any person authorised by him may make copies of, or take extracts from, any such accounting and other records.

(3) The auditor or any person authorised by him may require any person to furnish him with such information in the possession of that person or to which that

SECOND SCHEDULE — *continued*

person has access as the auditor or the authorised person considers necessary for the purposes of discharging his duties under this Act.

Penalty for obstructing auditor

10. Any person who fails, without reasonable cause, to comply with any requirement of the auditor or any person authorised by him under paragraph 9 or who otherwise hinders, obstructs or delays the auditor or the authorised person in the discharge of his duties under this Act shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1,000 and, in the case of a continuing offence, to a further fine not exceeding \$100 for every day or part thereof during which the offence continues after conviction.

Presentation of audited financial statements and auditor's report

11. As soon as the accounts of the Commission and the financial statements have been audited in accordance with this Act, a copy of the audited financial statements signed by the Chairman, together with a copy of any report made by the auditor, shall be submitted by the Commission to the Minister.

Copy of auditor's report for Auditor-General

12. The Minister may direct that a copy of the audited financial statements and any report made by the auditor be forwarded to the Auditor-General at the same time they are submitted to the Commission.

THIRD SCHEDULE

Sections 2(1), 33(1) and 34(1) to (4)
and (6)

DESIGNATED ENTITIES

1. Institute of Singapore Chartered Accountants (formerly known as Institute of Certified Public Accountants of Singapore).

[S 402/2013 wef 02/07/2013]
