

**THE GAZETTE OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

Part II of October 14, 2016

SUPPLEMENT

(Issued on 17.10.2016)



**THE INSTITUTE OF CERTIFIED PUBLIC
ACCOUNTANTS (INCORPORATION)**

(Private Member's Bill)

A

BILL

to incorporate the Institute of Certified Public Accountants

*To be presented in Parliament by Hon. S. M. Marikkar, M.P.
for Colombo District*

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*The Institute of Certified Public Accountants
(Incorporation)*

AN ACT TO INCORPORATE THE INSTITUTE OF CERTIFIED PUBLIC
ACCOUNTANTS

WHEREAS a Institute called and known as the “The Institute of Certified Public Accountants” has heretofore been formed for the purpose of effectually carrying out and transacting all objects and matters connected with the said Institute according to the rules agreed to by its members:

Preamble.

AND WHEREAS the said Institute has heretofore successfully carried out and transacted the several objects and matters for which it was created and has applied to be incorporated and it will be for the public advantage to grant the application:

BE it therefore enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows:—

1. This Act may be cited as The Institute of Certified Public Accountants (Incorporation) Act, No. of 2016.

Short title.

2. From and after the date of commencement of this Act, such and so many persons as presently are members of The Institute of Certified Public Accountants of Sri Lanka (hereinafter referred to as the “Association”) or shall hereafter be admitted as members of the Institute hereby constituted, shall be a body corporate, (hereinafter referred as the “Corporation”) with perpetual succession under the name and style of “The Institute of Certified Public Accountants” and by that name and may sue and be sued with full power and to authority to have and to use a common seal and alter the same at its pleasure.

Incorporation of The Institute of Certified Public Accountants.

3. The general objects for which the Corporation is constituted are hereby declared to be—

Objects of the Corporation.

(a) to provide a professional organization in accounting, business and finance for people of ability around the world to advance the theory and practice of accounting, business and finance in all aspects and to support its members throughout their careers to advance the public interest;

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- 5 (b) to promote for the public benefit the art and science of accounting in relation to the Applied Sciences, the arts, the trades and professions, the administration of government and public services, industry and Commerce and to advance public education thereon;
- 10 (c) to support the lifelong development of accountants and to raise standards of accounting performance and to provide training and development opportunities for individual accountants;
- 15 (d) to promote and develop the study of Accountancy; and to encourage the application of correct principles, techniques and practices of Accountancy;
- (e) to take necessary steps to promote the profession of Accountancy in its practice to industry, commerce, education, finance, public service, public practice and information technology;
- 20 (f) to conduct a Certified Public Accounting Program leading to the Professional Accounting qualification and to take steps to emphasize the importance of such a qualification;
- (g) to consider questions affecting the interests of the profession at large and to support or to oppose legislation or changes in law or practice;
- 25 (h) to produce members with excellent accountancy and many associated and leadership skills;
- (i) to advance accounting and associated or connected subjects as applied to all or any of the professional services provided by accountants, whether engaged in public practice, industry and public service in Sri Lanka and throughout the world;
- 30

- 5 (j) to provide members with a qualification equal to the international standards and continuously keep pace with relevant events, disseminate ideas and concepts to enable members to acquire necessary knowledge to keep pace with development and innovation in the world;
- 10 (k) to protect and preserve the professional independence of accountants and to exercise professional supervision over them ; to promote and maintain high professional standards of practice and to do all such things as may advance and protect the character of the accountancy profession, whether in relation to public practice or service;
- 15 (l) to develop the accountancy profession in Sri Lanka to keep pace with accountancy professions in the world according to the highest technical and ethical standards;
- 20 (m) to provide for post qualifying professional development programmes for members at both Masters and Doctorate levels;
- 25 (n) to undertake and regulate the professional education and practical training of persons who seek to qualify as Certified Public Accountants and to approve a practical Training Scheme to be followed by the students;
- (o) to prescribe and approve courses of study being conducted by the Institute, taking into consideration its functions in relation to education, training and examination;
- 30 (p) to conduct examinations for the grant of the required professional qualifications and to collaborate with recognized local and foreign professional and educational Institutions to conduct courses in Accountancy which lead to exemptions from the
- 35 Institute's examinations;

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- (q) to promote, collaborate and assist in the study of Accountancy at Universities and other Higher Educational Institutions;
- 5 (r) to prescribe the qualifications and disqualifications applicable for membership of the Institute and to establish standards of professional conduct and ethics for members of the Institute;
- 10 (s) to organize, supervise and regulate continuing professional education for the benefit of the members;
- 15 (t) to maintain library of both print and electronic media, books and periodicals, relating to Accountancy and related subjects for the use of members, students and those interested in the field of Accountancy, Business and Finance;
- 20 (u) to grant scholarships, awards and prizes for those who excel in the field of Public Accountancy;
- (v) to award Diploma and Certificates to the members of the Institute and to those who fulfill the conditions prescribed by the Institute;
- 25 (w) to be a centre for accountancy development and to pioneer the cause of the profession;
- (x) to develop partnership with all organizations that share our dedication to enhancing economic and social well being through inspiring leadership and excellent management;
- 30 (y) to identify and train accountants best equipped to deliver results in all sectors of industry, from large multinationals to SMEs and from providers of public service to professional firms and non profit organizations;

- (z) to stimulate interest in the importance of accountancy education as a tool to effective management;
- (aa) to enable accountants, whether members or otherwise, and directors and senior management of organizations to communicate, meet and exchange information by such means as conferences, meetings, lectures, seminars and discussions;
- (bb) to hold conferences, meetings and seminars and other events and to promote the reading of learned papers;
- (cc) to act as a spokesman on behalf of the accountancy profession, on matters whether regulatory or otherwise affecting their business and operating environment;
- (dd) to maintain contact, consult and co-operate with any persons, societies, institutes, institutions and government authorities and agencies whether based in Sri Lanka or elsewhere in the world having objects wholly or partly similar to those of the Institute and to represent the profession of accountancy in Sri Lanka internationally;
- (ee) to foster contact between people in accountancy by the exchange of ideas and experiences and to be concerned in aspects of legislation enacted in that area of practice;
- (ff) to facilitate the exchange of views and opinions to promote a better understanding of subject of accounting and problems connected therewith;
- (gg) to provide in-company tailored training programmes and to offer training and development opportunities for individual accountants;

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- (hh) to print, publish, produce and distribute or assist in the publication of literature, booklets and other forms of communication in furtherance of the objectives of the Institute;
- 5 (ii) to conduct or promote the conduct of research and publish the useful results of such research and to provide facilities for study, research and education;
- 10 (jj) to publish, produce and distribute or assist in the publication production or distribution of films, recording and any form of written, printed or electronic communication and to advertise in any manner expedient for the objects;
- (kk) to establish and maintain libraries and to provide public access to them;
- 15 (ll) to provide leadership in accounting research and education;
- 20 (mm) to provide members with the resources, information and leadership that enable them to provide valuable services in the highest professional manner to benefit the public as well as employers and clients;
- (nn) to promote public awareness and confidence in the integrity, objectivity, competence and professionalism of Certified Public Accountants (CPAs) and monitor the needs and views of CPAs;
- 25 (oo) to encourage highly qualified individuals to become CPAs and support the development and academic programmes;
- 30 (pp) to establish professional standards, assist members in continually improving their professional conduct, performance and expertise and monitor such performance to enforce current standards and requirements;

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- (qq) to foster meaningful advocacy for maintaining the highest standard of financial reporting;
- 5 (rr) to prescribe standards of education, training and experience in Accountancy and to hold examinations and other tests and to award certificates, diploma and degrees;
- (ss) to strengthen investor confidence by enhancing the quality of audits;
- 10 (tt) to undertake perpetual improvements to business reporting process that build upon the current model to address the complexities facing Institutes and to move towards a real-time, broad-based business reporting system that is comprehensive, understandable and accountable to investors;
- 15 (uu) to assist in the maintenance of standards for entry to the profession to develop and improve accounting education and to encourage cordial relations between CPAs and other professional accountants in Sri Lanka and other countries;
- 20 (vv) to enter into agreements, affiliations, validations, collaborations and partnerships with different universities in particular members of Commonwealth Universities, North American Universities and Academic Institutions for the purpose of conducting
- 25 courses leading to accountancy and other associated disciplines qualifications at diploma, undergraduate and postgraduate levels;
- (ww) to work with independent training organizations with in house training facilities, to deliver Institute approved training and development programmes and
- 30 award qualifications;
- (xx) to establish and operate public training and education centres;

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- 5 (yy) to encourage the study of accounting to promote and support the provisions of complementary services; to establish and maintain lectures, courses and classes, either independently or with others for members of the Institute or the public at large, and to provide prizes or other rewards or distinctions, to disseminate professional and other information to members; to establish, subscribe and give support to libraries and publications; to compile and make available forms or precedents for the use of members;
- 10 (zz) to organize workshops, conferences and seminars to disseminate accounting and management knowledge;
- 15 (aaa) to ensure members enroll in and Institute approved practice monitoring programme;
- 20 (bbb) to procure the Institute to be registered, incorporated or otherwise empowered or represented or to open liaison offices in any country or place outside the Democratic Socialist Republic of Sri Lanka;
- 25 (ccc) to maintain liaison and affiliation with other related organizations and to enter into contract or agreement with persons or organizations in Sri Lanka or elsewhere in pursuance of the vision and objectives of the Institute;
- 30 (ddd) to establish, regulate and dissolve sub-divisions of the Institute in any part of the world;
- (eee) to encourage the undertaking of voluntary work in the interests of the Institute;
- (fff) to establish and support, or aid in the establishment and support of , or become a member of any Institute or institution having charitable objects similar to those of the Institute and to subscribe or guarantee money for charitable purposes calculated to further its objects;

- 5 (ggg) to acquire, construct, alter equip, maintain or manage any building, lecture hall, library, or office and to acquire or dispose of any land for the purposes of the Institute, and to insure any building owned or occupied by the Institute against any eventuality or liability;
- (hhh) to import equipment required for the purpose of the Institute, and receive equipment, funds and any other assistance for carrying out the objects of the Institute;
- 10 (iii) to receive, purchase, take on lease, licence, hire, sell or acquire all forms of properties both movable or immovable, shares in commercial, industrial and banking enterprise and to accept property bequeathed by deed, last will of codicil;
- 15 (jjj) to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any person, or body with which the Institute is authorized to amalgamate;
- 20 (kkk) to transfer all or any part of the property, assets, liabilities and engagements of the Institute to any person or body with which the Institute is authorized to amalgamate;
- (lll) subject to such consents as may be required by law to sell, let, mortgage, dispose of all or any of the property or assets of the Institute;
- 25 (mmm) to take over and acquire all the properties and assets and to assume and settle all the liabilities and obligations of the Association and to do all such acts and things as may be incidental thereto;
- 30 (nnn) to receive or collect grants, gifts, donations, subsidies, endowments and subscriptions whether in cash or in material from donors in Sri Lanka or elsewhere;

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(ooo) in general to undertake such other lawful things
 (including the promotion of a bill or bills in
 Parliament) from time to time as are incidental or
5 conducive and shall be deemed necessary for
 promotion of the ideas and objects of the Institute;

4. Subject to the provisions of this Act, the Corporation Powers of the
shall have the power— Corporation.

(a) to acquire, rent, construct and otherwise obtain lands
 or buildings which may be required for the purposes
10 of the Institute;

(b) to give on lease or hire, mortgage, pledge, sell or
 otherwise dispose of, any movable or immovable
 property;

(c) to borrow or raise money form banks and other
15 Government approved financial institutions (foreign
 and local) on such terms and conditions and with or
 without security and to receive assistance for the
 purposes of the Institute;

(d) to make, draw, accept, discount, endorse, negotiate,
20 buy, sell and issue bills of exchange, cheques,
 promissory notes and other negotiable instrument and
 to open, operate, maintain and close bank accounts;

(e) to invest any funds which are not immediately
25 required for the purposes of the Institute in such a
 manner as the Council or Institute may deem fit;

(f) pay fees or charges for any services rendered to the
 Institute;

(g) to enter into agreements or contracts with any person,
 company or body of persons;

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- 5 (h) to appoint, employ, exercise disciplinary control, dismiss or terminate the services of officers and servants of the Institute and to pay them such salaries, allowances and gratuities as may be determined by the Institute;
- 10 (i) to obtain services of personnel to carry out the objects of the Institute;
- (j) to establish work performance standards for its own personnel, evaluate such performance and take reasonable action thereupon;
- (k) to establish and maintain welfare and recreational facilities for its employees;
- (l) to fix the wages, salaries or other remuneration of the staff;
- 15 (m) to determine the terms and conditions of service of such staff;
- (n) to establish and regulate provident funds and schemes for the benefit of such staff and make contributions to any such fund or scheme;
- 20 (o) to make rules in relation to its officers and servants including the appointment, training, promotion, remuneration, disciplinary control, conduct and grant of leave;
- 25 (p) to establish and operate management training and education centers;
- (q) to conduct, assist, co-ordinate and encourage research into all aspects of management;
- (r) levy fees or charges for any service rendered by the Institute;

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- (s) to issue guidelines and standards in Accounting for the members of the Institute;
- (t) to defend the intellectual property rights of the Institute;
- 5 (u) (i) to make rules, not inconsistent with the provisions of this Act or any other written law for the management of the Institute and accomplishment of its objects;
- 10 (ii) these rules when made may be altered, added, amended or rescinded, in the manner provided for herein;
- (v) to perform and execute all other acts and things as are necessary or desirable for the attainment of the objects of the Institute.
- 15 **5.** (1) The affairs of the Corporation shall subject to the rules in force for the time being of the Corporation be administered by a Governing Council (hereinafter referred to as the “Council”) consisting of— Management of the affairs of the Corporation.
- 20 (a) President and Vice-President elected by the fellow members of the institute among its fellow membership;
- (b) the following ex-officio members:—
- 25 (1) President / Chairman of one of the major Chambers of Commerce in Sri Lanka or his nominee;
- 30 (2) head of the Faculty of Accounting & Finance of one of the Sri Lankan Universities or his nominee;
- (3) the Registrar General of Companies or his nominee;

(4) Commissioner General of Inland Revenue of Sri Lanka or his nominee.

(c) two members elected by the members of the Institute among its membership;

5 (d) three members of the Board of Founder Directors of the Association holding office on the day immediately preceding the date of the coming into operation of this Act. These members shall be nominated by the members of the Board of Founder
10 Directors for a period of two years and could be reappointed any number of times during the life time of the Founder Board member.

(e) three members of the Advisory Council of the Association holding office on the date of the coming
15 into operation of this Act. The members shall be nominated by the members of the former Advisory Council for a period of two years at a time and could be reappointed any number of times during the life time of the Advisory Council member.

20 (2) The members of the Advisory Council and five Directors from the Board of Directors of the Institute of Certified Public Accountants holding office on the day immediately preceding the date of the coming into operation of this Act, shall be the members of the first Council of the
25 Institute established herein and shall hold office for a period of five years.

(3) Elections for the election of members in terms of paragraphs (a) and (c) of subsection (1) shall be conducted in accordance with the rules of the Council.

30 **6.** (1) Every member of the Council shall, unless he earlier vacates office, hold office for a period of two years from the date of his appointment or election as the case may be:

Terms of the office of members of the Council.

Provided however, that the members appointed under subsection (2) of this section holding office at the expiration of period of five years from the date referred to in that subsection shall thereupon vacate office, but shall be eligible 5 for re-election.

10 (3) In the event of the death of, or vacation of office by a
member of the Council, another person shall, in accordance
with the provisions of Section 4, be appointed or elected, as
the case may be, in place of such member, and shall hold
office during the remaining part of the term of office of such
15 member.

(5) A member of the Council shall be deemed to have
20 vacated office on failure to attend for consecutive meetings
of the Council unless excused by the Council and also in
the case of paragraphs (a) and (c) of subsection (1) of section
(5), upon such member ceasing to be a member of the Institute.

(b) The Chief Executive Officer shall exercise, perform and discharge such powers, duties and functions as may be delegated to him.

(c) The Council may remove from office of the Chief Executive Officer appointed under subsection (a).

(d) The Chief Executive Officer may be paid such remuneration as may be determined by the Council.

5 **8.** (a) The Council may delegate to the Chief Executive Officer any of its powers relating to the appointment of other officers or servants to the staff of the Institute. The conditions of employment including remuneration of any of the members of the professional staff appointed by the Chief Executive Officer under the powers delegated to him shall be determined with the approval of the Council.

Delegation of powers of the Council to the Chief Executive Officer in regard to appointments.

10 (b) The dismissal by the Chief Executive Officer or any officer or servant or any member of the professional staff of the Corporation shall not take effect unless it is approved by the Council.

15 **9.** (1) It shall be lawful for the Institute from time to time at any general meeting and by a majority of not less than two-thirds of the members present and voting, to make rules not inconsistent with the provisions of this Act or any other written law for all or any of the following matters:—

Rules of the Institute.

20 (a) the classification of membership, fees payable by each class of member, their admission, withdrawal, expulsion for non payment of membership fees or resignation;

25 (b) appointment, employment and dismissal of various officers, agents and servants of the Institute, their powers, duties, functions and conduct and the payment of remuneration and the regulation of provident funds and other schemes for their benefit;

30 (c) the fixing of the student registration fees, annual subscription exam fees, lecture fees, prices of study texts and other publications;

35 (d) appointment of committees and sub-committees of the Council consisting of members of the Council and the membership of the Corporation to deal with specific subjects and the regulation of the functions of such committees;

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- (e) the administration and management of the property of the Corporation;
- 5 (f) the procedure to be observed at the summoning and holding of meetings, Annual General meetings and Extraordinary Meetings of the Corporation, filling of vacancies, notices and agenda of such meetings, the quorum therefore and the conduct of business thereat;
- 10 (g) the qualifications and disqualifications for membership of the Institute;
- 15 (h) the setting up of disciplinary committees and formulation of code of ethics and the exercise of disciplinary control over the members, disciplinary procedure and expulsion of members or suspension of membership; and
- (i) the entry criteria for admission of students for the Certified Public Accountancy (CPA) Programme.

20 (2) The rules of the Association in force on the day preceding the date of commencement of this Act shall in so far as they are not inconsistent with the provisions of this Act or any other written law be deemed to be the rules of the Corporation and may be amended, altered, added to or rescinded at a like meeting and in like manner as a rule made under subsection (1).

25 (3) All members of the Corporation shall be subject to the rules of the Corporation.

10. (1) The meeting of the Council shall be held at least once in two months. Meetings of the Council.

30 (2) At least seven day's notice of every meeting of the Council shall be given in writing to each of the members, and such notice shall specify the business to be dealt with at such meeting.

(3) The president of the Council shall summon a special meeting of the Council within seven days after being requested in writing to do so by five members of the Council.

5 (4) The quorum for a general meeting of the Council shall be three members present in person or by proxy.

(5) Every member who attends a meeting of the Council shall be paid a fee re-imbursement of any expenses incurred in attending such meeting, in such amount as may be determined by the Council.

10 (6) The President of the Council shall preside at meetings of the Council and in the absence of the President from any meeting of the Council a member chosen by the majority of members present shall preside at such meeting.

15 (7) If the President of the Council is by reason of illness or other infirmity or absence from Sri Lanka, temporarily unable to perform the duties of his office the Council may appoint one of the members to act in his place.

20 (8) Where there is an equality of votes on any matter of thing decided at a meeting of the Council, the President at such meeting shall, in addition to his vote, have a casting vote.

(9) Subject to the provisions herein contained, the Council may determine its own procedure for the transaction of business of the Council.

25 **11.** (a) Requirements needed to become a member of the Corporation:— Eligibility for membership of the Corporation.

1. to have passed the final examination conducted by the Council under this Act;

2. to have gained a minimum of three year's relevant practical experience;

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3. to have submitted a satisfactory records of practical experience;
4. to be not less than 21 years of age; and
5. to have completed the Professional Ethics Module.

5 (b) Any person who is a member of any professional body of Accountants by whatever name called and which is approved by rules made be the Council for the time being, and such Association is, in the opinion of the Council and Association of equivalent status to the Institute.

10 **12.** (a) The members of the Corporation shall comprise Classification
Fellow Members and Associated members. of members.

(b) A student on completion of all examinations of the Institute and acquiring a minimum of three years of practical experience in an approved sector as prescribed by the
15 Council upon application being made to the Council and payment to the Council of the prescribed fee shall be eligible for registration as an Associate of the Institute by the Council. Such member shall upon registration by the Council as an Associate of the Corporation be entitled to use the
20 addition “CPA” after his name.

(c) Any member of the Corporation who satisfies the Council that he has been a Senior Accountant in responsible position or Consultant in public practice, industry, commerce, public sector or a lecturer in education for not
25 less than five years with a minimum of three years Senior Management position and who has fulfilled such requirements as may be prescribed by the Council shall be eligible for registration as a Fellow of the Institute by the Council. Any person eligible for registration may forward
30 an application to the Council for registration along with the prescribed fee. A member shall upon registration by the Council as a Fellow of the Institute be entitled to use the addition “CPA” together with if desired (Fellow) after his name.

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(d) Every associate and fellow Member of the Corporation shall be entitled to take and use the title “Certified Public Accountant (CPA)”.

5 (e) No person not being a Member of the Institute shall take or use the title “Certified Public Accountant (CPA)” or any addition mentioned in subsection (b) and (c) above.

10 **13.** (1) No person shall take or use any title either by description or abbreviation or the logo of the Corporation unless such person is eligible under section 12 (d) and has been authorized in writing by the Council of the Corporation to do so. Use of titles and Logo.

(2) Any person who contravenes the provisions of subsection (1) shall be guilty of an offence.

15 **14.** The Council, subject to the rules, regulations and Constitution of the Corporation shall have the power to create such other categories of membership as it may think fit. Powers of the Council.

20 **15.** No act or proceeding of the Corporation shall be deemed to be invalid by reason only of the existence of any vacancy in the Council or defect in the appointment of any member of the Council. Acts or proceedings of the Corporation deemed not to be invalid by reason of any vacancy or defect in the appointment of a members.

25 **16.** (1) It shall be lawful for the Council to appoint an Advisory Board consisting of not more than ten eminent persons for a period not exceeding two years. The council may at its discretion seek the views and advice of the Advisory Board, but it shall in no way be bound to accept or execute any such advice. Appointment of and Advisory Board.

(2) The members of the Advisory Council and five Directors from the Board of Directors of the “The Institute of Certified Public Accountants” holding office on the day immediately preceding the date of the coming into operation of this Act, shall be the members of the first Council of the Corporation established herein and shall hold office for a period of five years.

18. All or any of the members of the Council may be paid such remuneration out of the funds of the Corporation as may be determined by the Council.

(2) All expenses incurred by the Corporation in the exercise of the powers of the Corporation shall be paid out of the fund.

20. All debts and liabilities of the Association existing on the day preceding the date of the commencement of this Act, shall be paid and discharged by the Corporation hereby constituted and all debts due to and all subscription and fees payable to the Association on that day shall be paid to the Corporation for the purpose of this Act.

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21. (1) The financial year of the Corporation shall be the calendar year. Audit of
accounts of
the Institute.

(2) The Council shall cause proper accounts to kept of its income and expenditure, assets and liabilities and all
5 other transactions of the Corporation.

(3) The accounts of the Corporation shall be audited annually by a qualified auditor.

(4) In this section, “Qualified Auditor” means —

10 (i) an individual who being a member of the institute of Chartered Accountants of Sri Lanka, or of any other institute established by law, possesses a certificate to practice as an Accountant issued by such and institute; or

15 (ii) a firm of Accountants each of the resident partners of which, being a member of the institute of Chartered Accountants of Sri Lanka or any other institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such
20 institute.

22. (1) Any contract entered with on behalf of the Corporation may be made as follows:— Contracts of
the
Corporation.

25 (a) if made between private persons, would by law be required to be in writing may be made on behalf of the Corporation in writing under the common seal of the Corporation;

30 (b) if made between private persons, would by law be required to be in writing signed by the parties to be charged therewith, may be made on behalf of the Corporation in writing signed by any person or persons duly authorized thereto by the Corporation;

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 (c) if made between private persons, would by law be
 valid though made orally and not reduced into
 writing may be made orally on behalf of the
5 Corporation by any person or persons duly
 authorized thereto by the Corporation;

 (2) A contract made according to this section shall be
effectual in law and shall bind the Institute and all persons
thereto and their legal representatives.

23. (1) No person who is a member of the Institute or is
10 a partner of any Firm of Accountants shall practice as an
Accountant unless he is the holder of a certificate to practice
which is for the time being in force. Restrictions
on practice as
Accountants.

 (2) Every certificate to practice shall be issued by the
Council upon payment of the prescribed fee; difference fees
15 may be prescribed in respect of Fellows, Associate Members,
and partners of any Firm of Accountants.

 (3) Every certificate to practice shall be in force until the
thirty-first day of December of the year of issue of that
certificate, and may from time to time be renewed upon
20 payment of the fee prescribed as provided in subsection (2).

 (4) Where each of the partners in a firm of accountants is
the holder of a certificate to practice, no such certificate
shall be required to authorize the firm to practice as
accountants.

24. (1) No civil or criminal proceedings shall be
25 instituted: Protection of
acts done
under this
Act or on the
direction of
the
Corporation.

 (a) against the Corporation for any lawful act which in
good faith is done or purported to be done by the
Corporation under this Act; or

30 (b) against any member, officer, servant or agent for
any act which in good faith is done or purported to

be done by such member, officer, servant or agent under this Act or on the directions of the Council as the case may be.

5 (2) Any expense incurred by any person specified in subsection (1) in any suit or prosecution brought against such person before any Court for any act done under this Act or on the direction of the Institute shall if the Court determines that such act was done in good faith be paid out of the Fund of the Corporation.

10 **25.** No writ against person or property shall be issued against a member of the Council in any action brought against the Corporation. No writ to issue against person or property of a member of the Council.

26. Every person who commits an offence under this Act shall on conviction after trial before a Magistrate be 15 liable to imprisonment of either description for a period not exceeding six months or to a fine not exceeding five hundred rupees or to both such fine and imprisonment. Offences and penalties.

27. (1) For the purpose of this Act, a person shall be deemed to practice as an Accountant if, in consideration of 20 remuneration received or to be received and whether by himself or in partnership with any other person, he: Definition of practice as Accountants.

(a) engage himself in practice of accountancy or holds himself out to the public as an accountant; or

25 (b) offers to perform/performs service involving the auditing or verification of financial transactions, books of accounts or records, or the preparation, verification, or certification of financial accounting and related statements; or

30 (c) renders professional or assistants in or about matters of principle or details relating to accounting procedure or certification of financial facts or data; or

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(d) renders any other service which may declared by the council by regulation to be service constituting practice as an Accountant,

5 (2) A person who is the salaried employee of the Government or of any one employer shall not, by reason only that he does any act referred to in subsection (1) in his capacity as such employee, be deemed to practice as an Accountant.

10 **28.** The seal of the Corporation shall not be affixed to any instrument whatsoever, except in the presence of such number of persons as may be provided for in the rules of the Institute who shall sign their names to the instrument in token of their presence and such signing shall be independent of the signing of any person as witness.

Seal of the Corporation.

15 **29.** If upon the dissolution of the Corporation there remains after the satisfaction of all debts and liabilities, any property whatsoever such property shall not be distributed among the members of the Corporation but shall be given or transferred to some other Corporation or Corporations having
20 objects similar to the objects of the Corporation and which is or are by the rules there of prohibited from distributing any income or property among its or their members. Such Association or Associations shall be determined by members of the Corporation at or immediately before the time of
25 dissolution of the Corporation.

Property remaining on dissolution.

30. Nothing in this Act contained shall prejudice or affect the rights of the Republic of Sri Lanka or of any body politic or corporate or any other person.

Saving of the rights of the Republic and others.

30 **31.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Sinhala text to prevail in case of inconsistency.

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