

---

---

First published in the Government Gazette, Electronic Edition, on 30 November 2021 at 5 pm.

## No. S 911

### ACCOUNTANTS ACT (CHAPTER 2)

#### ACCOUNTANTS (PUBLIC ACCOUNTANTS) (AMENDMENT NO. 3) RULES 2021

In exercise of the powers conferred by section 64 of the Accountants Act, the Accounting and Corporate Regulatory Authority, with the approval of the Minister for Finance, makes the following Rules:

#### **Citation and commencement**

1. These Rules are the Accountants (Public Accountants) (Amendment No. 3) Rules 2021 and come into operation on 31 December 2021.

#### **Amendment of Fourth Schedule**

2. The Fourth Schedule to the Accountants (Public Accountants) Rules (R 1) is amended —

(a) by deleting the heading “**General**” immediately before paragraph 100.1 A1 and substituting the following heading:

“**Introduction**”;

(b) by deleting paragraph 100.1 A1 and substituting the following paragraphs:

“

100.1	A distinguishing mark of the accountancy profession is its acceptance of the responsibility to act in the public interest.
-------	--

100.2	<p>Confidence in the accountancy profession is a reason why businesses, governments and other organisations involve public accountants in a broad range of areas, including financial and corporate reporting, assurance and other professional activities. Public accountants understand and acknowledge that such confidence is based on the skills and values that public accountants bring to the professional activities they undertake, including —</p> <ul style="list-style-type: none"> <li>(a) Adherence to ethical principles and professional standards;</li> <li>(b) Use of business acumen;</li> <li>(c) Application of expertise on technical and other matters; and</li> <li>(d) Exercise of professional judgment.</li> </ul> <p>The application of these skills and values enables public accountants to provide advice or other output that meets the purpose for which it was provided, and which can be relied upon by the intended users of such output.</p>
100.3	<p>The Code sets out high quality standards of ethical behaviour expected of public accountants.</p>
100.4	<p>The Code establishes five fundamental principles to be complied with by all public accountants. It also includes a conceptual framework that sets out the approach to be taken to identify, evaluate and address threats to compliance with those fundamental principles and, for audits and other assurance engagements, threats to independence. The Code also applies the fundamental principles and the conceptual framework to a range of facts and circumstances that public accountants might encounter.</p>

(c) by inserting, immediately before paragraph 100.2 A1, the following heading:

**“Requirements and Application Material”;**

(d) by renumbering the existing paragraphs 100.2 A1 and 100.2 A2 as paragraphs 100.5 A1 and 100.5 A2, respectively;

(e) by deleting paragraph **R100.3** and substituting the following paragraphs:

<b>R100.6</b>	A public accountant shall comply with the Code.
100.6 A1	Upholding the fundamental principles and compliance with the specific requirements of the Code enable public accountants to meet their responsibility to act in the public interest.
100.6 A2	Complying with the Code includes giving appropriate regard to the aim and intent of the specific requirements.
100.6 A3	Compliance with the requirements of the Code does not mean that public accountants will have always met their responsibility to act in the public interest. There might be unusual or exceptional circumstances in which a public accountant believes that complying with a requirement or requirements of the Code might not be in the public interest or would lead to a disproportionate outcome. In those circumstances, the public accountant is encouraged to consult with an appropriate body such as a professional or regulatory body.
100.6 A4	In acting in the public interest, a public accountant considers not only the preferences or requirements of an individual client, but also the interests of other stakeholders when performing professional activities.

---

---

<b>R100.7</b>	If there are circumstances where laws or regulations preclude a public accountant from complying with certain parts of the Code, those laws and regulations prevail, and the public accountant shall comply with all other parts of the Code.
---------------	---

”;

- (f) by renumbering the existing paragraph 100.3 A1 as paragraph 100.7 A1;
- (g) by deleting paragraph 100.3 A2;
- (h) by renumbering the existing paragraphs **R100.4** and 100.4 A1 as paragraphs **R100.8** and 100.8 A1, respectively;
- (i) by deleting sub-paragraph (b) of paragraph 110.1 A1 and substituting the following sub-paragraph:
- “(b) Objectivity — to exercise professional or business judgments without being compromised by —
- (i) Bias;
- (ii) Conflict of interest; or
- (iii) Undue influence of, or undue reliance on, individuals, organisations, technology or other factors;”;
- (j) by deleting sub-paragraph (e) of paragraph 110.1 A1 and substituting the following sub-paragraph:
- “(e) Professional Behaviour — to —
- (i) Comply with relevant laws and regulations;
- (ii) Behave in a manner consistent with the profession’s responsibility to act in the public interest in all professional activities and business relationships; and
- (iii) Avoid any conduct that the public accountant knows or should know might discredit the profession.”;
- (k) by deleting the words “to assist” in paragraph 110.2 A1;

(l) by deleting paragraph 111.1 A1 and substituting the following paragraphs:

“

111.1 A1	Integrity involves fair dealing, truthfulness and having the strength of character to act appropriately, even when facing pressure to do otherwise or when doing so might create potential adverse personal or organisational consequences.
111.1 A2	Acting appropriately involves — (a) Standing one’s ground when confronted by dilemmas and difficult situations; or (b) Challenging others as and when circumstances warrant, in a manner appropriate to the circumstances.

”;

(m) by deleting paragraph **R112.1** and substituting the following paragraph:

“

<b>R112.1</b>	A public accountant shall comply with the principle of objectivity, which requires a public accountant to exercise professional or business judgment without being compromised by — (a) Bias; (b) Conflict of interest; or (c) Undue influence of, or undue reliance on, individuals, organisations, technology or other factors.
---------------	--

”;

(n) by deleting the words “and business” in paragraph 113.1 A2 and substituting the words “, business and technology-related”;

(o) by deleting paragraph **R115.1** and substituting the following paragraph:

“

<b>R115.1</b>	A public accountant shall comply with the principle of professional behaviour, which requires a public accountant to —
---------------	--