

## **iCPAR BI – LAW**

### **PROPOSED AMMENDMENTS**

<b>ISSUES</b>	<b>ARTICLE</b>	<b>PROPOSED BI LAW</b>	<b>BENEFITS</b>
<b>Council Commissions, Committees Service and Benefits</b>	2- Organisation of The Institute	Council, Commissions/Committees of the Institute will not receive cash benefits (allowances) until the Institute's cash flows improve and after the General Assembly reverses the resolution made in February 2011 to suspend payment of any cash benefits to holders of these positions.	To Support growth of the profession. The benefits will be paid once the Institute's Financial performance improves.
	2- Organisation of The Institute	Council members will attend all iCPAR seminars without paying seminar fees. The Official Council representatives at the residential seminar will have the accommodation and transport costs covered too. Commissioners /committee members will get 50% discount (on seminar fee) for all seminars organized by iCPAR based member fee. Council and Commissioners will get CPD hours for meetings attended ranging from 1 to 2 hours per meeting as may be appropriate.	To motivate Council and committee members to develop the Institute.
<b>Admission as an iCPAR Member</b>	3- Membership and Subscription	iCPAR shall require holders of foreign accountancy professional qualification (from outside the EAC ) to sit pre-requisite papers or pay an exemption fee or both. The effective date shall be 1 <sup>st</sup> January 2015. Initially, the exemption fee shall be levied from January 2015 and thereafter	To raise the visibility of CPAR and raise income (from the exemption fee) and thereby invest in the growth of the profession locally and regionally.

		sitting of prerequisite exams will follow as Council may decide.	
	3- Membership and Subscription	No one shall call themselves a Certified Public Accountant (CPA) or Certified Accounting Technician (CAT) unless they are registered as member(s) of iCPAR. Violation of this provision will lead to prosecution under the penal code as per article 79 of the accountants' law.	To discourage rogue accountants (“quacks”) and to build a credible profession that serves and protects public interest.
<b>Member Residency</b>	4- License to Practice	Members in Practice shall lose their certificates if they are found not to be residents as defined in the income tax law. Their admission as PC holders will also be subject to this law.	Tighten requirements for PC registration and eliminate ambiguity in the definition to ensure those getting Practice certificates are genuine residents consistent with the tax legislation.
<b>Practice Certificate Holders in full time employment</b>	4- License to Practice	The Institute shall write to seek non-objection from the employer of an applicant who wishes to engage in public practice of accountancy while he/she is in full time employment.	Enhance and raise quality services to the public
	4- License to Practice	iCPAR to maintain a record of all registered auditors. Those who are registered and are dormant shall notify the Institute. Such individuals are not eligible to sign off accounts and their licenses shall be dormant during the period of dormancy.	

	4- License to Practice	An applicant for PC in full time employment must associate or partner in business at least with one fulltime practitioner holding the iCPAR PC.	
	4- License to Practice	Having a practice office shall be a necessary precondition for one to be issued with a practicing certificate.	To limit the proliferation of briefcase practitioners. This will enhance quality of audit work.
<b>Shareholders of Auditing Firms</b>	4- License to Practice	Firms engaged in public practice of accountancy in Rwanda must at least have 2/3 of their shareholding in the hands of holders of practicing certificates.	In this way quality work shall not be compromised by undue influence (or by other means)
<b>Practicing by Holders of Foreign Accountancy Qualifications (FAQs)</b>	4- License to Practice	One must have sat and passed professional accountancy examinations to be considered for admission into iCPAR. Holders of professional qualification in accountancy other than; CPA, ACCA. FAQs or those professional accountancy qualifications that do not have the relevant papers in audit, tax and Financial Accounting shall be admitted only as CPA R and shall not be eligible for issuance of Practicing Certificate (PC) . Those who wish to practice due to the above limitations shall first sit and pass the required papers.	To protect the public interest by licensing qualified individuals to practice.

<b>Governing Council</b>	5- Governing Council of The Institute	Council shall only comprise of members that are citizens of the republic of Rwanda. Other nationals may serve on other technical commissions.	To build sustainable leadership capacity for the Institute.
	5- Governing Council of The Institute	The term of Office for a Council Member starts when one is elected and ends when one leaves office regardless of whether they completed the stipulated duration (currently 2 years per term).	To ensure candidates carefully assess their readiness to serve on Council and avoid a situation of perpetual council members who resign or step down when it suits them then later claim they did not serve the full term.
	5- Governing Council of The Institute	Upon completion of the two terms of two years each, Council members may run again for Council position after a period of at least two years. Such an aspirant can serve for another two terms and will be ineligible to run again as a Council member thereafter.	To enable Experienced Council members get a chance to continue contributing to the development of the profession. Article 81 (7) allows Council to make regulations if they are in the best interest of the Institute/ accountancy profession.

<b>iCPAR Financial Statements</b>	7- Finances	iCPAR financial statements will be prepared on the basis of the IPSAS framework.	To align to best practice.
	7- Finances	iCPAR shall not present Non Current Assets in its balance sheet. Non-current assets acquired will be expensed. A list of such assets may be presented for information.	To simplify accounting for noncurrent assets.
	7- Finances	Membership and Practicing subscriptions shall be accounted for and reported on a cash basis.	To eliminate recognition of non members as members in accordance with the law.
	7- Finances	The accounting period of the Institute is the calendar year beginning 1 <sup>st</sup> January and ending 31 <sup>st</sup> December of each year.	To provide an institutional foundation and operational mandate to the iCPAR Accounting policies.