

Accountants (Amendment) Bill

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Bill No: 27/2000

Read the first time: 9th October 2000

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Accountants (Amendment) Bill

Bill No. 27/2000

Read the first time on 9th October 2000.

An Act to amend the Accountants Act (Chapter 2A of the 1999 Revised Edition).

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

Short title and commencement

1. This Act may be cited as the Accountants (Amendment) Act 2000 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

Amendment of section 2

2. Section 2 of the Accountants Act is amended —

(a) by inserting, immediately before the definition of “Board”, the following definitions:

“ “accounting corporation” means a company approved as an accounting corporation under section 18A;

“accounting firm” means a public accountant practising on his own account or in a partnership all of whose partners are public accountants;”;

(b) by deleting the definition of “costs and expenses” and substituting the following definitions:

“ “company” has the same meaning as in the Companies Act (Cap. 50);

“corporate practitioner”, in relation to an accounting corporation, means a director or an employee of the corporation who is a public accountant and practising as such in that corporation;

“costs and expenses”, in relation to any proceedings under Part IV, includes —

- (a) the costs and expenses of any assessor and any advocate and solicitor appointed by the Board for proceedings before an Inquiry Committee;
- (b) such reasonable expenses as the Board may pay to witnesses; and
- (c) such reasonable expenses as are necessary for, or incidental to, the institution and conduct of

proceedings before the Inquiry Committee or the Board;”;

- (c) by inserting, immediately after the definition of “lay person”, the following definition:

“ “professional indemnity insurance” includes insurance indemnifying a public accountant or an accounting firm or accounting corporation against liability to compensate a third party who has sustained financial loss or any other damage or injury due to breach of professional duty or to professional negligence of such accountant, firm or corporation, as the case may be (including such negligence by any director of the corporation), or fraud or dishonesty;”;

- (d) by inserting, immediately after the definition of “public accountant”, the following definitions:

“ “public accountancy services” means the audit and reporting on financial statements and the doing of such other acts that are required by the Companies Act (Cap. 50) or any other written law to be done by an approved company auditor;

“Register of Public Accountants” means the register kept and maintained by the Board under section 10;

“Register of Public Accounting Corporations” means the register kept and maintained by the Board under section 18D;” and

- (e) by deleting the full-stop at the end of the definition of “Society” and substituting a semi-colon, and by inserting immediately thereafter the following definition:

“ “voting share”, in relation to a company or an accounting corporation, means an issued share in the company or accounting corporation other than —

(a) a share to which, in no circumstances, is there attached a right to vote; or

(b) a share to which there is attached a right to vote only in one or more of the following circumstances:

- (i) during a period in which a dividend (or part of a dividend) in respect of the share is in arrear;
- (ii) upon a proposal to reduce the share capital of the company or accounting corporation;
- (iii) upon a proposal that affects rights attached to the share;
- (iv) upon a proposal to wind up the company or accounting corporation;
- (v) upon a proposal for the disposal of the whole of the property, business and undertakings of the company or accounting corporation;
- (vi) during the winding up of the company or accounting corporation.”.

Amendment of section 5

3. Section 5 of the Accountants Act is amended —

(a) by deleting paragraph (b) and substituting the following paragraph:

“(b) to keep and maintain a Register of Public Accountants and a Register of Public Accounting Corporations;”;

(b) by inserting, immediately after the words “public accountants” in paragraph (d), the words “and accounting corporations”;

(c) by deleting paragraph (f) and substituting the following paragraph:

“(f) to determine and develop standards of professional conduct and ethics of the accountancy profession;”;

(d) by deleting the word “and” at the end of paragraph (h); and

(e) by deleting paragraph (i) and substituting the following paragraphs:

“(i) to approve applications for companies or proposed