

# BILL

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## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF SIERRA LEONE ACT 2021

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No.

2021



**A BILL ENTITLED**

**The Institute of Chartered Accountants of Sierra Leone  
Act, 2021**

Short title.

**Being an Act to repeal and replace the Institute of Chartered Accountants of Sierra Leone Act 1988 with an updated and comprehensive Act that will enable the Institute to continue to regulate the accountancy profession and practice and promote integrity, objectivity, independence, confidentiality and professional competence within the profession and to provide for other related matters.**

[ ] Date of commencement.

ENACTED by the President and Members of Parliament in this present Parliament assembled.

## PART I – PRELIMINARY

Interpretation.

1. In this Act, unless the context otherwise Requires -

"accountancy" means a field of practice in which a professional accountant provides the measurement recognition , preparation , analysis, disclosure of financial and relevant non-financial information , auditing of or providing assurance and advisory services on financial information and where applicable non-financial information and such information assists managers, investors, tax authorities and other decision makers in resource allocation decisions;

"assurance" means any audit work on which a professional opinion is expressed;

"auditee entity" means an entity that subjects itself to an independent external audit;

"chartered accountant" means a person who has been admitted to membership of the Institute under section 22 as a chartered accountant and includes an auditor ;

"Council" means the governing body of the Institute established under section 6;

"Director" means a person appointed as Director of the Institute under section 14"

"enrolled" means to be admitted to membership of the Institute and to have ones name inserted in the register of members

"ex officio members" means a registered member of the Institute who was President of the Council and acts purely in an advisory capacity

"Disciplinary Committee" means the Disciplinary Committee established under subsection 2 of section 12;

"firm" includes a partnership and any other type of association including sole practitioners in which chartered accountants are entitled to operate;

"Institute" means the Institute of Chartered Accountants of Sierra Leone established under section 2;

"member" means a member of the Institute;

"practicing certificate" means a certificate issued under section 27;

"practicing firm" means a firm with a practicing certificate issued by the Institute and consisting wholly of members in public practice

"professional accountant" means an accountant who is a member of the body known as the International Federation of Accountants;

"technician accountant" means a person who has been admitted to membership under subsection (4) of section 22;

"Minister" means the Minister responsible for financial matters and Ministry shall be construed accordingly

"quality assurance review" means reviews to determine whether the audit firm -

- (a) has implemented quality control standards;
- (b) is in compliance with such a system and
- (c) has adhered to professional standards, regulatory and legal requirements in performing audits

"quality control review standards" mean internal procedures designed to provide an audit firm with a reasonable assurance that-

- (a) the firm and its personnel comply with professional standards and regulatory requirements;
- (b) reports issued by the firm are appropriate in the circumstances; and
- (c) the procedures necessary to implement and monitor compliance with the firm's policies are properly in place and adequately professional

#### PART II - THE INSTITUTE

Continuation  
of the  
Institute.

2. (1) There shall continue to be in existence the corporate body known as the Institute of Chartered Accountants of Sierra Leone.

(2) The Institute shall be a body corporate having perpetual succession and capable of acquiring, holding and disposing of any property, whether movable or immovable and of suing and being sued in its corporate name and subject to this Act, performing all acts as bodies corporate may by law perform.

3. (1) The Institute shall have a common seal, the affixing of which shall be authenticated by the signatures of the President or other member of the Council generally or specifically authorized by the Council for that purpose and the Director.

(2) Every document purporting to be an instrument executed or issued by or on behalf of the Institute and to be sealed with the common seal of the Institute authenticated in the manner stated in subsection (1) shall be deemed to be so executed or issued without further proof, unless the contrary is proved.

(3) In appropriate cases, the seal may be affixed to documents outside of Sierra Leone.

4. The Institute shall be responsible for-

Functions of  
Institute.

- (a) representing and promoting the accountancy profession in Sierra Leone;
- (b) ensuring integrity, objectivity, independence, confidentiality and professionalism in the practice of the profession;
- (c) regulating the practice of accountancy in Sierra Leone;
- (d) adopting the necessary educational standards of skills, competency and professionalism consistent with the standards issued by the International Accounting Education Standards Board for persons seeking to take the qualified examinations and enter the accountancy profession;
- (e) regulating the professional conduct of its members by establishing and enforcing technical, ethical and other professional

- standards consistent with the code of ethics for professional accountants issued by the International Ethics Standards Board for Accountants;
- (f) identifying, maintaining and enforcing high standards of skill, competence and professionalism among its members by facilitating access to continuing professional development activities;
  - (g) identifying suitable technical standards in relation to the preparation of financial statements for different types and sizes of entities consistent with the International Financial Reporting Standards;
  - (h) investigating and disciplining the activities of its members for misconduct and breach of the rules and standards of the Institute;
  - (i) maintaining and publishing a register of members;
  - (j) engaging in alliances and partnerships outside Sierra Leone that is in the interest of the profession and the Institute;
  - (k) establishing the Institute as an active participant in technical and academic debates concerning accountancy and other related matters;
  - (l) advising the government of Sierra Leone in matters related to public sector accounting and financial management consistent with the standards and practices issued by the International Public Sector Accountancy Standards Board ; and

- (m) carrying out such other activities connected with or incidental to the foregoing functions of the Institute.

5. (1) The Institute shall have powers to regulate and supervise all educational and training requirements for students, technician and its general membership in accordance with established standards and requirements of the International Accounting Education Standard Board. Powers relating to education

(2) Notwithstanding the generality of subsection (1) the Institute shall -

- (a) publish a list of accredited or recognized institutions that students or technicians may enroll in for tuition and formal classes;
- (b) publish a list of accredited or recognized institutions within and outside Sierra Leone exclusive of Universities and Colleges whose academic qualification such as degrees, diplomas and certificates are recognized by the Institute as equivalent to its technical or professional qualifications;
- (c) recommend to accredited educational institutions , academic programs and curricula for adoption by such institution in compliance with the Institute's approved courses, contents and standards that are in line with the standards issued by the International Accounting Education Standard Board; and
- (d) determine, monitor, evaluate and enforce technical academic and experience professional requirements for technicians, professional and certified specialist members.

## PART III - THE COUNCIL

Council of Institute 6. The governing body of the Institute shall be a Council which shall consist of a maximum of twelve voting members all of whom shall be registered members of the Institute.

Officers of Council 7. The Council shall have the following officers-

- (a) the President;
- (b) the Vice-President;
- (c) honorary treasurer;
- (d) Director of the Institute who shall act as Secretary to the Council

Composition of Council 8. (1) The Council shall consist of the following members-

- (a) one voting member who shall be a chartered accountant appointed by the Minister;
- (b) a maximum of ten voting members of which five shall be chartered accountants in public practice and the remaining five shall be chartered accountants in private practice all of whom shall be elected by members at the Institute's annual general meeting;
- (c) a voting member who shall be a technician accountant;
- (d) ex-officio members who shall perform an advisory role and not entitled to vote;
- (e) one representative each of every student organization accredited by the Institute who shall be non-voting members

(2) The Council shall elect from among its members a President and a Vice-President.

9. (1) The President, Vice-President and other members of the Council with the exception of the Director, shall each hold office for a period of two years and shall be eligible for re-election for another period of two years. Tenure of office.

(2) A member of the Council shall vacate his office other than by death if he ceases to be a member of the Institute or if he resigns as a member of the Council by writing under his hand addressed to the President.

(3) Where a member of the Council dies or vacates his office, the Council shall appoint another person to fill the vacancy until the holding of the next annual general meeting.

10 (1) The Council shall be responsible for the direction and control of the Institute. Functions of Council.

(2) Without prejudice to the generality of subsection (1) the Council shall be responsible for-

- (a) enforcing the provisions of this Act and statutory instruments made under the Act.
- (b) determining the qualification and practical experience requirements aligned with the International Accounting Education Standards Board for persons wishing to become members of the institute;
- (c) prescribing standards of professional conduct and ethics for members of the Institute;
- (d) maintaining and publishing a register of members of the institute;

- (e) borrowing money and mortgage or charge the assets and other property of the institute for the repayment of the loan;
- (f) seeking and maintaining good relationship between the institute and other relevant organizations within and outside Sierra Leone and engaging in alliances and partnerships with such organizations where it is deemed to be in the interest of the Institute;
- (g) helping members of the Institute to gain access to suitable continuing professional development activities by holding seminars, conferences and publishing technical academic and other relevant materials;
- (h) approving the annual workplan and budget of the Institute; and
- (i) carrying out such other activities connected with or incidental to the other functions of the Council.

Meetings of Council.

11. (1) The Council shall meet for the dispatch of its business at such time and place as the President may determine.

(2) A special meeting of the Council shall be summoned by the President at the written request of not less than six members of the Council.

(3) The President shall preside at meetings of the Council at which he is present, in the absence of the President the Vice President shall preside, in the absence of both the President and the Vice-President, a member elected by the members of the Council, present from among their number shall preside.

(4) Each member of the Council, shall have one vote but where there is equality of votes, the President or the Vice-President or member presiding shall have a casting vote.

(5) All acts, matters or things authorized or required to be done by the Council shall be decided at a meeting where a quorum is present and the decision is supported by votes of a majority of the members of the Council present.

(6) The quorum for a meeting of the Council shall be six.

(7) Subject to this Act, the Council shall regulate its own procedure.

(8) The Council may co-opt any person to attend and participate in its deliberations but such person shall not vote on any matter for decision by the Council.

12. (1) The Council may, for the discharge of its functions, appoint committees to perform any function as the Council may determine. Committees of Council.

(2) Without prejudice to the generality of subsection (1), the Council shall appoint a Disciplinary Committee.

(3) The Disciplinary Committee shall consist of the following members appointed by the Council-

(a) a chartered accountant of not less than ten years standing who shall be the chairman;

(b) five other persons who shall be non-accountants appointed from among members of the Institute; and

(c) a legal practitioner of not less than ten years standing; and

(d) the Director who shall act as secretary

(4) Members of the Disciplinary Committee with the exception of the Director shall hold office for a period of two years and shall be eligible for reappointment for another final two years

#### PART IV - THE SECRETARIAT

Secretariat

13. (1) The Institute shall have a secretariat which shall generally provide support to the Institute and the Council .

(2) The Secretariat shall be-

- (a) located in a convenient suite of offices readily accessible to members of the Institute and members of the public; and
- (b) staffed by part-time or full-time employees and volunteers as the Institute may require for the efficient discharge of its functions under this Act.

(3) The Secretariat shall be responsible for performing the following functions-

- (a) serve as a contact point and center for correspondences and as an information center for enquiries;
- (b) serve as the custodian of all records of the Institute and Council;
- (c) handle and process applications for membership, registration fees, annual fees, donations and any other monies of the Institute;
- (d) issue practicing certificates ;
- (e) issue identity cards;

- (f) register students and members;
- (g) confirm eligibility of students and members for election to Council and other association recognized by Council;
- (h) independently administer the results of any election to Council and other associations recognized by Council;
- (i) publish an annual list of registered members;
- (j) conduct educational programmes, examination and training of students and members;
- (k) accredit programmes offered by independent organizations that are consistent with the requirements issued by the International Accounting Education Standards Board;
- (l) organize and supervise the continuing professional education and assessment of competences of members;
- (m) perform any other function conferred on it

14. (1) The secretariat shall be headed by a Director who shall be appointed by the Council from among persons with the requisite qualification and experience as determined by the Council

(2) The Director shall be responsible for -

- (a) the day-to-day administration of the affairs of the Secretariat;
- (b) recording of minutes of meetings of the Council;



- (c) liaising on behalf of the Institute with other national and international bodies, organisations and entities and serving as a point of contact for members of the Institute;
- (d) taking decisions on members' compliance with their obligations based on either personal injuries or on report received from the body responsible for setting and adopting standards;
- (e) determining or recommending actions required to ensure compliance by members;
- (f) supervising and disciplining of the other employees of the Institute; and
- (g) performing any other functions as the Institute may assign to him.

(3) The recommendation of the Director referred to under paragraph (e) of subsection (2) shall be ratified by the Council.

(4) The Director shall attend all substantive meetings and deliberations of the Council but shall not be entitled to vote.

#### PART V - FINANCIAL PROVISIONS

Funds of the Institute.

15. (1) The activities of the Institute shall be financed by funds consisting of -

- (a) any moneys accruing to the Institute in the performance of its functions;
- (b) donations and grants from any person or organization for the purposes of the Institute and
- (c) the returns of any investment on any part of the funds of the Institute.

16. The Institute may invest any part of its funds in any security issued or guaranteed by the Government of Sierra Leone or in any security approved by the Council. Power to invest funds.

17. The Institute may maintain an account in any bank or banks within and outside Sierra Leone. Bank account.

18. (1) The Institute shall keep proper books of accounts and other records in relation to the activities of the Institute. Accounts and audit.

(2) The accounts of the Institute referred to in subsection (1), shall be audited annually by a chartered accountant in public practice who is a member of the Institute but not a member of the Council.

(3) The chartered accountant referred to in subsection (2) shall be appointed each year by the members of the Institute at its annual general meeting.

19. (1) The Institute shall as soon as practicable after the end of each financial year publish its report and accounts for the preceding year. Audit report.

(2) The Institute shall furnish each member with a hard copy of the Institute's report and accounts after payment of a fee to be determined by the Council.

(3) Publication of the Institute's reports and accounts referred to under subsection (1) may be by means of posting on the Institute's website or communication by other electronic means and shall be deemed to have delivered a copy of the reports and accounts to each member.

20. The Council may from time to time apply for a temporary loan from the Government in order to enable the Council to meet any current liabilities pending the receipt of income by the Council, and the Minister may recommend such loan from the Government. Loan.

**PART VI- MEMBERSHIP AND OTHER RELATED MATTERS**

Membership  
of the  
Institute.

21. No person shall be enrolled as a member, student or technician of the Institute unless the person satisfies the Council that he-

- (a) is of good character;
- (b) has attained the age of eighteen years;
- (c) is not of unsound mind;
- (d) he has not been convicted by a court of competent jurisdiction whether in Sierra Leone or elsewhere of a criminal offence for which if he were enrolled as a member of the Institute he would have been found guilty of professional misconduct;
- (e) holds all the required educational requirements and experience.

Classes of  
membership.

22. (1) The Institute shall have the following classes of membership-

- (a) Fellow accountant FCA (SL) Fellow Chartered Accountant;
- (b) associate Accountant ACA (SL) Chartered Accountant;
- (c) Affiliate Accountant ;
- (d) Technician Accountant - TA;
- (e) Student Accountant; and
- (f) Student Technician.

(2) A member qualifies as a Fellow if he has been

- (a) an Associate member of the Institute in good standing for a period of five consecutive years prior to his application and has satisfied the Institute that he has undertaken an acceptable level of approved continuing professional development activity in the three years immediately prior to his application; or
- (b) a Fellow member of another body for the time being recognized by the Council for a period of five consecutive years prior to his application.

(3) A member qualifies as an associate chartered accountant if that person passes the qualifying examination -

- (a) for membership of the Institute conducted or approved by the Council; or
- (b) of an association, society or institute which is approved and recognized by the Council as an association, society or institute equivalent in status to that of the Institute.

(4) A member qualifies as a Technician Accountant if that person holds a qualification which the Council designates as suitable for the purpose of admitting persons to the Institute as a Technician Accountant.

(5) A student registered with a recognized and accredited educational institution in Sierra Leone or a qualified foreign institution recognized by the Institute with the aim of qualifying with a degree, diploma, certificate or licence in accounting shall be eligible to be enrolled as a student accountant or student technician member of the Institute.

(6) The Council may by statutory instrument make regulations creating additional classes of membership and amend any of the classes referred to under subsection (1).

Register. 23. The Council shall maintain a register in which shall be recorded the names and such other particulars of every member of the Institute as the Council may deem necessary.

Styles and Titles 24. A member whose class of membership falls under -

(a) paragraph (a) or (b) of sub-section (1) of section 22 shall be entitled to use the title "Chartered Accountant";

(b) paragraph (b) of sub-section (1) of section 22 shall be entitled to use the title "Technician Accountant".

Fees 25. (1) A person who is eligible for membership of the Institute shall be enrolled as a member upon payment of the enrollment fee and annual subscription as prescribed by the Council.

(2) All fees shall be paid to the Secretariat.

(3) All annual subscription shall be paid on the 1st day of January of each year after admission.

Identity Cards 26. The Institute shall issue to each duly registered member an identity card with the photograph of the member affixed on the card.

#### **PART VII - PRACTICE OF ACCOUNTANCY**

practicing certificate 27. (1) A practicing certificate shall be issued by the Council on application made by a member who-

(a) is able to satisfy the Council that he has the necessary qualification ; and

(b) has the requisite practical experience as an accountant in a public practice for such period as the Council may determine.

(2) A practicing certificate issued under subsection (1) shall be valid until the thirty first day of December of the year of issue of the certificate.

(3) Subject to this Act the Council shall renew a member's expired practicing certificate on application made by the member and upon payment of the prescribed fee.

(4) The Council may impose any conditions as it deems necessary on the issue of practicing certificates.

28 (1) A person who is not a member of the Institute shall not engage in public practice in Sierra Leone .

Engaging in public Practice

(2) A person who contravenes this section commits an offence and shall be liable upon conviction to a fine of Le50,000,000.00 or imprisonment for a term not exceeding one year or to both the fine and imprisonment.

(3) For the purpose of this Act, a person shall be deemed to be engaged in public practice, if in consideration of any remuneration received or to be received whether by himself or in partnership or association with any other person, he -

(a) accepts appointment as an auditor;

(b) accepts assurance appointment ;

(c) signs or produces any account, report or certificate (other than a tax return) concerning any person's financial affairs, whether as an individual or on behalf of an unincorporated body or firm, in circumstances where reliance is likely to be placed on such accounts, report

or certificate by a third party or does any other thing which may lead the third party to believe that the accounts, report or certificate concerned have been prepared, approved or reviewed by the practitioner;

- (d) holds himself out or allows himself to be held out as being available to undertake the activities referred to in paragraph (a) and (b); or
- (e) holds himself out or allows himself to be held out as a sole proprietor or partner of a firm where public practice is carried on.

(4) Book-keeping services shall not constitute public practice.

Practicing without a practicing certificate

29. (1) A member of the Institute shall not engage in public practice either alone or with others unless that member is a holder of a practicing certificate issued by the Council under section 27.

(2) A member who contravenes this section commits an offence and shall be liable to a fine of Le50,000,000.00

Required Number of Citizens in a Firm

30. (1) The managing partner of a firm and not less than one half of the partners and senior managers of the firm shall be Sierra Leoneans.

(2) A firm that contravenes this section commits an offence and shall be liable to a fine of Le50,000,000.00

Persons in financial management positions

31. (1) A person in a financial management position and is a professionally qualified accountant shall be eligible to register with the Institute.

(2) For the purpose of this section a person in a financial management position includes the following-

- (a) financial manager;
- (b) finance director;
- (c) financial analyst;
- (d) head of finance department;
- (e) financial controller ; or
- (f) any person leading a financial division

32. The liability of a member in public practice for relevant work performed by the member shall be limited to the persons to whom his report, certificate or opinion is expressly addressed to and shall be proportionate to the member's responsibilities when considered as part of the full range of responsibilities for the event that caused the liability. Liability in public practice.

#### PART VIII - DISCIPLINARY PROCEEDINGS

33. (1) A member commits professional misconduct where Professional Misconduct

- (a) allows any other person not being a chartered accountant or in partnership with or employed by him to practice in his name as a chartered accountant;
- (b) enters into partnership with any person not being a chartered accountant or secures any professional business, either through the services of a person not qualified to be a chartered accountant or by any means not open to a chartered accountant;

- (c) solicits client for professional work either directly or indirectly by circular, advertisement, personal communication, or by any other means;
- (d) advertises professional attainment or services;
- (e) discloses information acquired in the course of professional engagement to any person other than a client or as required by any law;
- (f) fails to disclose a material fact known to him which is not disclosed in a financial statement but disclosure of which is necessary to make the financial statement not misleading;
- (g) fails to report a material statement known to him to appear in a financial statement with which he is concerned in a professional capacity;
- (h) accepts an appointment as an auditor previously held by another chartered accountant or registered accountant without first communicating in writing to the chartered accountant who previously held the job;
- (i) accepts an appointment as an auditor of a company without first ascertaining from the company whether the company has complied with the requirements of the law relating to the appointment of auditors;
- (j) certifies or submits in his name or in the name of his firm a report of a financial statement where the examination of such financial statement and the related records is not made by him or his firm;

- (n) expresses his opinion on a financial statement of any business or enterprise in which he, his firm or a partner in his firm has an interest;
- (k) is negligent in performing professional duties;
- (l) includes in a statement, return or form to be submitted to the Council any particulars he knows to be false;
- (m) fails to comply with the terms of any ethical guidance or technical standards which the Institute has directed members to comply with; or
- (n) commits an offence under this Act.

(2) Nothing in subsection (1) shall prevent the Council from prescribing any other acts which constitute professional misconduct on the part of a member of the Institute.

(3) The Disciplinary Committee shall investigate, examine and adjudicate all forms of misconduct, breach of professional ethics, mismanagement, negligence or fraudulent behaviour on the part of any member of the Institute or firm of accountants whether or not it comes to the knowledge of the Disciplinary Committee as a direct complaint from a client of a firm, an individual member, any member of the public or by some form of confidential information revealed to the committee.

34. (1) Any person who has a complaint relating to the conduct of a member of the Institute in respect of that member's professional work may send such complaint to the council and the council shall forward such complaint to the disciplinary committee to inquire into the matter. Complaints.

(2) Without prejudice to the generality of subsection (1), a complaint may be based on any of the acts of professional misconduct set out in section 25.

(3) A member of the Disciplinary Committee who has any interest whether direct or indirect in any matter to be considered by the committee shall not take part in any of the deliberations or decision of the Committee relating to that matter.

(4) The Disciplinary Committee shall on receiving the complaint determine whether or not an inquiry ought to be held.

(5) Where the Disciplinary Committee determines that an inquiry ought to be held it shall inform the complainant in writing of its decision and the reason for making the decision.

(6) Where the Disciplinary Committee determines that an inquiry ought to be held it shall send a copy of the complaint to the member concerned and a notice informing him of the date fixed for the inquiry to hear his own side of the matter or produce documents relating to the inquiry.

(7) The Council may engage the services of a legal practitioner of not less than 10 years standing in the profession to assist the Disciplinary Council with any legal matters which may arise during the inquiry.

(8) The member whose conduct is being investigated by the Disciplinary Committee shall have the right to be represented by a legal practitioner

(9) A member served pursuant to sub-section 6 who fails without reasonable course to attend the inquiry or to produce any documents requested commits an offence.

(10) Any member who, in making any statement or furnishing any information to the Disciplinary Committee wilfully makes a false or misleading statement or any statement which he does not believe to be true commits an offence.

(11) Where the Disciplinary Committee determines that the evidence of any person or production of document by any person is required to enable a matter to be investigated, the Disciplinary Committee shall send a written notice to the person requesting his attendance or the production of the document by that person at such time and place as may be specified in the notice.

(12) Any person served with a notice under sub-section (12) who fails without reasonable course to attend or to produce any document at the time and place specified in the notice commits an offence.

(13) Any person referred to under sub-section 12 who in making any statement or furnishing any information to the Disciplinary Committee wilfully makes a false or misleading statement or any statement which he does not believe to be true commits an offence.

(14) Every notice issued by the Disciplinary Committee shall be signed by the Director.

(15) Every inquiry held by the Disciplinary Committee shall unless the Council otherwise determines be held in camera.

(16) The recommendation of the Disciplinary Committee shall be determined by the decision of the majority of the members of the Disciplinary Committee.

(17) An accredited or associate organization granted membership of the Institute shall submit a detailed report to the Disciplinary Committee of any internal disciplinary proceedings taken against any student or technician member of that organization and if the Disciplinary Committee deems it necessary it may take any further disciplinary action.

(18) Where a complaint against a student or technician member of an accredited or associate organization is first made to the Disciplinary Committee the Institute shall refer the complaint to the organization concerned for it to take its disciplinary measures and thereafter sub-section 17) shall apply.

Disciplinary  
measures.

35. (1) After holding an inquiry, the Disciplinary Committee shall decide whether the allegations inquired into have been proven and if it so decides, it may recommend to the Council to impose any of the following disciplinary measures against the member-

- (a) disenroll the member concerned ;
- (b) excluding him from membership as a chartered accountant for such period as it thinks fit;
- (c) suspending him from membership for such period as it deems fit;
- (d) withdrawing his practicing certificate for such period as it deems fit;
- (e) banning the member from taking any examination for such a period as it deems fit
- (f) reprimanding him;
- (g) imposing a fine ;
- (h) prosecution in a court of competent jurisdiction.

(2) The Disciplinary Committee, shall at the end of each inquiry, submit a report of its findings to the Council.

(3) After receipt of the report referred to in subsection (2) the Council shall decide to take any disciplinary measures referred to in subsection (1).

(4) Where a member is disenrolled for professional misconduct, that member's name may be re-enrolled, if the Council is satisfied that that person has subsequently become a fit and proper person to continue to practice the profession of accountancy.

(5) Where the Council agrees to disenroll a member based on the findings of the disciplinary committee the Council in lieu of exercising that power shall suspend the member from membership or withdraw his practicing certificate for such period as it deems fit.

36. (1) The Council shall maintain a complete record of all investigations and disciplinary processes carried out by the Disciplinary Committee. Records of  
Disciplinary  
Proceedings

(2) The length of time the records should be kept shall be determined by the Council.

37. (1) Where the Council decides to take any disciplinary action, the member into whose conduct the inquiry was made may appeal to the High Court within thirty days from the date on which the decision of the Council was communicated to him. Right of  
appeal.

(2) The Council shall not execute any punishment until the appeal is heard and judgment delivered.

(3) The High Court may confirm, revoke or vary the decision appealed against.

#### **PART IX - MISCELLANEOUS PROVISIONS**

38 (1) Members and firms holding practicing certificates shall pay the fees determined by the forum of firms to the body responsible for quality assurance work. Audit quality  
review  
scheme

(2) A member or firm who contravenes this section shall be liable to a fine to be determined by the Institute and the member or firm's licence to provide audit and assurance work shall be revoked by the Institute.

39. (1) Where the Institute requires information relating to an entity's audit returns it shall inform the entity of- Auditors to  
submit  
information

- (a) the format of the audit returns;
- (b) the reporting period to be covered which shall not be above three months;

- (c) the time within which the returns should be submitted.

(2) The information required under sub-section (1) shall include but not be limited to particulars of:-

- (a) the audit fee payable by the auditee entity,
- (b) nature of the audit opinion or other report certificate issued by the auditor,
- (c) the revenue of the auditee entity; and
- (d) other information related to the assessment of the risk associated with the audit.

(3) Where an auditor contravenes this section he commits an offence which shall be conclusive evidence of professional misconduct and shall not require the report of a Disciplinary Committee for the determination of proof of professional misconduct.

Inspection of auditee entity.

40. (1) With the exception of provisions made for the operations of the Auditor-General of the Government of Sierra Leone, where an Act of Parliament makes provision for the inspection or audit of the affairs of any auditee entity, that Act shall be deemed to require that any of such inspection or audit be carried out only by individuals who hold valid practicing certificates or firms which are managed and controlled by individuals who hold valid practicing certificates.

(2) A firm is managed and controlled by individuals if over half of the partners or directors of the firm hold a valid practicing certificate.

Confidentiality.

41. A member of the Institute who makes any information available to the Institute in good faith and in accordance with powers properly exercised by the Institute under this Act shall not be deemed to have breached any duty of confidentiality that may be owed to

clients and the member shall not assume any civil or criminal liability as a consequence of such action.

42. A person who contravenes any provision of this Act for which no penalty is prescribed commits an offence and shall be liable to a fine not exceeding Le30,000.000.00 General penalty.

43 (1) Properties and assets which immediately before the commencement of this Act were vested in the Institute of Chartered Accountants of Sierra Leone shall with effect from the commencement of this Act continue to vest in the Institute subject to all interests, charges, obligations, liabilities and trust affecting its property and assets. Properties assets and liabilities

(2) Excepts otherwise provided for in any law relating to property, all contracts, debts, obligation and liabilities of the Institute before the commencement of this Act shall continue to vest in the Institute and may be enforced by or against the Institute .

(3) All legal proceedings or claims pending before the commencement of this Act in relation to the Institute shall be continued or enforced by or against the Institute in the same manner as they would have been continued or enforced if this Act had not been enacted .

44. (1) The Council may after consultation with members by statutory instrument make regulations for giving effect to this Act. Regulations.

(2) Without prejudice to the generality of subsection (1), the Council may make regulations for-

- (a) the summoning and holding of meetings of the Institute and Council, the time and place of such meeting and the conduct of business thereat;
- (b) the management of the property of the Institute, the custody of its funds and



- maintenance and audit of its reports and accounts;
- (c) the election or appointment of members of committees, the powers, functions and duties of such committees and the conditions subject to which such powers may be exercised and such functions and duties performed.
- (d) the powers, functions, duties and conditions of service of the Director and other officers and staff of the Secretariat;
- (e) the exercise of disciplinary control over officers and staff of the Institute;
- (f) procedure for the conduct of disciplinary hearings;
- (g) the time and manner of the payment of enrolment, registration and renewal fees and the termination of membership upon failure to pay renewal fees and the conditions for restoration to membership in such cases;
- (h) the fees to be paid to the Council by students and technicians admitted to the qualifying examination or for courses of instruction provided by the Council and the engagement and remuneration of lecturers and examiners;
- (i) the grant of assistance, whether financial or otherwise, to student societies;
- (j) the carrying out of quality assurance check on the work of members who accept appointment as external auditors;

- (k) the identification and enforcement of technical and ethical standards which members are expected to comply with in their professional work ;
- (l) establishment of mechanism for the implementation of the following-
- (i) International Education Standards Board (IES)
- (ii) International Auditing and Assurance Standards Board (IAASB);
- (iii) International Standard on Quality Control and ethics standards Board issued by the IAESB, (international accounting education standards board);
- (iv) IAASB (international auditing and assurance standards Board; and
- (v) IESBA (international ethics standards board for Accountants)

any other matter for the purposes of this Act

45. (1) The Institute of Chartered Accountants of Sierra Leone Act 1988 is hereby repealed.

Repeal of Act No.5 of 1988 and savings.

(2) Notwithstanding subsection (1), any rules or regulations made under the repealed Act and in existence immediately before the commencement of this Act, shall continue in operation until their expiration or until their express repeal or revocation under this Act.

(3) Any person holding or deriving any office by appointment under this repealed Act shall be deemed to have been appointed under this Act.

**MEMORANDUM OF OBJECTS AND REASONS**

This Bill seeks to repeal and replace the Institute of Chartered Accountants of Sierra Leone Act 1988. This Bill is divided into nine parts. Part I contains the interpretation clause where words used throughout the Bill are defined.

**Part II** contains provisions on the Institute. Clause 2 provides for the continuation of the Institute as a body corporate. Clause 4 deals with functions of the Institute. One of the main functions of the Institute is to represent and promote the accountancy profession in Sierra Leone.

**Part III** contains provisions on the Council which is the governing body of the Institute. Clause 10 deals with functions of the Council. One of the main functions of the Council is to determine the qualification and practical experience requirement for persons wishing to become members of the Institute.

**Part IV** contains provisions on the secretariat which provides support to the Council. Clause 14 provides for a Director who shall be the head of the secretariat. The responsibility of the Director includes running the day-to-day affairs of the secretariat and to liaise on behalf of the Institute with other national and international bodies.

**Part V** deals with financial provisions. Clause 15 provides for the funds of the Institute. Clause 16 empowers the Institute subject to the approval of Council to invest any part of its funds in any security issued or guaranteed by the Government or in any security

**Part VI** contains provisions on the membership of the Institute. Class 22 outlines the classes of membership. Clause 23 provides for the Council to maintain a register to record the names and other particulars of every member of the Institute.

**Part VII** contains provision on the practice of accountancy. Clause 27 provides for the issuance of a practicing certificate to members. Clause 28 stipulates that a person who is not a members of the Institute shall not engage in any public practice and carries a fine of

50,000,000.00 or imprisonment for a term not exceeding one year. Clause 29 provides that a member shall not engage in a public practice unless the member holds a practicing certificate and carries a fine of Le50,000,000.00. Clause 30 provides that a managing partner of a firm and not less than one half of partners and senior managers of the firm shall be Sierra Leonean and carries a fine of Le50,000,000.00 for the contravention of the clause.

**Part VIII** deals with disciplinary proceedings. Clause 34 stipulate that a person who has a complaint relating to the conduct of a member of the Institute regarding the member's professional work may send the complaint to the Council. Clause 35 outline the disciplinary measures which the Council may impose. Clause 36 provides that the Council should maintain complete records of all investigations and disciplinary processes carried out by the Disciplinary Committee. Clause 37 gives members the right to appeal to the High Court against any disciplinary measures taken by the Council

**Part IX** contains miscellaneous provisions. Clause 41 deals with confidentiality. It provides that a member of the Institute who makes information available to the Institute in good faith and in accordance with powers properly exercised by the Institute under this Act shall not be deemed to have breached any duty of confidentiality that may be owed to clients and that members shall not assume any civil or criminal liability as a consequence of such action. Clause 44 empowers the Council to make regulations by statutory instrument.

*MADE this 23rd day of June, 2021.*

DENNIS VANDI.  
*Minister of Finance*

FREETOWN,  
SIERRA LEONE  
MARCH 2021.