

No. 16 of 2000.

Accountants (Amendment) Act 2000.

Certified on : 16 OCT 2000

INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 2000.

Accountants (Amendment) Act 2000.

ARRANGEMENT OF SECTIONS.

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INDEPENDENT STATE OF PAPUA NEW GUINEA.

No. of 2000.

AN ACT

entitled

Accountants (Amendment) Act 2000

Being an Act to amend the *Accountants Act 1996*,

MADE by the National Parliament to come into operation in accordance with a notice in the National Gazettee by the Head of State acting with, and in accordance with, the advice of the Minister.

1. INTERPRETATION (AMENDMENT OF SECTION 2).

Section 2 of the Principal Act is amended by inserting after the definition of "Institute" the following new definition:-

"person" means a person who may require services or render services under this Act, and includes a corporation."

2. FUNCTIONS OF THE INSTITUTE (AMENDMENT OF SECTION 24).

Sections 24(1) of the Principal Act is amended -

- (a) in Paragraph (c) by deleting the words "and the Examination Committee"; and
- (b) in paragraph (h) by repealing the word "obligation" and replacing it with the following:-

"obligations."; and

- (c) in Paragraph (k) by repealing the word "science" and replacing it with the following:-

"profession".

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3. COUNCIL (AMENDMENT OF SECTION 25).

Section 25 of the Principal Act is amended-

(a) by repealing Subsection (1) and replacing it with the following:-

“(1) The Institute shall be governed by a Council consisting of 12 members, namely -

(a) the President who shall have served a previous term as a member of the Council; and

(b) the Vice President; and

(c) the Treasurer; and

(d) nine other members.”; and

(b) by repealing Subsection (2) and replacing it with the following:-

“(2) The members of the Council -

(a) shall be Fellows or Associates of the Institute; and

(b) shall be elected at the Annual General Meeting of the Institute; and

(c) shall hold office for a term of one year; and

(d) are eligible for re-election.”; and

(c) by repealing Subsection (3).

4. REPEAL AND REPLACEMENT OF SECTION 26.

Section 26 of the Principal Act is repealed and is replaced with the following:-

“26. CHAIRMAN AND DEPUTY CHAIRMAN.

(1) The President shall be the Chairman of the Council.

“(2) In the absence of the President, the Vice President shall act as Chairman.

“(3) In a meeting of the Council where both the President and the Vice President are absent, the members present shall elect from their own number a Chairman for that meeting.”.

5. VACATION OF OFFICE (AMENDMENT OF SECTION 27).

Section 27(1) of the Principal Act is amended by repealing the words “other than the Auditor-General”.

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6. MEETINGS OF THE COUNCIL (AMENDMENT OF SECTION 28).

Section 28 of the Principal Act is amended -

(a) by repealing Subsection (1) and replacing it with the following:-

“(1) The Council shall meet at such times as the members of the Council may consider necessary for the efficient conduct of the business of the Council, such meetings to be held at such places and times and on such days as the members shall determine.”; and

(b) in Subsection (3)(a) by adding after the word “Secretary” the following:-

“who shall be appointed by the Council.”.

7. REPEAL AND REPLACEMENT OF SECTION 29.

Section 29 of the Principal Act is repealed and is replaced with the following:-

“29. EDUCATION AND EXAMINATION COMMITTEE.

(1) The Council shall establish an Education and Examination Committee.

“(2) The members of the Education and Examination Committee shall be appointed by the Council and shall consist of -

- (a) one member of the Council who shall be the Chairman; and
- (b) one person engaged in the practice of accountancy; and
- (c) two other persons holding Associate or Fellow status in the Institute.

“(3) Subject to Subsection (4), a member of the Education and Examination Committee -

- (a) holds office for a term of one year; and
- (b) is eligible for re-appointment.

“(4) A member of the Education and Examination Committee ceases to hold office where the member -

- (a) is absent, except on leave granted by the Council, from three consecutive meetings of the Education and Examination Committee; or

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(b) being a member appointed under Subsection (2)(b), ceases to be engaged in the practice of accountancy.

“(5) Where a member of the Education and Examination Committee -
(a) resigns; or
(b) ceases to hold office in accordance with Subsection (4),
the Council shall appoint a replacement who shall hold office for the remainder of the term of that office.

“(6) The functions of the Education and Examination Committee are -
(a) to recommend to the Council the syllabus of professional and technical level examinations that are required to be taken by persons seeking to qualify for membership of the Institute; and
(b) to set, moderate and conduct such examinations as the Council considers necessary for the purpose of enabling persons to qualify for membership of the Institute; and
(c) to perform such other functions relating to education and examinations as the Council may direct.”.

8. REQUIREMENTS OF REGISTRATION (AMENDMENT OF SECTION 43).

Section 43(1) of the Principal Act is amended by repealing Paragraph (a) and replacing it with the following:-

“(a) become a member of the Institute before that registration: and”.

9. ACCOUNTANTS TO HAVE REGISTERED ADDRESSES (AMENDMENT OF SECTION 51).

Section 51(1) of the Principal Act is amended by repealing the words “or corporation”.

10. ACCOUNTANTS STATUTORY COMMITTEE (AMENDMENT OF SECTION 54).

Section 54(2)(a) of the Principal Act is amended by repealing the words “Ethnics” and replacing it with the following:-

“Ethics”.

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11. ACCOUNTANT IN EMPLOYMENT (AMENDMENT OF SECTION 67).

Section 67 of the Principal Act is amended in Subsection (1)(a) by repealing the words "possesses qualifications at certificate" and replacing them with the following:-

"possesses qualifications of".

12. REPEAL AND REPLACEMENT OF SECTION 70.

Section 70 of the Principal Act is repealed and is replaced with the following:-

"70. OFFENCES AND FINES FOR ILLEGAL PRACTICE.

(1) Subject to Subsection (3), a person other than a Registered Public Accountant, Registered Company Auditor or Registered Liquidator who -

- (a) pretends that he is or holds himself out to be a Registered Public Accountant, Registered Company Auditor or Registered Liquidator, as the case may be; or
- (b) takes or uses the name or title of a registered person, or a name, title, addition or description implying that he is a registered person; or
- (c) practices as a Registered Public Accountant, Registered Company Auditor or Registered Liquidator, as the case may be, or charges or receives a fee for work done as a registered person; or
- (d) undertakes, or pretends to undertake, or holds himself out as being qualified to undertake, any work relating to the making up of accounts of a compiling or maintaining books of account or the management of a liquidation at a fee.

is guilty of an offence.

Penalty: A fine not exceeding K5,000.00.

Default Penalty: A fine not exceeding K500.00.

"(2) Subject to Subsection (3), a person who is required by law to have accounts audited, and engages the services of an auditor who is not registered as an auditor under this Act is guilty of an offence.

Penalty: A fine not exceeding K5,000.00.

Default Penalty: A fine not exceeding K500.00.

"(3) It is a defence to a charge of an offence against Subsection (1) or (2) in relation to the preparation or auditing of any accounts or of any books of account if the person charged proves that -

- (a) he was authorized by the Board to undertake the accounting or auditing of the books of account or management of the liquidation; or

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(b) he carried out the accounting or auditing of the books of account or management of the liquidation on behalf of the Government and as part of his duties as an officer of Papua New Guinea or an authority or instrumentality of the Government.

“(4) The provisions of Subsection (1) do not apply to a non-resident person approved by the Board under Section 41 in respect of the services for which the approval was given.”.

13. FIRMS AND CORPORATIONS (AMENDMENT OF SECTION 71).

Section 71(1)(b) of the Principal Act is repealed.

14. ADMINISTRATION OF THE ESTATE OF A DECEASED PUBLIC ACCOUNTANT (AMENDMENT OF SECTION 72).

Section 72 of the Principal Act is amended by inserting after the words “trustee of his estate may” the following:-

“carry on the business of the estate until it is wound up.”.

15. QUALIFICATION OF UNREGISTERED PERSON FROM HOLDING CERTAIN APPOINTMENTS (AMENDMENT OF SECTION 83).

Section 83 of the Principal Act is amended in Subsection (1) by repealing the words “Registered Public Accountant or a”.

I hereby certify that the above is a fair print of the *Accountants (Amendment) Act 2000* which has been made by the National Parliament.



Clerk of the National Parliament.

116 OCT 2000

I hereby certify that the *Accountants (Amendment) Act 2000* was made by the National Parliament on 19 September 2000.



Speaker of the National Parliament.

116 OCT 2000