

THE ACCOUNTANTS BILL, 2020

MEMORANDUM

The object of this Bill is to –

- (a) regulate the accountancy profession;
- (b) continue the existence of the Zambia Institute of Chartered Accountants and re-define its functions and powers;
- (c) provide for the registration of members and membership to the Institute;
- (d) provide for accounting firms and accounting corporations;
- (e) regulate the education, training and certification of accountants;
- (f) provide for the setting and maintenance of ethical, accounting and auditing standards;
- (g) provide for mechanisms to deal with fraudulent financial reporting and misappropriation of assets;
- (h) provide for a disciplinary governance framework and define professional misconduct for the accountancy profession;
- (i) provide for professional services charge out rates;
- (j) establish the Benevolent Fund, Educational Fund and Property and Investment Fund and the management of such funds;
- (k) repeal and replace the Accountants Act, 2008; and
- (l) provide for matters connected with or incidental to the foregoing.

LIKANDO KALALUKA, SC.,
Attorney-General

THE ACCOUNTANTS BILL, 2018

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A BILL
ENTITLED

An Act to regulate the accountancy profession; to continue the existence of the Zambia Institute of Chartered Accountants and re-define its functions and powers; to provide for the registration of members and membership to the Institute; to provide for accounting firms and accounting corporations; to regulate the education, training and certification of accountants; to provide for the setting and maintenance of ethical, accounting and auditing standards; to provide for mechanisms to deal with fraudulent financial reporting and misappropriation of assets; to provide for a disciplinary governance framework and define professional misconduct for the accountancy profession; to provide for professional services charge out rates; to establish the Benevolent Fund, Educational Fund and Property and Investment Fund and the management of such funds; to repeal and replace the Accountants Act, 2008; and to provide for matters connected with or incidental to the foregoing.

Enactment Enacted by the Parliament of Zambia

PART I
PRELIMINARY PROVISIONS

Short title 1. This Act may be cited as the Accountants Act, 2018.

Interpretation 2. In this Act, unless the context otherwise requires –

 “accountancy” means the theory and practice of the science of accounting;

 “accountancy profession” means the practice of accountancy;

Act No. 15 of
2004

"accountant" means a person qualified in the theory and practice of accountancy, and includes a tax consultant and a tax adviser;

"Accountant-General" means the person appointed as Accountant-General in accordance with the Public Finance Act, 2004;

"accounting corporation" means a company approved and registered, by the Institute, in accordance with section 50;

"accounting document" includes any –

- (a) account;
- (b) record, financial statement or report, or other document made or required for any accounting, auditing or financing purpose; or
- (c) register, financial report or financial record specified or provided for in the Companies Act, Banking and Financial Services Act, Securities Act, Insurance Act, Pension Scheme Regulation Act, National Payment Systems Act, Income Tax Act, Public Audit Act or Public Finance Act;

Act No.10 of 2017
Act No.7 of 2017
Act No.41 of 2016
Cap 323
Act No.29 of 2016
Act No.15 of 2004

"accounting firm" means a firm approved and registered, by the Institute, in accordance with section 50;

"accounting pronouncements" means the accountancy standards, practice, statements, guidelines and circulars developed, adopted or issued by the Institute in accordance with section 67;

"Associate Member" means an accountant who is registered as an Associate Member in accordance with section 26;

"audit" means the independent examination of evidence from which the financial statements of an enterprise, public body or institution are derived to ensure the validity and legality of financial records and which

reflect or express the correctness and fairness of the state of affairs of the enterprise, public body or institution, but does not include book-keeping, cost accounting and business or cost systems, and the word “auditing” shall be construed accordingly;

“audit engagement partner” means a public accountant who is engaged to provide public accountancy services to a client;

“auditing pronouncements” means the auditing standards, practice, statements, guidelines and circulars developed, adopted or issued by the Institute in accordance with section 67;

“auditor” means a public accountant who holds a practising certificate or an accounting firm or accounting corporation appointed to perform auditing functions;

“certificate of registration” means a certificate issued to a Member by the Institute in the style and form prescribed in the rules of the Institute;

“Chairperson” means the person appointed as Chairperson of the Disciplinary Committee in accordance with section 80;

“chapter” means a branch of the Institute established in accordance with section 8;

“Chief Executive Officer” means the person appointed as Chief Executive Officer and Secretary of the Institute in accordance with section 21;

“class of membership” means the classification of Members as set out in section 23;

“client” means a person for whom a Member, public accountant, an accounting firm or accounting corporation is providing or has provided accountancy or public accountancy services to, as the case may be;

- “Code of Ethics” means the code of professional ethics prescribed by the Council in accordance with section 107;
- “commercial and industrial sector” means any subset of the domestic economy, but does not include the public sector;
- “committee” means a committee of the Institute or Council constituted in accordance with section 16 or section 20, as the case may be;
- Act No.10 of 2017 “company” has the meaning assigned to the word in the Companies Act;
- “concealing or disguising” includes hiding, suppressing or withholding property with respect to its nature, source, location, disposition, movement or any rights attaching to it;
- “constitution” means the constitution of the Institute adopted in accordance with section 11;
- Act No. 3 of 2012 “corrupt” has the meaning assigned to the word in the Anti- Corruption Act, and the word “corruption” shall be construed accordingly;
- Act No.10 of 2017 “corporate” has the meaning assigned to the word in the Companies Act;
- “Council” means the Council of the Institute constituted in accordance with section 18;
- “Council member” means a member of the Council;
- “de-registered Member” means a person that has been de-registered as a Member by the Council in accordance with section 36;
- “director” means a shareholder of an accounting corporation who is a public accountant;
- "Disciplinary Committee" means the Disciplinary Committee of the Institute constituted in accordance with section 80;

“disciplinary offence” means conduct that constitutes professional misconduct;

“disciplinary proceeding” means an action instituted against a Member for a disciplinary offence, in accordance with this Act;

“Education and Examinations Board” means the Education and Examinations Board of the Institute constituted in accordance with section 15;

“electronic” means the use of equipment for processing, digital compressing, storing and transmitting data or employing wires, radio, optical technology or any electromagnetic method for such purpose, and includes an electronic signature attached to, incorporated in, or logically associated with, other data and which is intended by the user to serve as a signature, and the word “electronically” shall be construed accordingly;

“enterprise” includes a business, partnership, proprietorship or corporation;

“false accounting” means any accounting practice or action, that is meant to conceal, facilitate or disguise corruption;

“Fellow Member” means an accountant who is registered as a Fellow Member in accordance with section 25;

“financial audit” includes a financial systems audit, compliance audit and internal controls audit;

“foreign accounting corporation” means a company which is –

(a) incorporated or established as a company outside Zambia; or

(b) incorporated in Zambia and whose majority shareholders are not Zambian;

“foreign accounting firm” means a firm or partnership established outside Zambia as an accounting firm;

Act No. 18 of 2010	<p>“immigration officer” has the meaning assigned to the term in the Immigration and Deportation Act;</p> <p>“Institute” means the Zambia Institute of Chartered Accountants established in accordance with section 6;</p> <p>“International Accounting Education Standards Board” means the International Accounting Education Standards Board established to function as an independent standard-setting body by the International Federation of Accountants;</p> <p>“International Federation of Accountants” means the global organisation for the accountancy profession representing accountants in public practice, education, government service, industry, and commerce;</p> <p>"investigating authority" means a regulatory or investigative agency mandated to undertake an investigation in accordance with an Investigation Act;</p> <p>"Investigation Act" includes the –</p>
Cap. 1	(a) Constitution;
Act No. 15 of 2016	(b) Public Protector Act;
Act No. 15 of 2004	(c) Public Finance Act;
Act No. 29 of 2016	(d) Public Audit Act;
Cap. 107	(e) Zambia Police Act;
Act No. 46 of 2010	(f) Financial Intelligence Centre Act;
Cap 96	(g) Narcotics, Drugs and Psychotropic Substances Act;
Act No. 3 of 2012	(h) Anti-Corruption Act;
	(i) Accountants Act;
Act No. 41 of 2016	(j) Securities Act;
Act No. 7 of 2017	(k) Banking and Financial Services Act;
	(l) Insurance Act
	(m) Pensions Scheme Regulation Act

- (n) National Payment Systems Act
- Act No.10 of 2017 (o) Companies Act;
- (p) Public Interest Disclosure (Protection of Whistle Blowers) Act;
- Act No. 4 of 2010
- Act No. 21 of 2009 (q) Electronic Communications and Transactions Act; or
- (r) any other Act that applies to accountants, reporting transactions or the submission of accounting documents;
- Cap. 30 “legal practitioner” has the meaning assigned to the term in the Legal Practitioners Act;
- Cap. 281 “local authority” means a municipal, district or city council established in accordance with the Local Government Act;
- “Member” means a Member of the Institute holding a certificate of registration issued in accordance with section 33;
- “membership fees” means the fees prescribed by the Institute for membership to the Institute or for each class of membership as provided in section 34;
- “misrepresentation” means an –
 - (a) untrue statement of a material fact; or
 - (b) omission to state a material fact that is required to be stated or is necessary to prevent a statement that is made from being false or misleading in the circumstances in which it is made;
- “non-audit function” means an accountancy function performed by an accountant where a statutory audit opinion is not issued, but for which the accountant receives payment for the services rendered and which payment does not qualify to be treated as audit fees;

“non-audit practicing certificate” means a certificate granted to a Member who is not a public accountant in accordance with section 42(b);

“non-audit services” includes the examination of key issues impacting on operations, performance, systems, statutory compliance, ethical business practices, information systems and development and programmes, arising during a financial audit which, if not audited, may render the audit incomplete and not reflecting the truth and fairness of the state of affairs of an enterprise, public body or institution and where the auditor –

- (a) discloses, in writing, to an audit committee all relationships between the auditor and the client that may reasonably be thought to bear on the accounting firm’s and accounting corporation’s independence and objectivity of the audit engagement partner and staff and the related safeguards that are in place; and
- (b) confirms that, in their professional judgment, the accounting firm or accounting corporation is independent and the objectivity of the audit engagement partner and audit staff is not impaired;

“partner” means a public accountant who is a partner in an accounting firm;

“practice” means –

- (a) providing public accountancy services; or
- (b) signing or producing a report or certificate on an accounting document in circumstances where there is reliance by a third party, or doing any other thing which may lead the third party to believe, that the public accountancy

services have been undertaken by a public accountant;

“practice review” means a study, investigation, appraisal or review carried out under a practice review programme, of one or more aspects of the public accountancy services undertaken or performed by a public accountant;

“Practice Review Committee” means the Practice Review Committee of the Institute constituted in accordance with section 17;

“practice review programme” means a programme designed to ascertain whether a public accountant has complied with the prescribed accounting pronouncements, auditing pronouncements, methods, procedures and other requirements when performing public accountancy services;

“practising certificate” means a practising certificate granted to a public accountant in accordance with section 42(a);

“practice standard” means an accounting, auditing or ethical standard;

“President” means the person elected President of the Institute in accordance with section 18;

“professional body” means a body of or representing accountants;

“professional indemnity insurance” includes insurance indemnifying a public accountant, accounting firm, partner, accounting corporation, director or employee against liability to compensate a third party who has sustained financial loss or any other damage or injury due to a breach of professional duty, professional negligence, fraud or dishonesty, on the part of the public accountant, accounting

firm, partner, accounting corporation, director or an employee, as the case may be;

“professional misconduct” has the meaning assigned to the term in section 78;

“public accountancy services” includes auditing, accounting, non- auditing services and the doing of such other acts that are required to be done by a public accountant in accordance with this Act and any other written law;

“public accountant” means a Fellow Member or Associate Member who provides public accountancy services and holds a practising certificate;

“public body” means a ministry, organ of State, local authority, State-owned enterprise, council, authority or service commission or other body appointed by the Government or established by or under a written law, including –

- (a) a Government department or institution;
- (b) a body, organ or institution owned or controlled by the Government or in which the Government has an interest; or
- (c) other functionary or institution exercising a power or performing a duty in accordance with the Constitution or any other written law;

Cap. 1

“public officer” means –

- (a) an employee of a public body; or
- (b) a person otherwise authorised to perform functions on behalf of a public body or an investigating authority;

“public sector” means the national and local government, but does not include any parastatal organisation and other statutory body;

“Register” means a Register established and maintained in accordance with section 61;

“Register of Accounting Corporations” means the Register of Accounting Corporations established and maintained in accordance with section 61(1)(e);

“Register of Accounting Firms” means the Register of Accounting Firms established and maintained in accordance with section 61(1)(d);

“Register of Members” means the Register of Members established and maintained for Members in accordance with section 61(1)(a);

“Register of Public Accountants” means the Register of Public Accountants established and maintained in accordance with section 61(1)(c);

“Register of Students” means the Register of Students, established and maintained in accordance with section 61(1)(f);

“regulatory agency” means an investigating authority, the Minister for the time being having responsibility for, or such other Minister, public body, statutory body or person, having powers or regulatory functions under any other written law or Executive instrument over, impacting on, or relating to, socio-economic policies, financial matters, accounting or taxation;

“repealed Act” means the Accountants Act, 2008 repealed by section 111;

“represent” includes to claim, act or describe;

“reviewer” means a person who is appointed by the Practice Review Committee, in accordance with section 72, to carry out a practice review;

“rules of the Institute” means the rules made by the Council in accordance with section 108;

“Secretary” means the person appointed Secretary to the Institute in accordance with section 21;

“Standards and Regulatory Board” means the Standards and Regulatory Board of the Institute constituted in accordance with section 13;

“standing board” means a standing board of the Institute constituted in accordance with section 13;

“sub chapter” means a sub-branch of the Institute constituted in accordance with section 8;

“third party” means a person, other than a client;

“Vice-Chairperson” means the person appointed Vice-Chairperson of the Disciplinary Committee in accordance with section 80; and

“Vice-President” means the person elected Vice-President of the Institute in accordance with section 18.

Non -
application
d
with
regulatory
agencies

3. (1) The Institute shall, for purposes of this Act, liaise, consult, collaborate and cooperate with other regulatory agencies, investigating authorities and public bodies and may, for such purposes –

(a) have joint programmes, plans, strategies and policies, taking into account the socio-economic policies of the Government; and

(b) enter into memoranda of understanding as instruments of cooperation or collaboration.

(2) The Institute may, for purposes of subsection (1), develop working relationships with regulatory agencies, investigating authorities or public bodies in order to ensure optimal regulation of the accountancy profession and the observance of accounting pronouncements and auditing pronouncements.

(3) Notwithstanding any other written law, a regulatory agency, investigating authority or public body

may liaise and cooperate with the Institute in matters relating to accountancy, financial fraud, reporting on financial transactions, actuarial assessments and tax evasion.

Interpretation in other laws to apply

4. In this Act, unless the context otherwise provides, words and expressions used and which are not defined in this Act, but are defined in an Investigation Act, shall have the meaning assigned to them in the Investigation Act.

PART II

THE ZAMBIA INSTITUTE OF CHARTERED ACCOUNTANTS

Establishment of Zambia Institute of Chartered Accountants

5. (1) The Zambia Institute of Chartered Accountants, established in accordance with the repealed Act, is continued as a body corporate with perpetual succession and a common seal, capable of suing and being sued in its corporate name and with power, subject to this Act, to do all such acts and things as a body corporate may, by law, do or perform.

(2) The First Schedule applies to the Institute.

Seal of Institute

6. (1) The seal of the Institute shall be such device as may be determined by the Council and shall be kept by the Secretary.

(2) The affixing of the seal shall be authenticated by the President or Vice-President and the Secretary, or one other person authorised in that behalf by a resolution of the Council.

(3) A contract or instrument which, if entered into or executed by a person, is not required to be under seal, may be entered into or executed without seal on behalf of

the Institute by the Secretary or any other person generally or specifically authorised by the Institute in that behalf.

(4) A document purporting to be a document under the seal of the Institute or issued on behalf of the Institute shall be received in evidence and shall be deemed to be so executed or issued, as the case may be, without further proof, unless the contrary is proved.

Chapters of Institute

7. (1) There shall be chapters and sub-chapters of the Institute as the Council may approve, and each chapter and sub-chapter shall be composed of members whose major interests lie in the particular discipline of accountancy with which the chapter or sub-chapter is concerned.

(2) The management and control of each chapter or sub-chapter shall vest in a committee of Fellow Members elected annually by that chapter or sub-chapter.

(3) A committee of a chapter or sub-chapter shall be responsible for all matters affecting the chapter or sub-chapter, including the receipt and expenditure of moneys relating to its activities, other than membership fees.

(4) Subject to the general directions of the Council, a chapter or sub-chapter may regulate its own procedures.

- (5) A chapter or sub-chapter may be dissolved –
- (a) only after obtaining the prior approval of the Council; or
 - (b) by the Council, if the Council considers the dissolution of the chapter or sub-chapter is in the best interest of the Institute.

Functions of Institute

8. (1) The functions of the Institute are to do all such acts and things as are necessary to foster the advancement of the accountancy profession.

(2) Without prejudice to the generality of subsection (1), the Institute shall –

- (a) regulate and govern the conduct of its Members with regard to the accountancy profession;
- (b) maintain appropriate practice standards among Members that are consistent with the principle of self-regulation and the public interest;
- (c) represent, co-ordinate and develop the accountancy profession and promote its interests;
- (d) develop, promote, maintain and improve standards of qualification in the accountancy profession as prescribed;
- (e) award certificates, in the name of the Institute, to persons who succeed in examinations set in accordance with this Act;
- (f) promote the integrity and enhance the status of the accountancy profession, including declaring any particular business practice to be undesirable for all or a particular class of membership;
- (g) develop, promote and enforce internationally comparable practice standards in Zambia;
- (h) train and educate persons as accountants in accordance with this Act and regulations issued under this Act;
- (i) regulate the standards of training of Members, including the holding of examinations and tests that are

necessary to qualify individuals as accountants, as prescribed;

- (j) participate in the activities of bodies whose main purpose is the development and setting of practice standards;
- (k) encourage and finance research into any matter affecting the accountancy profession;
- (l) protect and assist the public in matters relating to, or impacting on their interest, when dealing with public accountants or other Members;
- (m) advise the Government on matters relating to accountability, financial management and economic development;
- (n) represent, protect and assist Members with regard to their conditions of practice, remuneration or otherwise; and
- (o) do all such things connected with or incidental to the foregoing.

(3) The Council may prescribe in the rules of the Institute—

- (a) fees and levies payable by professional affiliated bodies, Members, accounting firms and accounting corporations for purposes of financing its functions as specified in this Act;
- (b) the fees payable for an inspection and practice review conducted in accordance with this Act;

- (c) the fees for the accreditation of local and foreign institutions and qualifications; and
- (d) the portion of any fee or levy payable in respect of any part of a year and the date on which the fee or portion is payable.

Delegation
of
functions

9. (1) Subject to this Act, the Institute may, by direction in writing, and subject to such terms and conditions as it considers necessary, delegate to a standing board, a committee of the Institute or the Chief Executive Officer, any of the functions of the Institute.

(2) A function delegated by the Institute shall not be delegated to any other person or body unless prior authority is obtained from the Institute, or if so provided in accordance with this Act.

Constitution of
Institute

10. (1) The Institute shall, by a vote of at least two-thirds of the Members voting at a general meeting of the Institute, adopt a constitution of the Institute.

(2) The constitution shall, subject to this Act, regulate the conduct, affairs and business of the Institute.

(3) Subject to this Act, the constitution may provide for -

- (a) meetings of the Institute, including the delivery and sufficiency of notices of the meetings, the quorum, voting, adjournments and other matters of procedure or conduct of the meetings;
- (b) elections, qualifications and tenure of office of the President and Vice-President;

- (c) the composition, functions, powers and procedures of standing boards and committees of the Institute;
- (d) the establishment, powers and functions of chapters and sub chapters of the Institute;
- (e) rights, privileges and obligations under the various classes of membership; and
- (f) such other matters that may by this Act be provided in the constitution.

Meetings of
Institute

11. (1) Subject to this Act, the Institute may regulate its own procedure which shall be specified in the constitution.

(2) There shall preside at a meeting of the Institute –

- (a) the President, or in the absence of the President, the Vice-President; or
- (b) in the absence of the President and the Vice-President, such Member as the Members present may elect for the purpose of the meeting.

(3) The Institute shall hold an annual general meeting in accordance with the constitution.

(4) The Institute may call a special general meeting on giving such notice as may be prescribed in the constitution.

(5) Notwithstanding subsection (4), ten percent or more of Fellow Members and Associate Members may call for a special general meeting, on written notice, giving a shorter period of notice, signed by such Fellow Members and Associate Members.

(6) The Institute may invite any person whose presence is in its opinion desirable to attend and

participate in the deliberations of the meeting but that person shall have no vote.

(7) The validity of any proceedings, act or decision of the Institute shall not be affected by any Member's absence from a meeting of the Institute or by reason that a person not entitled to do so took part in the proceedings.

Constitution,
prerequisites
and
procedures
of standing
boards of
Institute

12. (1) Subject to subsection (2), the Institute may for the purpose of performing its functions, constitute standing boards.

(2) There are constituted the following standing boards of the Institute:

- (a) the Standards and Regulatory Board;
and
- (b) the Education and Examinations Board.

(3) A standing board shall perform the functions specified in this Act for the standing board or as may be delegated to the standing board in accordance with this Act or as specified in the constitution.

(4) A standing board shall be independent in the performance of its functions and exercise of its powers and shall not be subject to the control or direction of the Council, any Member, person or authority.

(5) The Institute, Council and a Member shall accord a standing board the assistance reasonably required for the protection of its independence and effective performance of its functions.

(6) The membership of a standing board shall consist of not more than seven persons nominated from relevant institutions and not more than two Members, appointed or elected as specified in this Act and the constitution.

(7) There shall be elected at an annual general meeting of the Institute not more than two Members for each standing board.

(8) The Institute shall appoint the members of a standing board, who are not elected from among Members, from persons nominated by relevant institutions

(9) Subject to this Act, a member of a standing board, shall hold office for a period of three years and shall, on the expiration of the period, be eligible for re-election or re-appointment, as the case may be, except that a person shall not serve on a standing board for more than six years.

(10) Where there is a vacancy in a standing board regarding members who are elected, the Institute shall fill the vacancy at the next annual general meeting and such member shall serve the remaining term of office of the member that had vacated.

(11) A standing board may invite any person whose presence is in its opinion desirable to attend and participate in the deliberations of a meeting but that person shall have no vote.

(12) The members of a standing board shall elect a chairperson and vice- chairperson from amongst their members.

(13) The validity of any proceeding, act or decision of a standing board shall not be affected by any vacancy on the standing board, a person's absence from any meeting of the standing board or by reason that a person not entitled to do so took part in the proceedings.

(14) The quorum of a standing board shall be as specified in the constitution.

(15) Subject to any specific direction of the Institute, this Act and the constitution, a standing board may regulate its own procedure at meetings.

Standards
and
Regulatory
Board

13. (1) The Standards and Regulatory Board, constituted in accordance with section 13, shall consist of the following members:

- (a) a representative of the Pensions and Insurance Authority;
- (b) a representative of the Bank of Zambia;
- (c) a representative of the Competition and Consumer Protection Commission;
- (d) a representative of the Zambia Revenue Authority;
- (e) a representative of the Securities and Exchange Commission;
- (f) a representative of the Auditor-General; and
- (g) two Members.

(2) Subject to this Act, the functions of the Standards and Regulatory Board shall be to promote and maintain the integrity of the accountancy profession by overseeing compliance with the relevant standards and regulations governing the accountancy profession.

(3) Without prejudice to the generality of subsection (2), the Standards and Regulatory Board shall –

- (a) develop relevant standards and regulations governing the accountancy profession and recommend them to the Institute to be prescribed in the rules of the Institute;
- (b) ensure that professional ethics and conduct are upheld in the accountancy profession;
- (c) recommend to the Disciplinary Committee the imposition of sanctions on a Member found to be guilty of professional misconduct, in accordance with this Act and regulations issued in accordance with this Act;

- (d) receive and consider reports from the Practice Review Committee; and
- (e) do all such things as are incidental or conducive to the attainment and maintenance of ethics and conduct in the accountancy profession.

Education
and
Examinations
Board

14. (1) The Education and Examinations Board, constituted in accordance with section 13, shall consist of the following members:

- (a) a representative of a public university;
- (b) a representative of a private university;
- (c) a representative of the Higher Education Authority;
- (d) a representative of the Technical Education, Vocational and Entrepreneurship Authority;
- (e) a representative of the Accountant General;
- (f) a representative of the Zambia Institute of Human Resource Management; and
- (g) two Members.

(2) The functions of the Education and Examinations Board shall be to –

- (a) approve examination results in accordance with this Act;
- (b) regulate, as prescribed, the training and education of accountants;
- (c) collaborate and cooperate with accredited training institutions in developing a national curriculum for the study of accountancy at different levels of the accountancy profession;

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- (d) regulate programmes of training for the Institute, including the acquiring of acceptable practical experience for students and graduates in accountancy, as prescribed;
- (e) regulate and monitor compulsory practical training programmes of graduate trainees in accountancy as prescribed;
- (f) regulate national examinations relating to the Institute's training programmes as prescribed;
- (g) ensure that the curriculum for training in accountancy and examinations set by the Institute are in compliance with the education standards prescribed by the International Accounting Education Standards Board and other written laws;
- (h) conduct relevant examinations for holders of foreign accountancy professional qualifications, in such subjects as the Board shall determine for persons intending to practise in Zambia;
- (i) charge and collect fees in respect of examinations, accreditation and registration of accountancy training institutions and examination centres, as prescribed;
- (j) have oversight functions over the Educational Fund; and
- (k) do such other things as may be necessary for the advancement of

knowledge, skills and proficiency in the accountancy profession.

(3) Any person or training institution offering tuition or other training programmes in accountancy or intending to offer tuition in accountancy shall be accredited by the Education and Examinations Board as prescribed by regulations issued in accordance with this Act.

Committees of
Institute

15. (1) The Institute may, for the purpose of performing its functions in accordance with this Act, constitute committees and may delegate to a committee any of its functions.

(2) Section 13 shall apply to the Practice Review Committee and a committee of the Institute, with the necessary modifications.

(3) Subject to any specific direction of the Institute, this Act and the constitution, a committee constituted in accordance with this section may regulate its own procedure at meetings.

Practice
Review
Committee

16. (1) There is constituted the Practice Review Committee of the Institute.

(2) The Practice Review Committee constituted, in accordance with subsection (1), shall consist of a -

- (a) Member representing accounting firms;
- (b) A member in Industry
- (c) Member representing accounting corporations;
- (d) representative of the Securities and Exchange Commission;
- (e) representative of the Patents and Companies Registration Agency;

- (f) representative of the Bankers Association of Zambia; and
- (g) representative of the Zambia Chamber of Commerce and Industry.

(3) The functions of the Practice Review Committee shall be to ensure that audit and non-audit services and non-audit functions carried out by Members are of high standard and are in compliance with auditing pronouncements and accounting pronouncements.

(4) Without prejudice to the generality of subsection (3), the Practice Review Committee shall -

- (a) where necessary, and as specified in the Act, oversee practice reviews;
- (b) determine the nature of auditing where a practice review is being undertaken;
- (c) determine the criteria for each practice review cycle;
- (d) determine the appropriateness of documentation used by the Practice Review Committee;
- (e) assess the quality and consistency of practice review reports;
- (f) monitor the progress of practice review cycles;
- (g) monitor compliance with auditing pronouncements and accounting pronouncements;
- (h) protect and assist the public in matters relating to, or impacting on their interest, when dealing with public accountants or other Members; and
- (i) appoint a reviewer.

(5) The Practice Review Committee shall report to the annual general meeting on its activities for the preceding year.

Council of
Institute

17. (1) There is constituted the Council of the Institute which shall consist of the following Council members elected at an annual general meeting:

- (a) the President who shall be a Fellow Member;
- (b) the Vice-President who shall be a Fellow Member;
- (c) three Fellow Members or Associate Members from the commercial and industrial sector, elected by Fellow Members and Associate Members; and
- (d) three public accountants elected by Fellow Members and Associate Members;
- (e) one Fellow Member or Associate Member from the public sector.

(2) The Accountant-General and the Auditor General shall be ex-officio Council members.

(3) The election of the President and Vice-President shall be in accordance with the constitution.

(4) A Fellow Member or Associate Member shall not be qualified to be elected as a Council member if the Fellow Member or Associate Member –

- (a) has been found guilty of professional misconduct within a period of five years preceding the election;
- (b) is in lawful custody or the Member's freedom of movement is restricted in accordance with any law in force in or

outside Zambia on the date of the election; or

- (c) has not been on the Register of Members for at least three years preceding the election.

(5) The provisions of the First Schedule applies to the Council.

Functions of Council

18. (1) The functions of the Council are to –
- (a) perform the functions and exercise the powers of the Institute as specified in this Act;
 - (b) promote an understanding of, and ensure the upholding and observance of, professional ethics and conduct by Members;
 - (c) ensure that the Code of Ethics is responsive to the expectations of business and financial institutions and persons who rely on accountancy services;
 - (d) promote regional and international collaboration in the field of accountancy;
 - (e) participate in the development of international practice standard setting;
 - (f) make recommendations affecting or relating to the accountancy profession, to the general meeting of the Institute;
 - (g) set, and ensure the relevance of, auditing pronouncements and accounting pronouncements by –
 - (i) considering the needs of users of accounting documents;

- (ii) liaising with any standing board or committee of the Institute for purposes of setting accounting and auditing standards and to receive feedback on areas where auditing pronouncements and accounting pronouncements need review;
 - (iii) implementing appropriate international practice standards; and
 - (iv) consulting with professional bodies on the direction and appropriateness of auditing pronouncements and accounting pronouncements;
- (h) set papers and qualifying examinations for persons with foreign accountancy professional qualifications intending to practice in Zambia;
- (i) register persons studying in accountancy; and
 - (j) do all such things and acts as may be prescribed or the Institute or Council may do in accordance with this Act.

Committees of
Council

19. (1) The Council may, for the purpose of performing its functions, constitute committees and may delegate to a committee any of its functions or powers.

(2) The Council may appoint as members of a committee, established in accordance with this section, persons who are or are not Council members and such persons shall hold office for such period as the Council may determine.

(3) Subject to any specific or general direction of the Council, a committee may regulate its own procedure.

Chief
Executive
Officer and
Secretary of
Institute

20. (1) The Council shall appoint, on such terms and conditions as it may determine, a person, with relevant academic and professional experience, as the Chief Executive Officer of the Institute.

(2) The Chief Executive Officer shall be the Secretary of the Institute.

(3) The Chief Executive Officer and Secretary shall be responsible, under the general direction of the Council, for –

- (a) the management and administration of the affairs of the Institute and the Council;
- (b) the corporate and secretarial duties of the Institute and the Council;
- (c) the implementation of the decisions of the Institute and the Council; and
- (d) any other function assigned or delegated to the Chief Executive Officer or Secretary by the Institute or the Council, or as specified in this Act.

(3) The Chief Executive Officer and Secretary shall attend meetings of the Council and any committee and may address the meetings, but shall not vote on any matter.

Staff of
Institute

21. (1) The Council may appoint, on such terms and conditions as the Council may determine, such professional officers and such other staff of the Institute as may be necessary for the performance of the functions of the Institute and the Council.

(2) Notwithstanding subsection (1), the Chief Executive Officer may appoint such other general employees for the effective performance of the functions of the Institute.

Special Purpose Vehicles 22. The Institute may set up special purpose vehicles for the effective carrying out of its activities.

PART III
MEMBERSHIP OF INSTITUTE

Classes of membership 23. (1) The Institute shall have the following classes of membership:

- (a) Honorary;
- (b) Fellow;
- (c) Associate;
- (d) Graduate;
- (e) Licentiate;
- (f) Technician; and
- (g) Student.

(2) Each class of membership shall have such rights, privileges and obligations as may be prescribed in the constitution.

(3) An accountant may apply to the Institute for registration as a Member in accordance with this section and sections 25, 26, 27, 28, 29 or 30.

Honorary membership 24. (1) A retired Fellow Member may be conferred by the Institute with Honorary membership if the person

–

- (a) is in good standing with the Institute;
and
- (b) has made valuable contribution to the development of the accountancy profession or has obtained local and international recognition as an eminent accountant.

(2) The processes and procedures for conferment with honorary membership shall be as prescribed in the constitution.

(3) An Honorary Member is entitled to use the designation “HZICA” after the Honorary Member’s name.

Fellow
membership

25. (1) An Associate Member may apply to the Institute for registration as a Fellow Member if the Member meets the following prescribed criteria and requirements:

- (a) is in good standing with the Institute;
and
- (b) has been an Associate Member for not less than five years.

(2) A fellow member, or equivalent in rank, of an institution which has a reciprocal agreement with the Institute may apply to the Institute for registration as a Fellow Member, if that fellow member meets the prescribed criteria and requirements for registration.

(3) The processes and procedures for application and registration as a Fellow Member shall be as prescribed in this Act and the constitution.

(4) A Fellow Member is entitled to use the designation “FZICA” after the Fellow Member’s name.

Associate
membership

26. (1) An accountant may apply to the Institute for registration as an Associate Member if the accountant –

- (a) is in good standing with the Institute; and
- (b) has attained a professional accountancy qualification from an accredited institution and has a minimum of three years' practical experience; or
- (c) holds an associate membership of an institution which has a reciprocal agreement with the Institute, subject to undertaking a prescribed examination and meeting the criteria and requirements for registration.

(2) The processes and procedures for application and registration as an Associate Member shall be as prescribed in this Act and the constitution.

(3) An Associate Member is entitled to use the designation "AZICA" after the Associate Member's name.

Graduate membership

27. (1) A graduate in accountancy may apply to the Institute for Graduate membership if the graduate –

- (a) is in good standing with the institution of study;
- (b) has attained the prescribed qualifications; and
- (c) has made available to the Council such evidence as may be necessary in support of the application.

(2) The processes and procedures for application and registration as a Graduate Member shall be as prescribed in this Act and the constitution.

Licentiate membership

28. (1) A person may apply to the Institute for registration as a Licentiate Member if the person –

- (a) is in good standing with the Institute;

- (b) has attained the prescribed qualifications; and
- (c) has made available to the Council such evidence as may be necessary in support of the application.

(2) The processes and procedures for application and registration as a Licentiate Member shall be as prescribed in this Act and the constitution.

Technician
membership

29. (1) A person may apply to the Institute for registration as a Technician Member if the person -

- (a) is in good standing with the Institute;
- (b) has attained the prescribed qualifications; and
- (c) has made available to the Council such evidence as may be necessary in support of the application.

(2) The criteria, requirements, processes and procedures for application and registration as a Technician Member shall be as prescribed in this Act and the constitution.

Student
membership

30. (1) A person studying accountancy may apply to the Institute for Student membership if the person-

- (a) is in good standing with the Institute of study;
- (b) meets the prescribed entry criteria and requirements; and
- (c) has made available to the Council such evidence as may be necessary in support of the application.

(2) The processes and procedures for application and registration as a Student Member shall be as prescribed in this Act and the constitution.

- (3) A university, college or other institution of learning shall not enrol a student studying accounting unless the university, college or other institution of learning has verified that the student is registered with the Zambia Institute of Chartered Accountants
- (4) Any person who contravenes section 30(3) commits an offence and shall be liable to a fine not exceeding one hundred thousand penalty units.
- (5) Where an offence under this section is committed by a body corporate, every director or senior officer of the body corporate shall be liable, upon conviction, as if the director or senior officer had personally committed the offence, unless the director or senior officer proves to the satisfaction of the court that the act constituting the offence under this section was done without the knowledge, consent or connivance of the director or senior officer or that the director or senior officer took reasonable steps to prevent the commission of the offence.

Disqualification
from
registration as
Member and
cessation of
membership

31. (1) An accountant, graduate or student shall not qualify for registration as a Member or shall cease to be a Member –

- (a) on failure to comply with the criteria and requirements for registration as a Member as specified in this Act, the constitution and rules of the Institute;
- (b) if found guilty of professional misconduct;
- (c) on conviction of an offence punishable with a term of imprisonment exceeding six months;
- (d) on being declared to be of unsound mind under any written law;

- (e) on being declared an un-discharged bankrupt;
- (f) on being prohibited or disqualified from being a Member by an order of Court; or
- (g) on no longer being qualified to hold membership due to non compliance with the regulations and criteria for membership as specified in this Act, the constitution and rules of the Institute.

Refusal by Council to register Member

32. (1) The Council may refuse to register a person as a Member if –

- (a) that person does not meet the criteria and requirements for membership, as specified in this Act and the constitution; or
- (b) being a Member, a person is disqualified in accordance with section 31.

Issue of certificate of registration

33. The Council shall issue a certificate of registration to an accountant, graduate or student who is registered as a Member, showing the class of membership.

Membership fees

34. (1) The Institute shall charge such fees for membership to the Institute as prescribed and different fees may be prescribed for different classes of membership.

(2) Notwithstanding subsection (1), Honorary Members shall be exempt from paying membership fees.

Validity and renewal of certificate of registration

35. Subject to this Act, a certificate of registration shall be valid for one year and may be renewed by the Council if the accountant, graduate or student is not disqualified from holding membership of the Institute in accordance with section 31.

De-
registration,
and
revocation of
certificate of
registration

36. (1) Subject to this section, the Council shall de-register a Member, if the Member –

- (a) fails to comply with this Act, the constitution or any regulations issued in accordance with this Act;
- (b) obtained the certificate of registration by fraud, misrepresentation or mistake;
- (c) has ceased to carry on the business of accountancy, in Zambia, for a period prescribed in the rules of the Institute;
- (d) breaches any accounting pronouncement, auditing pronouncement or any provision of the Code of Ethics; or
- (e) is disqualified in accordance with section 31.

(2) Where the Council intends to de-register a Member, in accordance with subsection (1), the Council shall, at least thirty days before de-registering the Member, give notice in writing, to the Member of the Council's intention.

(3) A notice, referred to in subsection (2), shall state the reasons for the intended de-registration and require the Member to show cause, within such period as the Council shall specify, why the Member should not be de-registered.

(4) If the Council is not satisfied with the explanation given by the Member, as specified in subsection (3), the Council shall de-register the Member.

(5) Where the Council de-registers a Member, in accordance with subsection (4), the Council shall notify the Member of the Council's decision and the reasons for the

decision, within seven days of the date of the decision and shall-

- (a) remove the name and other particulars of the de-registered Member from the Register of Members and any other relevant Register;
- (b) revoke the certificate of registration; and
- (c) publish the name of the Member that has been de-registered in a manner the Council considers most appropriate in the circumstances.

Restoration
of
registration

37. (1) Where a Member has been de-registered, in accordance with section 36, the de-registered Member may, in the prescribed manner and form and on payment of a prescribed fee, apply to the Council, for restoration of membership.

(2) Notwithstanding subsection (1), the Council shall ensure that a de-registered Member applying for restoration as a Member meets the terms and conditions and requirements of this Act, the constitution and regulations and rules of the Institute issued in accordance with this Act, before restoring the de-registered Member as a Member and issuing a certificate of registration.

Loss or
destruction
of certificate
of
registration

38. Where the Council is satisfied that a certificate of registration is lost or destroyed, the Council may, on payment of a prescribed fee, cause a duplicate of the certificate of registration to be sealed and issued to the Member.

PART IV
PRACTISING CERTIFICATE AND NON-AUDIT PRACTISING
CERTIFICATE

Establishment of practice without practicing certificate or non-audit practising certificate

39. (1) An accountant, or any other person, shall not set up practice, or be a partner or director in a practice, accounting firm or accounting corporation, as the case may be, unless that person holds a practising certificate or a non-audit practising certificate, issued in accordance with this Part and in line with the Constitution.

(2) A person who contravenes subsection (1) commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both.

Issuance of immigration permits Act No.18 of 2010

40. (1) Notwithstanding the Immigration and Deportation Act, an immigration officer shall not, without the approval of the Institute, issue an employment or entry permit to a person who intends to practice, or be employed, as an accountant in Zambia.

(2) A person who contravenes subsection (1) commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a period not exceeding five years, or to both.

Application for practising certificate or non-audit practising certificate

41. A Member, other than a Student Member, who intends to provide public accountancy services or perform non-audit functions shall, on passing the Competence Practice Examinations approved by the Standards Regulatory Board, apply to the Institute for a practising certificate or a non-audit practising certificate, as the case may be, in the prescribed manner and form and the application shall be accompanied by the prescribed fee.

Grant of practising certificate and non-audit practising certificate

42. The Institute shall, on receipt of an application, made in accordance with section 41, and on payment of the prescribed fee, grant to-

- (a) a Fellow Member or Associate Member who is to provide public accounting services as a public accountant a practising certificate, in the prescribed manner and form; and
- (b) an Accountant who is not providing public accountancy services as a public accountant, a non-audit practising certificate, in the prescribed manner and form.

Refusal to grant practising certificate or non audit practising certificate

43. The Institute may refuse to grant a practising certificate or a non-audit practising certificate in accordance with section 42, if the –

- (a) Member is undergoing disciplinary proceedings;
- (b) person is not a Member; or
- (c) Member has been suspended;

in accordance with this Act.

Renewal of practising certificate or non audit practising certificate

44. (1) A practising certificate or a non-audit practising certificate shall be renewed annually in the prescribed manner and form and on the payment of the prescribed fee.

(2) Notwithstanding subsection (1), a Member, shall lodge with the Institute an application for renewal of a practising certificate or non-audit practising certificate, as the case may be, three months before the expiration of the certificate.

(3) The Institute shall, where an application meets the requirements provided in this Act and prescribed

in regulations, issue a practising certificate or a non-audit practising certificate, to a member as the case may be.

(4) A practising certificate or a non-audit practising certificate that is not renewed, in accordance with subsection (1), is invalid.

(5) A Member who practices during any period in which the practising certificate or non-audit practising certificate is invalid, commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both.

Display of certificate

45. The holder of a practising certificate or a non-audit practising certificate, as the case may be, shall display the certificate in a conspicuous place at the place of practice.

Cancellation of practicing certificate and non-audit practicing certificate

46. The Institute shall cancel a practising certificate or non-audit practising certificate, if the holder of the certificate –

- (a) ceases to be a Member; or
- (b) obtained the certificate through fraud, misrepresentation or concealment of a material fact.

Practice services fees

47. (1) A holder of a practising certificate or non-audit practising certificate shall charge such fees as may be prescribed for public accountancy services, non-audit services or non-audit functions, as the case may be.

(2) The Institute shall prescribe by rules of the Institute, a scale of fees for public accountancy services, non-audit services or non-audit functions.

Holding out

48. (1) A person who does not hold a practising certificate or non-audit practising certificate or who is not a Member, shall not -

- (a) practice, be employed or offer public accountancy services as, or represent to be, a public accountant;
- (b) adopt, use or exhibit the terms “public accountant”, “public auditor”, “public tax consultant, “public tax advisor” or any other term of like description;
- (c) claim to be or represent oneself to be a public accountant, public auditor, public tax consultant, public tax advisor or any other term of like description; or
- (d) do anything likely to lead a person to infer that the person is a Member.

(2) Nothing in subsection (1) shall prevent a legal practitioner from setting up in practice as a tax advisor or tax consultant, or being a partner in a tax practice.

(3) A person, firm, company or public body shall not employ or engage a person as an accountant, who is not a Member.

(4) A person who contravenes subsection (1) or (3) commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both.

PART V

ACCOUNTING FIRMS AND ACCOUNTING CORPORATIONS

Practice under
accounting
firms and
corporations

49. A public accountant may practice under an accounting firm or accounting corporation registered in accordance with this Part.

Application
and
registration
of
accounting
firm and
corporation
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2017

50. (1) A public accountant shall, before applying to the Council, for the registration of a proposed

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(a) accounting firm, apply in accordance with the Registration of Business Names Act, for the approval of the name of the proposed accounting firm; or

(b) accounting corporation, apply in accordance with the Companies Act, for the approval of the name of the proposed accounting corporation.

(2) A public accountant shall, after obtaining approval in accordance with subsection (1), apply to the Council in the prescribed manner and form, for the registration of the accounting firm or accounting corporation.

(3) Subject to subsection (4), where the Institute receives an application made in accordance with subsection (2), the Institute shall, within fourteen days of such receipt, approve the registration with the Patents and Companies Registration Agency, of the proposed accounting firm or proposed accounting corporation if the

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(a) business of the proposed accounting firm or accounting corporation, shall be under the control and management of one or more partners who are public accountants ordinarily resident in Zambia; and

(b) proposed firm or proposed accounting corporation shall be covered by professional indemnity insurance as provided in this Act.

(4) The Institute shall approve the registration of an accounting corporation with Patents and Companies Registration Agency, if the articles of association of the proposed accounting corporation provide that-

(a) not less than two-thirds of the directors shall be public accountants or if the proposed company has one director, that director shall be a public accountant;

(b) not less than two-thirds of the voting shares of the proposed company shall be owned by public accountants; and

(c) only natural persons may own shares in the proposed company.

(5) Where the Institute approves the registration of an accounting firm or accounting corporation with the Patents and Companies Registration Agency, the Council shall notify the accounting firm or accounting corporation of its approval, within seven days of the decision.

(6) Where the Institute grants its approval for the registration of a proposed accounting firm or accounting corporation with Patents and Companies Registration Agency, the public accountant shall register the proposed accounting firm or accounting corporation in accordance with the Registration of Business Names Act or the Companies Act, as the case may be.

(7) A public accountant who registers an accounting firm in accordance with the Registration of Business Names Act or incorporates an accounting corporation in accordance with the Companies Act, shall

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notify the Institute of such registration or incorporation as the case may be, in the prescribed manner and form.

(8) The Institute shall, on receipt of the notification submitted in accordance with subsection (7), and on payment of the prescribed fee, register the accounting firm or accounting corporation, and enter the name of the accounting firm or accounting corporation in the Register of Accounting Firms or Register of Accounting Corporations as the case may be, together with the name of each public accountant and any other prescribed information.

(9) Where the Institute registers an accounting firm or accounting corporation in accordance with subsection (8), it shall issue the accounting firm and accounting corporation with a Certificate of Registration in the prescribed manner and form.

Rejection of application for registration as accounting firm or corporation

51. The Institute may reject an application, made in accordance with section 50(2), if the public accountant or the application fails to comply with the requirements specified in section 50(3), and the Council shall within seven days of the decision rejecting the application, inform the public accountant of the decision and the reason for the decision.

Information on letterheads and other correspondence

52. (1) An accounting firm or accounting corporation shall on all letterheads or correspondence documents of the accounting firm or accounting corporation specify the -

- (a) name of the accounting firm or accounting corporation;
- (b) place or places of business of the accounting firm or accounting corporation; and

(c) full names of all the partners of the accounting firm and directors of the accounting corporation.

(2) The directors of an accounting corporation shall ensure that every invoice or official correspondence of the accounting corporation bears the statement that it is incorporated with limited liability.

Specificity relating to accounting corporations Act No. 10 of 2017

53. (1) Notwithstanding the Companies Act or other appropriate written law, a share in an accounting corporation shall not be held by a person as nominee for another person and security shall not be created over any share in an accounting corporation.

Act No. 10 of 2017

(2) Notwithstanding the Companies Act or other appropriate written law, any purchase or acquisition of a share of an accounting corporation, and any security created over any such share, in contravention of subsection (1), shall be null and void.

Act No.10 of 2017

(3) An accounting corporation shall not be treated for the purposes of the Companies Act as a public company merely because it has more than the prescribed number of members.

De-registration of accounting firm or corporation

54. (1) The Institute may de-register an accounting firm or accounting corporation and order the removal of the name and particulars from the Register of Accounting Firms or Register of Accounting Corporations, as the case may be, if it is satisfied that the –

(a) registration of the accounting firm or accounting corporation was obtained by fraud or misrepresentation;

(b) accounting firm or accounting corporation has ceased to provide public accountancy services in Zambia; or

- (c) accounting firm or accounting corporation is no longer in a position to provide public accountancy services effectively;
- (d) any requirement specified in this Part relating to accounting firms or accounting corporations is not being complied with.

(2) The Institute shall, before exercising a power as provided in subsection (1), notify the accounting firm or accounting corporation of its intention to take such action and shall give the accounting firm or accounting corporation an opportunity to submit reasons, within such period as the Council may determine, as to why it should not be de-registered.

(3) A person who is aggrieved by a decision of the Institute made in accordance with section (1), may, within thirty days of being notified, in accordance with subsection (2), appeal to the High Court.

(4) An accounting firm or accounting corporation may apply to the Institute, in the prescribed manner and form, for the de-registration of the accounting firm or accounting corporation and if the Institute is satisfied that

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- (a) there is no complaint or information against the accounting firm or accounting corporation or any public accountant practising therein;
- (b) there are no disciplinary proceedings pending against the accounting firm or accounting corporation or any public accountant practising therein;
- (c) business of the accounting firm or accounting corporation is not the

subject of an inquiry or investigation in accordance with this Act or an Investigation Act;

the Institute may de-register the accounting firm or accounting corporation.

(5) The Second Schedule shall apply where an accounting firm or accounting corporation is de-registered in accordance with this section.

Application for re-registration of accounting firm or corporation

55. The Institute may re-register an accounting firm or accounting corporation that has been de-registered, in accordance with section 54, if the accounting firm or accounting corporation complies with the application procedure for registration, specified in section 50 and the terms and conditions prescribed by rules of the Institute, and on payment of the prescribed fee.

Effect of practising as accounting firm or corporation

56. An accounting firm and accounting corporation may do anything which a public accountant is authorised to do by this law or any other written law relating to the provision of public accountancy services.

Accounting firm or corporation's relationship with clients

57. An accounting firm and accounting corporation shall have the same rights and be subject to the same fiduciary, confidential and ethical requirements with respect to each client of the accounting firm or accounting corporation for, or relating to, the provision of public accountancy services.

Management of accounting corporation

58. (1) Two thirds of the directors of an accounting corporation shall be public accountants.

(2) An accounting corporation shall be under the control and management of a public accountant.

(3) Where, for any reason, the office of director required to be held by a public accountant in accordance with this Act is vacant, the accounting corporation shall as soon as practicable but not later than one month after the date the office became vacant, appoint another public accountant to fill the vacancy.

Professional indemnity insurance for accounting firm and corporation

59. (1) An accounting firm and accounting corporation shall obtain professional indemnity insurance, in the prescribed manner.

(2) Where an accounting firm or accounting corporation obtains professional indemnity insurance, in accordance with subsection (1), the liability of the partners or directors, as the case may be, shall be limited to the extent prescribed.

Joint ventures

60. (1) A foreign accounting firm or foreign accounting corporation shall not provide public accountancy services unless the foreign accounting firm or accounting corporation is registered with the Institute or enters into a joint venture with an accounting firm or accounting corporation, which is partnered or owned by citizens, respectively.

(2) A director, partner or manager of foreign accounting firm or foreign accounting corporation that fails to comply with subsection (1) commits an offence and shall be liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term of five years, or to both.

PART VI

REGISTERS AND PUBLICATION OF LIST OF MEMBERS

Registers to be established and maintained

61. (1) The Institute shall establish and maintain the following Registers in which particulars specified or prescribed in this Act are to be entered:

- (a) Register of Members;
- (b) Register of Chartered Accountants;
- (c) Register of Public Accountants;
- (d) Register of Accounting Firms;
- (e) Register of Accounting Corporations;
and
- (f) Register of Students.

(2) The Registers, referred to in subsection (1), may be established in non-electronic or electronic form or partly in electronic form.

(3) Where the Registers are kept wholly or partly in electronic form, reference in this Act to –

- (a) an entry in a Register, shall include reference to a record of particulars kept in electronic form;
- (b) particulars being entered in a Register, shall include references to the keeping of records in electronic form; and
- (c) the rectification of a Register, shall include references to the rectification of the record of particulars kept in electronic form.

(4) A Member shall, whenever there is a change of name or other particulars in respect of the Member, an accounting firm or accounting corporation, notify the Secretary of such change within thirty days of the change occurring, in such manner as may be prescribed in rules of the Institute.

(5) The Council may cause any corrections or alteration to be made to a Register as specified in this Act or as may be prescribed.

(6) The Registers, specified in subsection (1), shall be kept at the Institute, chapters and sub chapter.

Removal from
Register of
Accounting
Firms or
Register of
Accounting
Corporations

62. (1) The Institute shall remove from the Register of Accounting Firms the name and particulars of an accounting firm if the –

- (a) accounting firm has been dissolved;
- (b) registration of the accounting firm has been cancelled in accordance with Part V; or
- (c) accounting firm has applied to the Council for the cancellation of its registration.

(2) The Institute shall remove from the Register of Accounting Corporations the name and relevant particulars of an accounting corporation if the –

- (a) accounting corporation has been wound up;
- (b) accounting corporation has been de-registered in accordance with section 54; or
- (c) accounting corporation has applied to the Council for deregistration.

Inspection of
Registers
and
evidentiary
proof

63. (1) Subject to this Act, a Register shall be open for inspection by the public during prescribed hours, on payment of a prescribed fee.

(2) A Register shall be prima facie evidence of any matters required or prescribed in this Act or any other written law to be entered in the Register.

(3) A copy of any entry in a Register or an extract from a Register, certified by the Secretary, shall be admitted in evidence without further proof and without production of the original copy.

Publication of
list of
Members

64. The Council shall, on 1 April of each year of the Institute, publish in the manner prescribed in the rules of the Institute, a list of all paid up Members.

Appeals
relating to
entry in
Register

65. A person aggrieved by a decision made by or on behalf of the Institute under this Part may, within thirty days of the decision, appeal to the High Court.

Offences
relating to
registration
and certificates

66. (1) A person who –
(a) makes or causes to be made, an unauthorised entry, alteration or erasure in a Register, certificate of registration, practising certificate or non-audit practising certificate; or
(b) procures or attempts to procure for that person or any other person a practising certificate, a non-audit practising certificate or registration certificate by means of fraud, misrepresentation or concealment of any material fact;
commits an offence and is liable, on conviction, to a fine not exceeding one hundred thousand penalty units or to imprisonment for a term not exceeding ten years, or to both.

PART VII

ACCOUNTING AND AUDITING PRONOUNCEMENTS AND PRACTICE REVIEW PROGRAMME

Auditing
pronouncements
and accounting
pronouncements

67. (1) The Institute shall develop and issue auditing pronouncements and accounting pronouncements for the purposes of this Act.

(2) A Member who contravenes any auditing pronouncement or accounting pronouncement commits professional misconduct and shall be subject to disciplinary action in accordance with this Act.

Compliance with auditing pronouncements

68. (1) A public accountant shall perform an audit in compliance with auditing pronouncements and agreed procedures as specified in a contract with a client.

(2) The applied auditing pronouncements and agreed procedures, specified in subsection (1), shall be disclosed in the audit report.

(3) A public accountant shall not undertake an audit for the same client for a consecutive period prescribed by the Institute.

Accounting pronouncements

69. A Member shall comply with accounting pronouncements.

Public accountant not to incur liability on certain opinions

70. (1) A public accountant shall not incur any liability by reason of –

(a) an opinion expressed by the public accountant in good faith on an item appearing in a financial statement of an enterprise in connection with an audit that was carried out; or

(b) the public accountant having declined to express an opinion in respect of the financial statement of an enterprise;

if the Council is satisfied that, having regard to the nature of the item or other circumstances, the public accountant could not reasonably have been expected to express an authoritative opinion.

(2) A public accountant shall not, in respect of any opinion expressed or report or statement made by the public accountant in the ordinary course of duties –

(a) incur any liability to a client or a third party, unless it is proved that the opinion was expressed, or the report or statement made, intentionally or pursuant to a negligent performance of duties; and

(b) where it is proved that the opinion was expressed or the report or statement was made negligently, incur any liability to a third party who has relied on the opinion, report or statement, for financial loss suffered as a result of having relied on the opinion, report or statement, unless it is proved that the public accountant knew or could in the particular circumstances reasonably have been expected to know at the time

–

(i) that the opinion, report or statement would be used by a client to induce the third party to act or refrain from acting in some way or to enter into the specific transaction into which the third party entered, or any other transaction of a similar nature, with the client or any other person;

(ii) that the third party would rely on the opinion, report or statement for the purpose of acting or

refraining from acting in some way or of entering into the specific transaction which the third party entered, or any other transaction of a similar nature, with the client or any other person; or

- (iii) in any way represented, at any time after the opinion was expressed or the report or statement was made to the third party that the opinion, report or statement was correct, while at that time the public accountant knew or could in the particular circumstances reasonably have been expected to know that the third party would rely on the representation for the purpose of acting or refraining from acting in some way or of entering into the specific transaction into which the third party entered, or any other transaction of a similar nature, with the client or any other person.

(3) Nothing in this section confers on any person a right of action against a public accountant which, but for this section, the person would not have had.

(4) For the purpose of subsection (2)(b), the fact that a public accountant performed the functions is not in itself proof that the public accountant could reasonably have been expected to know that –

- (a) a client would act as contemplated in subsection (2)(b)(i); or

- (b) the third party would act as contemplated in subsection (2) (b)(i) or (ii).
- (5) Subsection (2) (b) shall not affect any –
 - (a) liability of a public accountant arising from –
 - (i) a contract between a third party and the public accountant; or
 - (ii) any statutory provision; or
 - (b) disclaimer of liability by a public accountant or a person referred to in that subsection.
- (6) A public accountant who produces a book, document, record or thing for purposes of a practice review shall not be held liable, under criminal or civil law.

Practice
review
programme

71. (1) The Institute may, as a condition to practice as a public accountant, require that the public accountant undergo for such periods, as may be prescribed in the rules of the Institute, a practice review programme.

(2) The Institute may require a public accountant who is undergoing a practice review programme to pay such fees, relating to the administration of the programme, as the Institute may specify.

(3) The Practice Review Committee or a reviewer shall, within such period as the Institute may determine, review the practice of a public accountant, accounting firm or accounting corporation.

(4) The Practice Review Committee shall, where it is undertaking a practice review, have the same powers as a reviewer as specified in section 72.

(5) A person performing or involved in the performance of functions under a practice review

programme shall not disclose any information obtained except –

- (a) for the purpose of a disciplinary hearing or an investigation of a protected disclosure;
- (b) to a person authorised by the Practice Review Committee and who requires the information for the performance of functions specified in this Act;
- (c) where the person supplies the information for purposes of this Act;
- (d) where required to do so by order of a court; or
- (e) at the written request of, and to, an authority established by law which requires the information for the institution or investigation of a criminal prosecution.

(6) A person who contravenes subsection (5), obstructs or hinders any person in the performance of the functions specified in a practice review programme, commits an offence and is liable, on conviction, to a fine not exceeding one hundred thousand penalty units or to imprisonment for a period not exceeding one year, or to both.

Appointment
and powers
of reviewer

72. (1) The Practice Review Committee may appoint a reviewer for purposes of undertaking a practice review.

(2) A reviewer may inspect and make copies of any book, document or record in the possession or under the control of a public accountant.

(3) A reviewer shall carry out a practice review in accordance with –

- (a) this Part;
- (b) the procedures and processes prescribed in the rules of the Institute; and
- (c) instructions and guidelines issued by the Practice Review Committee.

(4) The following shall apply with respect to a practice review:

- (a) a public accountant undergoing a practice review shall, if required by the reviewer –
 - (i) produce to the reviewer or afford the reviewer access to any record, book, document or thing specified by the reviewer or any record, book, document or thing which is of a class or description so specified and which is in the possession or under the control of the public accountant, being in either case a record or other document which the reviewer reasonably believes is or may be relevant to the practice review, within such time and at such place as the reviewer may reasonably require;
 - (ii) give to the reviewer such explanation or further particular in respect of anything produced in compliance with a requirement specified in sub-paragraph (i); and

- (iii) give to the reviewer all assistance in connection with the practice review which the public accountant is reasonably able to give;
- (b) where any information or matter relevant to a practice review is recorded, otherwise than in a legible form, the power of the reviewer to require the production of any record, book or document shall include the power to require reproduction of any such information or matter, or of the relevant part of it, in a legible form;
- (c) a reviewer may inspect, examine or make copies of or take any abstract of, or extract from, any record, book or document produced in accordance with this section; and
- (d) a reviewer exercising a power, in accordance with this section, shall if so requested by a person affected by such exercise, produce for inspection, by the person, the evidence of authority to carry out the practice review.

(5) Nothing in this section shall compel the production by a public accountant of a record or document containing privileged communication by or to a legal practitioner.

Reviewer
to submit
report

73. (1) A reviewer shall submit a report to the Practice Review Committee at the conclusion of the practice review and at any other stage of the practice review

as may be required by the Standards and Regulations Board.

(2) Where after the conclusion of a practice review the Standards and Regulatory Board, after taking into account the report submitted by a reviewer, is of the opinion that the public accountant has failed to observe, maintain or apply any prescribed practice standard, auditing pronouncement, accounting pronouncement, procedures or other requirements, the Standards and Regulations Board shall submit a report of the matter to the Disciplinary Committee, making such recommendations as are appropriate in a particular matter.

Consequences
of failure to
pass practice
review

74. (1) The Disciplinary Committee may, on receiving the report from the Standards and Regulatory Board, in accordance with section 73, and after considering the recommendations made, charge a Member with the offence of failure to observe, maintain or apply any prescribed practice standard, auditing pronouncement, accounting pronouncement, procedures or other requirements, and –

- (a) take any one or more of the following actions after following the prescribed disciplinary proceeding:
 - (i) impose such conditions as are necessary to restrict the provision of public accountancy services by the public accountant in such manner as the Disciplinary Committee considers necessary for a period not exceeding two years;

- (ii) require the public accountant to undergo and satisfactorily complete such remedial programme as may be specified by the Disciplinary Committee;
 - (iii) require the public accountant to take other steps as may be specified by the Practice Review Committee to improve the practice of the public accountant or to give such undertaking as the Disciplinary Committee considers appropriate; or
 - (iv) make such other order as the Disciplinary Committee considers necessary or expedient in the matter; or
- (b) if the Disciplinary Committee considers that it is contrary to the public interest or the interest of the accountancy profession for the public accountant to continue in practice, or if the public accountant has failed to comply with any order or requirement of the Practice Review Committee recommend to the Standards and Regulatory Board–
- (i) suspension of the public accountant for a period not exceeding two years;
 - (ii) cancellation of the practising certificate of the public accountant; or
 - (iii) the de-registration of the public accountant as a Member.

(2) The Standards and Regulatory Board and the Disciplinary Committee shall not take any action or make a decision specified in subsection (1)(b), unless it has given the public accountant an opportunity to show cause why the action or decision proposed to be taken or made by the Council should not be taken or made.

(3) A recommendation of the Disciplinary Committee, made in accordance with subsection (1)(b), shall not take effect –

- (a) until the expiration of one month from the date on which the recommendation was communicated to the public accountant; or
- (b) where an appeal against the decision is made, in accordance with subsection (4), until the appeal has been determined or withdrawn.

(4) A public accountant who is aggrieved by a decision of the Council made on the recommendation of the Disciplinary Committee, may appeal to the High Court, within a period of thirty days after the service of the decision of the Council.

PART VIII

FALSE ACCOUNTING AND DISCLOSURES

Disclosures
and
reporting
requirements
Act No.4 of
2010

75. (1) The Public Interest Disclosure (Protection of Whistleblowers) Act shall apply to a disclosure made in accordance with this Act.

(2) The Institute shall comply with the reporting and other requirements of an Investigation Act.

False and
reckless
dealing with
accounting
documents

76. (1) A Member commits an offence if -
- (a) the Member:

- (i) makes, alters, destroys or conceals an accounting document; or
 - (ii) fails to make or alter an accounting document that the person is under a duty, or a written law to make or alter; and
- (b) the Member intended the making, alteration, destruction or concealment of the document, failed to make or alter the document or intended to facilitate, conceal or disguise the occurrence of one or more of the following:
- (i) the receiving of a benefit that is not legitimately due to the Member;
 - (ii) the giving of a benefit that is not legitimately due to the recipient or intended recipient of the benefit;
 - (iii) a person receiving a benefit that is not legitimately due to the person;
 - (iv) a person giving a benefit that is not legitimately due to the recipient, or intended recipient, of the benefit; and
 - (v) loss to a person that is not legitimately incurred by the other person.

(2) Where a Member commits an offence specified in this section, that Member shall be liable, on conviction, to a fine not exceeding ten thousand penalty units, or to imprisonment for a period not exceeding ten years, or both.

(3) Where a body corporate commits an offence specified in this section, the body corporate shall be liable, on conviction, to a fine not exceeding the greatest of the following:

- (a) one hundred thousand penalty units;
- (b) three times the value of that benefit, if the court determines the value of the benefit that the body corporate, and any body corporate related to the body corporate, obtained, directly or indirectly, and the benefit is reasonably attributable to the conduct constituting the offence; or
- (c) ten percent of the annual turnover of the body corporate during the period of twelve months ending at the end of the month in which the conduct constituting the offence occurred, if the court cannot determine the value of that benefit.

PART IX

PROFESSIONAL CONDUCT AND DISCIPLINARY PROCEEDINGS

Professional
responsibilities
of Members

77. (1) A Member shall maintain that Member's integrity and professional ethics, endeavour to acquire knowledge and skills and perform that Member's functions with fairness and integrity.

(2) A public accountant shall endeavour to ensure fair business practices are upheld by their clients and that investors and creditors are protected by ensuring the reliability of accounting documents and other information concerning finance and accounting.

(3) A public accountant shall provide public accountancy services on the request of a client and shall obtain fees for such accountancy services.

(4) Subsection (3) shall not preclude a public accountant from providing public accountancy services as an employee of, or assistant to, another public accountant or as a partner of an accounting firm or director of an accounting corporation.

Professional
misconduct

78. (1) A Member commits professional misconduct if the Member –

- (a) contravenes the provisions of this Act;
- (b) unlawfully discloses or uses to the Member's advantage any information acquired in the course of professional duties;
- (c) engages in conduct that is dishonest, fraudulent or deceitful;
- (d) commits an offence under any other written law;
- (e) engages in any conduct that is prejudicial to the accountancy profession or is likely to bring it into disrepute;
- (f) breaches the Code of Ethics or accounting pronouncements or auditing pronouncements; or
- (g) encourages another Member to breach or disregard the Code of Ethics, accounting pronouncements or auditing pronouncements.

(2) An act or omission of a Member may constitute improper or dishonourable conduct in the discharge of professional duty even though it is done or occurs while

the Member undertakes professional duties through an accounting firm or accounting corporation.

(3) The partners of an accounting firm or directors of an accounting corporation who are public accountants shall be jointly liable to disciplinary proceedings if the business of the accounting firm or accounting corporation is conducted in a manner which would warrant disciplinary proceedings against it and where such conduct cannot be attributed to the act or omission of any particular public accountant.

Initiation of disciplinary proceedings

79. (1) A public body or private body under which a Member is serving as an employee may take disciplinary action against a Member in accordance with the disciplinary rules and procedures of the private or public body and shall within seven days of taking a decision in the matter, report the decision to the Institute.

(2) The Standards and Regulatory Board shall, on receipt of a decision from an employer specified in subsection (1), refer the matter to the Disciplinary Committee for a decision as to whether the nature of the misconduct of the Member amounted to professional misconduct.

(3) A person may lodge a complaint with the Disciplinary Committee against a Member where the person alleges that the Member has contravened the Code of Ethics or any provision of this Act.

(4) The Standards and Regulatory Board may initiate disciplinary proceedings in accordance with this section where the Standards and Regulatory Board has reasonable grounds to believe that a Member has contravened the Code of Ethics or any provision of this Act.

(5) A complaint or allegation shall be made to the Secretary in the prescribed manner and form.

(6) before any matters are referred to the Disciplinary Committee they shall, have been brought before and investigated by the Standards and Regulatory Board for determination whether there is a prima facie case or not.

(7) Only in instances where the Standards and Regulatory Board determines that there is a prima facie will the matter be submitted to the Disciplinary Committee.

(8) Where a complainant is not satisfied with the decision of the Standards and Regulatory Board, the complainant shall have the right to appeal that the matter be heard by the Disciplinary Committee.

- Disciplinary Committee
80. (1) There shall be a Disciplinary Committee of the Institute comprising the following members:
- (a) a Chairperson;
 - (b) a Vice-Chairperson; and
 - (c) four public accountants of not less than ten years in practice, elected by the Members at an annual general meeting of the Institute, two of whom shall be from the public sector and two from the commercial and industrial sector.
- (2) The Chairperson and Vice-Chairperson shall be legal practitioners qualified to hold, or who have held, high judicial office, nominated by the Law Association of Zambia, and appointed by the Council.
- (3) A Member shall not be appointed as a member of the Disciplinary Committee if the Member –
- (a) has been found guilty of professional misconduct;
 - (b) is in lawful custody or the person's freedom of movement is restricted under

any law in force within or outside Zambia;

(c) has not been on the Register of Members for at least ten years preceding the election or appointment; or

(d) has been convicted of an offence punishable with a term of imprisonment exceeding five years.

(4) A member of the Disciplinary Committee, shall hold office for three years and may be re-elected for a further term of three years.

(5) A member of the Disciplinary Committee shall not serve for more than two terms.

(6) The Chairperson, or in the absence of the Chairperson, the Vice-Chairperson, shall preside at every meeting and every sitting of the Disciplinary Committee.

Functions of Disciplinary Committee

81. The Disciplinary Committee shall hear and determine a matter relating to professional misconduct referred to it by the Council or lodged by any person against a Member.

Proceedings of Disciplinary Committee

82. (1) Four members of the Disciplinary Committee shall form a quorum.

(2) Any question at a sitting of the Disciplinary Committee shall be decided by a majority of the votes of the members of the Disciplinary Committee at the meeting and in the event of an equality of votes, the person presiding at the meeting shall have a casting vote in addition to that person's deliberative vote.

(3) All proceedings of the Disciplinary Committee shall be in camera.

(4) The Disciplinary Committee shall cause to be kept a record of its proceedings.

(5) A party to a hearing of the Disciplinary Committee may be represented by a legal practitioner or, if the party so elects, by any other person or in person.

(6) A decision of the Disciplinary Committee shall be in the form of a reasoned judgment and a copy shall be served on each party to the proceedings and to every person affected by the decision.

(7) If a person is present at a meeting of the Disciplinary Committee at which any matter is the subject of consideration, and in which matter the person or that person's spouse is directly or indirectly interested in a private capacity, that person shall, as soon as is practicable after the commencement of the meeting, disclose the interest and shall not, unless the Disciplinary Committee otherwise directs, take part in any consideration or discussion of, or vote on, any question relating to that matter.

(8) A disclosure of interest made under this section shall be recorded in the minutes of the meeting at which it is made.

Powers of
Disciplinary
Committee

83. (1) The Disciplinary Committee may hear and receive evidence and may, under the hand of the Chairperson or the Secretary, summon witnesses and require the production of any book, record, document, electronic record or anything required for the purposes of the proceedings and may through the Chairperson or Vice Chairperson administer an oath to any witness.

(2) A person summoned to attend before the Disciplinary Committee who, without sufficient cause –

- (a) refuses or fails to attend at the time and place specified in the summons or, having attended, leaves without the

permission of the Disciplinary Committee;

- (b) having attended, refuses to be sworn or to affirm;
- (c) refuses, without lawful excuse, to answer fully and satisfactorily to the best of that person's knowledge and belief, any question lawfully put to that person; or
- (d) refuses to produce any book, record, document or thing which that person has been required by summons to produce;

commits an offence and is liable, on conviction, for every such refusal or failure, to a fine not exceeding twenty thousand penalty units.

(3) A person shall not be compelled to answer any question or produce any book, record or document which that person would not be compelled to answer or produce on the trial of an action in the High Court.

(4) In any hearing before the Disciplinary Committee, any finding of fact which is shown to have been made by any court in Zambia shall be conclusive evidence of the fact so found.

(5) A hearing before the Disciplinary Committee shall, for all purposes, and in particular for the purposes of the Penal Code, be deemed to be a judicial proceeding.

(6) The Disciplinary Committee may, for the purpose of any proceedings use such assessors or experts as the Committee may determine.

(7) Where the Disciplinary Committee, after due inquiry, finds a Member not guilty of professional misconduct, it shall record such a finding in respect to

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matters to which the charge relates and shall forthwith inform the Council of its finding.

(8) The Disciplinary Committee may publicise, as the Committee may consider appropriate, the facts relating to any Member who is found guilty of, and punished for professional misconduct.

(9) The Disciplinary Committee shall, where it has reasonable cause to believe that a Member is, or has become mentally unsound, refer the matter for determination by a medical health practitioner to be dealt with in accordance with the Mental Disorders Act.

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(10) The Disciplinary Committee shall, where a medical health practitioner determines that a Member is of unsound mind, suspend the Member.

Disciplinary
sanctions

84. (1) Where the Disciplinary Committee, after due inquiry, finds a Member guilty of professional misconduct, it may impose one or more of the following penalties:

- (a) censure or caution the Member and impose a fine, not exceeding one hundred thousand penalty units to be paid to the Institute;
- (b) order the Member to pay to the Institute or to any other party to the hearing any costs of, or incidental to, the proceedings;
- (c) impose any reasonable conditions on the suspension, for a period not exceeding one year of the Member's membership or practising certificate or a non-audit practising certificate, as the case may be.

- (d) in the case of a public accountant, order the –
 - (i) public accountant to pay any party to the hearing or other person, as restitution, the amount of loss; caused by that person's negligence; or
 - (ii) cancellation of the public accountant's practising certificate;
- (e) in the case of a holder of a non – practising certificate, order the cancellation of the non-audit practising certificate; or
- (f) order the deregistration of the Member.

(2) The Disciplinary Committee shall inform the council of its decision forthwith.

(3) The Council shall, within five days of receipt of a decision of the Disciplinary Committee, as provided in this Act, transmit the decision to the relevant public or private body.

Reports on disciplinary hearing

85. (1) The Disciplinary Committee shall submit, as soon as practicable after the completion of each hearing, a report of the disciplinary proceedings, together with a copy of the record, to the Council.

(2) The Council shall submit, to an annual general meeting, a compilation of the reports of the Disciplinary Committee submitted to the Council in that year.

Appeals to High Court

86. (1) A person aggrieved by a decision of the Disciplinary Committee may appeal to the High Court within thirty days of the decision.

(2) The Institute shall be the respondent on any appeal under this section.

(3) A decision of the Disciplinary Committee under this Part shall not take effect until the expiration of the time for lodging an appeal against the decision or, if an appeal is lodged, until the time the appeal is disposed of, withdrawn or struck out for want of prosecution, as the case may be.

(4) The High Court may, on an appeal under this section –

- (a) confirm, vary or set aside any finding made, penalty imposed or direction given by the Disciplinary Committee;
- (b) remit the matter to the Disciplinary Committee for further consideration in accordance with such directions as the High Court may give; or
- (c) make such other order as to costs or otherwise as it considers appropriate.

(5) A decision of the Disciplinary Committee shall not be set aside by the High Court by reason only of some irregularity in the proceedings, if such irregularity does not occasion a substantial miscarriage of justice.

Rules relating to appeals

87. The Chief Justice may, by statutory instrument, make rules regulating appeals to the High Court.

Rules relating to disciplinary proceedings

88. (1) The Chief Justice may, by statutory instrument, on the recommendation of the Institute, make rules relating to the –

- (a) form for lodging of complaints and allegations under this Part;
- (b) initiation of disciplinary proceedings;

- (c) mode of summoning the Members;
- (d) form and manner of service of a summons requiring the attendance of a witness before the Disciplinary Committee and the production of any book, record, document or thing;
- (e) procedure to be followed and rules of evidence to be observed in proceedings before the Disciplinary Committee; and
- (f) functions of the assessor to the Disciplinary Committee.

(2) Rules made in accordance with this section may, in particular, provide –

- (a) for securing notices for the proceedings and specifying the time and manner of the proceedings; and
- (b) for securing that any party to the proceedings shall, if that person requires, be entitled to be heard by the Disciplinary Committee.

PART X

FUNDS AND PRUDENTIAL MANAGEMENT OF FUNDS

Benevolent
Fund

89. (1) There is established a Benevolent Fund which is vested in the Institute.

(2) The money from the Benevolent Fund may be used for the following purposes:

- (a) making donations on the demise of Members to their bereaved families;
- (b) philanthropy; and
- (c) ascertain challenges faced by the accountants with a view to addressing them.

(3) The Council shall be responsible for providing oversight to the Fund Manager in respect of the prudential management and administration of, and approval of the disbursement of money from, the Benevolent Fund.

Property
and
Investment
Fund

90. (1) There is established a Property and Investment Fund which is vested in the Institute.

(2) The money from the Property and Investment Fund may be used for the following purposes:

- (a) for the development and construction of real estate;
- (b) to maintain the income base of the Institute;
- (c) to enhance the sustainability of the Institute in the long term;
- (d) to grow contributions for investors; and
- (e) to support the development and growth of the accountancy profession.

(3) The Council shall be responsible for providing oversight to the Fund Manager in respect of the prudential management and administration of, and approval of the disbursement of money from, the Property and Investment Fund.

Educational
Fund

91. (1) There is established an Educational Fund which is vested in the Institute.

(2) The money from the Educational Fund may be used for the following purposes:

- (a) for the sponsorship of students whose means are inadequate to enable them pay for their accountancy studies; and

- (b) to provide honours, awards and prizes to exceptional students with outstanding performance.

(3) The Education and Examinations Board shall be responsible for providing oversight to the Fund Manager in respect of the prudential management and administration of, and approval of the disbursement of money from, the Educational Fund.

Monies
paid into
Funds

92. There shall be paid into a Fund –

- (a) such monies as the Institute may set aside for the purposes of the Fund;
- (b) a percentage of the money collected as membership subscription fees, as may be determined by the Council, in consultation with the Members; and
- (c) money received by way of loans, donations or grants for the purposes of a particular Fund.

Monies
paid out
of Funds

93. There shall be paid out of a Fund such money as may be required to -

- (a) defray any expenditure incurred by the Fund; and
- (b) meet costs incurred by the Fund relating to the administration and management of the Fund.

Prudential
management
of Funds

94. The Council shall establish prudential controls and management procedures for the various Funds of the Institute particularly relating to –

- (a) fiscal and accounting procedures for the governance of the Funds;
- (b) reporting procedures for matters relating to the Funds; and

- (c) procedures and criteria for the investment of the monies of the Fund.

General functions of standing committees relating to Funds

95. (1) A standing committee which has oversight functions of a Fund established under this Part shall, in liaison with the Fund Manager, be responsible for –

- (a) receiving applications made to the Council for accessing money from the Funds;
- (b) assessing applications received, as provided in paragraph (a), to ensure that such applications are in accord with the purposes of the relevant Fund and meet the set criteria and requirements prescribed by the Council;
- (c) making recommendations to the Council, after an assessment of applicants, as provided in paragraph (b), of proposed recipients of the Fund;
- (d) advising the Council on other disbursements from the Funds; and
- (e) making recommendations to the Council on the investment of the monies of the Funds.

(2) A Committee having oversight functions of a Fund shall cause to be kept minutes of the proceedings of every meeting of the Committee.

Rules for various Funds

96. (1) The Council shall make rules for the management and administration of the affairs of the Funds and disbursements from the Funds.

(2) The Council shall, without prejudice to the generality of subsection (1), in the rules issued in accordance with subsection (1) –

- (a) set out the criteria and requirements necessary for the disbursements of monies from the Funds;
- (b) prescribe the forms to be used for purposes of the Funds;
- (c) impose an administrative fee to accompany an application pertaining to the Funds; and
- (d) prescribe the form of certification to be issued, by the Council, to a recipient of monies from the Funds and the manner in which such certification shall be displayed by the recipient as acknowledgement of the assistance from the Funds.

Fund Manager

97. (1) The Council shall appoint a Fund Manager on such terms and conditions as may be determined by the Council.

(2) The Fund Manager, appointed in accordance with subsection (1), shall be responsible for the management of the various Funds of the Institute under the specific direction of the Council and general directions of the relevant Committee having oversight functions of a Fund, as the case may be.

(3) The Fund Manager shall be responsible for the prudential management of the Funds and disbursement of monies from the Funds, as approved by the relevant Committee and the Council.

PART XI

GENERAL PROVISIONS

Powers of
Institute to
deal with
property of
Member or
public
accountant

98. (1) Where a Member is de-registered, or a public accountant is suspended from practice, the Member or public accountant shall, within twenty - one days from the de-registration or suspension, satisfy the Council that the Member or public accountant has made suitable arrangements to the Member`s or public accountant`s clients or to another Member or public accountant instructed by the client or by the Member or public accountant all –

- (a) accounting documents pertaining to the matters being handled by the accountant; and
- (b) sums of money due from the Member or public accountant or the Member`s or public accountant`s accounting firm or accounting corporation.

(2) Where a Member or public accountant fails to satisfy the Council, the Council may take possession or control in accordance with the Second Schedule.

(3) Where an accounting firm or accounting corporation is operated by one public accountant, and that public accountant dies, becomes bankrupt, is mentally incapacitated or abandons practice, the Council may assume responsibility over the accounting firm or accounting corporation and make suitable arrangements, if the Council is satisfied that clients are likely to be prejudiced.

(4) Subsections (5) and (6) and the Second Schedule shall apply in relation to any Member or public accountant who-

- (a) dies;
- (b) abandons practice;

- (c) is adjudged bankrupt; or
- (d) is prevented, for any other reason, from performing professional duties;

and in relation to whom the Council is satisfied that due to the failure to make suitable arrangements, the client is likely to be prejudiced.

(5) The Institute may for purposes of this section, apply to the High Court for an order that all sums of money held by or on behalf of a Member or public accountant, accounting firm or accounting corporation which are or are deemed to be a client's money, and the right to recover or receive such sums, shall vest in the Institute.

(6) Where any sums of money vest in the Institute by virtue of subsection (5), the Institute shall-

- (a) maintain a separate account for such sums;
- (b) hold such sums for the persons beneficially entitled; and
- (c) deal with such sums in accordance with the rules of the Institute.

Jurisdiction

99. (1) A court of competent jurisdiction shall have jurisdiction over public accountants for any act committed outside Zambia which, if it had been committed in Zambia, would have been an offence or professional misconduct in accordance with this Act.

(2) Any proceedings against a Member in accordance with this section which would be a bar to subsequent proceedings against the Member, for the same offence, if the offence had been committed in Zambia, shall be a bar to further proceedings against the Member under any written law relating to the extradition of persons, in respect of the same offence outside Zambia.

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(3) The Mutual Legal Assistance in Criminal Matters Act shall apply to proceedings in accordance with this Act.

Administrative
justice

100. Subject to this Act, where the Institute, Council or any committee takes any decision or other step of an administrative nature for the purposes of this Act which affects the rights and duties of any person, structure or body, or issues auditing pronouncements, accounting pronouncements, newsletters or circulars of general interest or to be acted on as guidelines, the Institute, Council or committee shall –

- (a) publish or otherwise make known the nature and effect of those decisions or steps in a written, printed or electronic manner to the affected person, structure or body in a manner designed to ensure that the person, structure or body acquires full knowledge of the decisions or steps; and
- (b) comply with the applicable requirement of just administrative action, including the furnishing of reasons for the decisions imposed by or under any written law.

Administrative
penalties

101. (1) Where the Council is satisfied, after due investigation, or where a person admits that the person has committed an offence in accordance with this Act or regulations or rules, made in accordance with this Act, the Council, may compound the offence and impose an administrative penalty as specified in subsection (2).

(2) The Council may impose any of the following penalties as an administrative penalty:

- (a) a public or private censure or reprimand;
- (b) where a fine is provided for an offence, an amount of money not exceeding fifty percent of the maximum of the fine; or
- (c) where no penalty is provided for an offence, an amount of money to be determined by the Council but not exceeding double the monetary gain to the person for each contravention.

(3) If a person, on whom an administrative penalty is imposed in accordance with this section, fails to pay the penalty within the time ordered by the Council, the Council may, recover the penalty by action in a court of competent jurisdiction.

Offences related
to public
accountants

102. (1) A public accountant shall not –
- (a) except with the approval of the Council, employ in connection with the practice of the public accountant a person –
 - (i) who is suspended from practice;
 - (ii) who is not registered as a Member or whose name has been removed from the Register of Members or who is disqualified from registration by virtue of a conviction for professional misconduct; or
 - (iii) whose application for registration as a Member was rejected by the Council;
 - (b) practice under an accounting firm or accounting corporation unless on every letterhead bearing the name or title of

the accounting firm or accounting corporation there appears a clear indication of every partner who is a public accountant;

- (c) sign an account, statement, report, financial statement submitted for tax purposes or document which purports to represent work performed by the public accountant, unless the work was performed by the public accountant, or under the personal supervision or direction of the public accountant, or by or under the personal supervision or direction of one or more of the partners or directors of the accounting firm or accounting corporation, as the case may be;
- (d) engage in practice during any period in respect of which the public accountant is suspended from practice; or
- (e) practice without carrying the prescribed professional indemnity insurance.

(2) Subsection (1) (d) shall not apply in respect of work performed –

- (a) on behalf of a public accountant by another public accountant;
- (b) by another public accountant (the previous public accountant) in a partially completed assignment which the previous public accountant was unable to complete as a result of death, disability or other cause not under the control of the previous public accountant, and which assignment the

successor public accountant is engaged to complete; or

- (c) by a member of a professional body outside Zambia whose status, in the opinion of the Institute, is equal to that demanded by the Institute.

(3) A person who contravenes or fails to comply with this section commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a period not exceeding five years, or to both.

Offences by
body
corporate or
unincorporate
body

103. Where an offence is committed by a body corporate or an unincorporate body, every director, partner or manager of the corporate or unincorporate body is liable, on conviction, as if the director, partner or manager had personally committed the offence, unless the director or manager proves to the satisfaction of the Court that the act constituting the offence was done without the knowledge, consent or connivance of the director, partner or manager or that the director, partner or manager took reasonable steps to prevent the commission of the offence.

Prohibition of
disclosure of
confidential
information

104. (1) A person shall not, without authorisation, make a record of, or wilfully disclose to another person, confidential information which has come to that person's knowledge in the course of that person's duties under this Act.

(2) Any person who contravenes subsection (1) commits an offence and is liable, upon conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both.

(3) Subsection (1) does not apply to a person who makes a record of, or discloses, confidential information –

- (a) to another person for the purposes of this Act;
- (b) to another person, if expressly authorised under any other written law; or
- (c) for the purposes of a proceeding in a court or tribunal.

(4) In this section, "confidential information" means information –

- (a) about the identity, occupation or whereabouts of a Member who has made a disclosure or a person against whom a disclosure has been made;
- (b) contained in a disclosure;
- (c) concerning an individual's personal affairs; or
- (d) that, if disclosed, may cause detriment to any person or a Member.

False or misleading information or disclosure

105. (1) A Member shall not knowingly or recklessly make a false or misleading statement, orally or in writing, to any investigating authority, the Institute or Council with the intention that it be acted on as a disclosure.

(2) Any person who contravenes subsection (1) commits an offence and is liable, on conviction if the offender is a –

- (a) natural person, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both; or

- (b) body corporate, to a fine of nine hundred thousand penalty units.

Examination offences

106. (1) Any person who –
- (a) gains access to examination material and discloses it to any unauthorised person or candidate;
 - (b) receives examination materials which that person is not at that material time authorised to receive;
 - (c) willfully or maliciously damages examination materials;
 - (d) takes part or attempts to take part in an examination for which the person is not registered;
 - (e) with intent to impersonate, takes the place or attempts to take the place of an enrolled candidate;
 - (f) presents a forged certificate to a prospective employer or an institution of learning with intent to gain employment or admission; or
 - (g) introduces unauthorised materials, phones, computers or other devices prohibited by the Institute, into the examination room;

commits an offence and is liable, on conviction, to a fine not exceeding ten thousand penalty units or to imprisonment for a term not exceeding five years, or to both.

(2) A person convicted of an offence specified in subsection (1) shall, in addition to the penalty imposed in that subsection, be subject to disciplinary proceedings in accordance with this Act.

Code of Ethics

107. The Council may prescribe a Code of Ethics that will provide for the following principles by which the Members shall be bound:

- (a) integrity;
- (b) objectivity;
- (c) confidentiality;
- (d) competence;
- (e) honesty;
- (f) independence; and
- (g) the need to avoid a conflict of interest.

Rules of Institute

108. The Council may, subject to this Act and the constitution of the Institute, make statutory rules on any matter to be prescribed in accordance with this Act and to matters relating to the Institute, the Council, standing boards and committees of the Institute or Council, as the case may be.

Regulations

109. The Minister may, in consultation with the Council, by statutory instrument, make regulations for anything to be prescribed by the Minister in accordance with this Act and for the better carrying out of the provisions of this Act.

110. Where the provisions of this Act conflict with the provisions of another Act, the provisions of this Act will take precedence.

Repeal
No. 13 of
2008

111. (1) The Accountants Act No. 13 of 2008 is hereby repealed.

(2) Notwithstanding subsection (1), the provisions of the Third Schedule shall apply in respect of the matters specified therein.

FIRST SCHEDULE

(Sections 6 (2) and 18 (5))

PART I

ADMINISTRATION

Tenure of office
of Council
members

1. (1) A member of the Council shall, unless the member vacates office earlier, hold office for a period of three years from the date of election or appointment and may be re-elected or re-appointed for a further term of three years.

(2) A Council member shall not serve for more than two terms.

(3) Notwithstanding paragraph 2, a Member who has held office on the Council for two terms may stand and be elected as Vice President for two terms, and thereafter stand and be elected as President for a further two terms.

(4) A Council member may resign upon giving one month's notice to the Institute.

(5) The Council shall, where there is a vacancy on the Council, appoint another member who shall serve as a Council member until the date of the next annual general meeting of the Institute.

(6) A Council member shall cease to hold office –

- (a) if the Council member ceases to be a Fellow Member or an Associate Member;
- (b) if the Council member is disqualified as in accordance with section 18(4);
- (c) if the member dies;
- (d) if the member is declared to be of unsound mind;
- (e) if the member is declared bankrupt;

- (f) if the member is convicted of an offence involving dishonesty or any other offence under any other written law;
- (g) if the member is absent, without reasonable excuse, from three consecutive meetings of the Council of which the member has had notice; or
- (h) on the expiry of not less than one month's notice, in writing, of that member's intention to resign given by that member to the Institute, and in the case of an appointed member, copied to the appointing authority.

Proceedings of
Council

2. (1) Subject to this Act, the Council may regulate its own procedure.

(2) The Council shall meet at least once in every quarter of the year for the transaction of its business at such places and times as the President may determine.

(3) Upon giving notice of not less than seven days, a meeting of the Council may be called by the President and shall be called if not less than six Council members so request in writing:

Provided that if the urgency of any particular matter does not permit the giving of such notice, a special meeting may be called upon giving shorter notice.

(4) Six Council members shall form a quorum at any meeting of the Council.

(5) There shall preside at any meeting of the Council –

- (a) the President;
- (b) in the absence of the President, the Vice-President; or

(c) in the absence of both the President and Vice-President, such member as the members present shall elect for the purpose of that meeting.

(6) A decision of the Council on any question shall be by a majority of the Council members present and voting at the meeting and in the event of an equality of votes, the person presiding at the meeting shall have a casting vote in addition to that person's deliberative vote.

(7) The Council may invite any person whose presence is in its opinion desirable to attend and participate in the deliberations of the meeting but that person shall have no vote.

(8) The validity of any proceedings, act or decision of the Council or any committee of the Council shall not be affected by any vacancy in the membership of the Council or committee or by any defect in the appointment of any member or by reason that a person not entitled to do so took part in the proceedings.

(9) The Council shall cause minutes to be kept of the proceedings of every meeting of the Council and of every meeting of any committee of the Council.

Disclosure of
interest

3. (1) A person who is present at a meeting of the Council, a committee of the Institute or Council or standing board at which any matter is the subject of consideration, and in which matter the person or that person's spouse is directly or indirectly interested in a private capacity, that person shall, as soon as is practicable after the commencement of the meeting, disclose the interest and shall not, unless the Council, committee or standing board, as the case may be, otherwise directs, take part in any consideration or

discussion of or vote on any question relating to that matter.

(2) A disclosure of interest made under this section shall be recorded in the minutes of the meeting at which it is made.

Immunity

4. No action or other proceeding shall lie or be instituted against the Institute, a Council member, a member of a committee or standing board or staff of the Institute for, or in respect of, any act or thing done or omitted to be done in good faith in the exercise or purported exercise of a function under this Act.

Prohibition of publication or disclosure of information to unauthorised persons

5. (1) A person shall not, without the consent in writing, given by or on behalf of the Institute, the Council or standing board, publish or disclose to any person otherwise than in the course of that person's duties, the contents of any document, communication or information whatsoever which relates to, and which has come to that person's knowledge in the course of, that person's duties under this Act.

(2) A person who contravenes subparagraph (1) commits an offence and is liable, upon conviction, to a fine not exceeding five hundred thousand penalty units, or to imprisonment for a term not exceeding five years, or to both.

(3) A person who having information which to that person's knowledge has been published or disclosed in contravention of subparagraph (1), unlawfully publishes or communicates the information to any other person, commits an offence and is liable, upon conviction, to a fine not exceeding two hundred thousand penalty units, or to imprisonment for a term not exceeding five years, or to both.

Allowances

6. There shall be paid to a Member of the Council, standing board or a committee such allowances as the Council may determine.

PART II
FINANCIAL PROVISIONS

Funds of
Institute

7. (1) The funds of the Institute shall consist of such monies as may –

- (a) be paid to the Institute by way of fees payable by students for training activities and examination fees;
- (b) monies paid for books and other educational literature;
- (c) subscriptions paid by Members;
- (d) grants, subsidies, donations or bequests;
- (e) sums borrowed by the Institute for the purpose of meeting its obligations or attaining any of its objects; and
- (f) otherwise vest in or accrue to the Institute.

(2) The Institute may –

- (a) accept monies by way of grants or donations;
- (b) raise by way of loans or otherwise, such monies as it may require for the discharge of its functions; and
- (c) charge and collect fees in respect of programmes and seminars conducted by the Institute.

(3) There shall be paid from the funds of the Institute –

- (a) the salaries, allowances, loans, gratuities and the payment of pension scheme contributions and dues of the staff of the Institute;
- (b) such reasonable travelling and other allowances for members of the Council, standing board or any committee when engaged on the business of the Institute or the Council, at such rates as the Council may determine;
- (c) sums required for working operations and establishment expenses and expenditure or provision for the maintenance of the property of the Institute, the insurance policies of the Institute and the discharge of functions of the Institute that are properly chargeable;
- (d) interest on any debenture and debenture stock or other security issued on any loans raised by the Institute;
- (e) sums required to be transferred to a sinking fund, other funds or otherwise set aside to make provision for the redemption of debentures or debenture stock or other security or the payment of other borrowed money; and
- (f) any other expenses incurred in the performance of functions specified in this Act.

Investment of funds

8. The Institute may invest in such manner as it considers necessary any of its funds which it does not immediately require for the performance of its functions.

Financial year 9. The financial year of the Institute shall be a period of twelve months ending on 31st December in each year.

Accounts 10. (1) The Institute shall cause to be kept proper books of account and other records relating to its accounts.

(2) The accounts of the Institute shall be audited annually by independent auditors appointed by the Council.

(3) The fees of the auditors shall be paid by the Institute.

(4) For the purposes of subsection (1), proper books of account shall be deemed to be kept with respect to the matters referred to in that subsection if the books give a true and fair view of the state of the Institute's affairs and explain its transactions.

Reports and audited financial statements 11. The President shall, at the annual general meeting held, present a report concerning the activities of the Institute during the financial year and the audited financial statements for approval by the Members.

Annual report 12. (1) As soon as is practicable, but not later than three months after the annual general meeting, the Council shall submit to the Minister a report concerning the activities of the Institute during such financial year.

(2) The report referred to in subparagraph (1) shall include information on the financial affairs of the Institute and there shall be appended thereto audited financial statements.

(4) The Minister shall, not later than thirty days after the first sitting of the National Assembly next after the

receipt of the report referred to in subparagraph (1), lay it before the National Assembly.

SECOND SCHEDULE

(Sections 54(5) and 85(3))

CONTROL OF PROPERTY OF PUBLIC ACCOUNTANTS

- | | |
|--|--|
| Production of accounting documents to Council | 1. The Council may require the production or delivery to any person appointed by the Council at a time and place to be fixed by the Council, and may take possession of accounting documents in the possession or control of the Member or public accountant, accounting firm or accounting corporation. |
| Failure to comply with requirement to produce accounting documents | 2. If any person having possession or control of any such accounting document fails to comply with the requirement stated in paragraph 1, the -
(a) person commits an offence and shall be liable on conviction to a fine not exceeding one hundred thousand penalty units; and
(b) High Court may on the application of the Council order that person to comply with the requirement within such time as may be specified in the order. |
| Service of notice of possession of accounting documents | 3. (1) On taking possession of any accounting documents, the Institute shall serve on the Member or public accountant or accounting firm or accounting corporation and every person from whom those accounting documents were received, a notice giving particulars and the date of taking possession. |

(2) Any requirement or notice shall be made in writing under the hand of such person as may be appointed by the Council for the purpose, and may be served on any person either personally or by forwarding it by registered letter addressed to the last known place of business or residence of the Member or public accountant, or the accounting firm or accounting corporation.

Application to High Court for return of accounting documents

4. Within fourteen days after the service of a notice in accordance with paragraph 3, the Member or public accountant or the accounting firm or accounting corporation or other person on whom the notice was served may apply to a Judge of the High Court in Chambers for an order directing the Institute to return the accounting documents to the person from whom they were received by the Institute or to such other person as the applicant may require and on the hearing of any such application the Judge may make such order with respect to the matter as the Judge may think fit.

Inquiry by Institute to ascertain owner of accounting documents

5. If no application is made in accordance with paragraph 4, or if the Judge to whom any such application is made directs that the accounting documents shall remain in the custody or control of the Council, the Institute may make inquiries to ascertain the person to whom those accounting documents belong and may deal with those accounting documents in accordance with the directions of that person.

Leave of Court required for payment

6. The court may, on the application of the Institute, order that payment shall not be made without

the leave of the court, by any banker named in the order out of any banking account in the name of the Member or public accountant or accounting firm or accounting corporation.

Form of application

7. Any application to the High Court in accordance with paragraphs 4, 5 or 6 shall be made in such form and heard in such manner as may be prescribed by rules of court.

Rules by Council on procedures

8. The Council may make rules with respect to the procedure to be followed in giving effect to the provisions of paragraphs 1, 3, 4 and 5 and with respect to any matters incidental, ancillary or supplemental to those provisions.

THIRD SCHEDULE

(Section 110(2))

SAVINGS AND TRANSITIONAL PROVISIONS

Savings and transitional provisions
Act No. 13 of 2008

1. Notwithstanding the repeal of the Accountants Act, 2008 –

- (a) a person registered as a Member or a chartered accountant under the repealed Act shall continue as a Member and practising as a chartered accountant for a period of three months from the commencement of this Act, after which the person shall register in accordance with this Act;
- (b) the holder of a certificate under the repealed Act, shall be deemed, until the certificate expires, to be the holder of the certificate granted in accordance with this Act, but subject to any rights or benefits accruing, or any liabilities suffered, under the

repealed Act, and subject to, and in accordance with, this Act;

- (c) any applications pending before the Council or the Institute under the repealed Act shall be deemed to have been made to the Council or the Institute under this Act;
- (d) any investigation or proceeding commenced by the Council or the Disciplinary Committee and not concluded at the commencement of this Act may be continued by the Council or the Disciplinary Committee under this Act;
- (e) any directions given under the repealed Act shall, unless contrary to this Act, continue in force until revoked;
- (f) there shall be transferred to, and shall vest in, or subsist against, the Institute by virtue of this Act, and without further assurance, all property, rights, liabilities and obligations that, immediately before the commencement of this Act, were the property, rights, liabilities and obligations of the Institute under the repealed Act; and
- (g) all legal and other proceedings shall continue or subsist by or against the Institute;

Staff of
Institute

2. (1) The contracts of employment of all staff and other employees engaged in accordance with the repealed Act shall, without further assurance, continue in accordance with the terms and conditions of those contracts and the service of the staff and other employees shall continue with the Institute and be treated as continuous service.

(2) The members of the Council, appointed in accordance with the repealed Act, shall continue to serve

as members until their appointments expire or are terminated by the Institute.

(3) Nothing in this Act affects the rights and liabilities of any person employed or appointed by the Institute immediately before the commencement of this Act.