

**ACT OF INCORPORATION  
AND  
REGULATIONS OF THE INSTITUTE OF CHARTERED ACCOUNTANTS  
OF SRI LANKA**

*(After Consolidation of the following Acts*

*Act. No. 23 of 1959*

*Act. No. 16 of 1964*

*Act. No. 34 of 1975*

*Act. No. 15 of 1998)*

**30A MALALASEKERA MAWATHA  
COLOMBO 7**

## ACT OF INCORPORATION

Institute of Chartered Accountants Act, No. 23 of 1959, as amended by the Institute of Chartered Accountants (Amendment) Act. No. 16 of 1964 and Institute of Chartered Accountants of Sri Lanka Amendment Law No. 34 of 1975 and Institute of Chartered Accountants (Amendment) Act No. 15 of 1998.

An Act to provide for the establishment of an Institute of Chartered Accountants of Sri Lanka and of a Council of the Institute which shall be responsible for the management of its affairs for the issue of Sri Lanka Accounting and Sri Lanka Auditing Standards and for the registration and control of and the maintenance of professional standards and discipline by members of the Institute and for matters connected with or incidental to the matters aforesaid.

Be it enacted by the National state Assembly of the Republic of Sri Lanka as follows;

SHORT TITLE AND DATE OF OPERATION	1. This Act may be cited as the Institute of Chartered Accountants Act No. 23 of 1959, and shall come into operation on such date (hereinafter referred to as "the appointed date" as may be appointed by the Minister by Order published in the Gazette.
ESTABLISHMENT OF INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA	<b><u>ESTABLISHMENT OF INSTITUTE AND MEMBERSHIP</u></b>  2. There shall be an Institute with the name, "The Institute of Chartered Accountants of Sri Lanka" (hereinafter referred to as "the Institute").

<p>INCORPORATION OF INSTITUTE</p>	<p>3. (1) The persons for the time being enrolled as members of the Institute shall be a body corporate with the name "The Institute of Chartered Accountants of Sri Lanka".</p> <p>(2) The Institute shall have perpetual succession and a common seal and may sue or be sued in its corporate name and may hold, acquire and dispose of any property, movable or immovable.</p>
<p>OBJECTS OF THE INSTITUTE</p>	<p>3A The objects of the Institute shall be-</p> <ul style="list-style-type: none"> <li>(i). to promote in general the theory and practice of accountancy and in particular, auditing, financial management and taxation;</li> <li>(ii). to enroll, educate and train members who are desirous of learning or improving their skills and knowledge, in disciplines such as auditing, financial management and taxation;</li> <li>(iii). to preserve the professional independence of accountants and to ensure the maintenance of high standards of professional work and conduct by its members;</li> <li>(iv). to make donations and contributions for national, public, educational or charitable purposes;</li> <li>(v). to make grants to Universities or to other educational Institutions;</li> <li>(vi). to award scholarships, and to hold exhibitions, with a view to promoting the interests to the members of the Institute;</li> <li>(vii). to organize, finance and maintain schemes for the granting of diplomas, certificates and other awards to members of the Institute and of other professional bodies and to other persons who fulfill the prescribed conditions;</li> <li>(viii). to make grants or contributions to any other society having similar objects as those of the Institute;</li> <li>(ix). to do all such acts and things as are incidental or conducive, to the attainment of the above objects.</li> </ul>

ELIGIBILITY FOR  
MEMBERSHIP OF  
INSTITUTE

4. (1) Subject to the provisions of section 15, the following persons shall be eligible for membership of the Institute;
- (i) a person who passes the qualifying examinations for membership of the institute to be conducted by the Council under this Act and completes a scheme of practical training approved by the Council and for such period as may be prescribed by the Council;
- Provided however that such practical training shall not be restricted to service under a practicing accountant;
- (ii) a person who is a member of any society or institute of accountants by whatever name called and approved by regulations made by the Council as being in the opinion of the Council as association of equivalent status to the Institute;
- Provided, however that notwithstanding the approval of any such society or institute the Council may declare that any class or description of members of the Society or Institute shall not be eligible for membership of the Institute; and
- (iii) a person who was, at the appointed date, registered as an Auditor under the Companies' (Auditors) Regulations 1941.
- (2) Any regulations made by the Council prescribing practical training for the purpose of paragraph (i) of subsection (1) may contain such special provisions as the Council may deem expedient declaring that a person who had commenced prior to the appointed date or the relevant date, and completed or completes, whether prior to or after the aforesaid dates, training as an articled clerk under a practicing accountant for such period as may be specified in the regulations shall be deemed to have completed the training prescribed for the purposes of the aforesaid paragraph (i).
- (3) Any regulations made by the Council by which any society or institute is approved for the purposes of paragraph (ii) of sub-section (1) may provide, as a condition of such society or institute shall not be eligible for membership of the institute of Chartered Accountants of Sri Lanka, unless he has undergone such training as approved by the Council for such period as may be specified.

<p>FEE FOR MEMBERSHIP OF INSTITUTE</p>	<p>5. (1) Subject to the provisions of section 15 a person who is eligible for membership of the Institute shall be enrolled as member upon payment to the Council of a fee of one hundred and twenty-five rupees or such other amount as may be substituted therefore by regulation. Such fee shall be paid to the President of the Council or if the Council has not been constituted to the Registrar of Companies.</p> <p>(2) The enrolment of a person as a member of the Institute shall be effective until the thirty-first day of December of the year of enrolment, and the enrolment may be renewed annually upon payment to the Council of the prescribed fee in respect of each such renewal.</p>
<p>CLASSIFICATION MEMBERS AS FELLOWS AND ASSOCIATES</p>	<p>6. (1) The members of the Institute shall be divided into two classes consisting respectively of Fellows and Associate Members.</p> <p>(2) Any member of the Institute who satisfies the Council that he has been in continuous practice as an accountant for not less than five years, whether before or after the appointed date, or partly before and partly after that date, or who has completed ten years as a member of the Institute, shall on application made to the Council in that behalf on or before December 31, 1985, and on payment to the Council of a prescribed fee be registered by the Council as a Fellow of the Institute and shall be entitled to use the addition "F.C.A." after his name to indicate that he is a Fellow.</p> <p>(3) A member of the institute who is not eligible for registration by the Council as a Fellow of the Institute under subsection (2), shall be eligible for registration as a Fellow of the Institute by the Council, on completion of five years after admission to membership of the Institute and on fulfilling such requirements as may be prescribed by the Council for the advancement to Fellowship of the Institute, and upon an application being made to the Council and on payment to the Council of the prescribed fee. Such member shall upon registration by the Council as a Fellow of the Institute be entitled to use the addition "F.C.A." after his name to indicate that he is a Fellow.</p> <p>(4) Every member of the Institute who is not registered under sub section (2) or sub section (3) as a Fellow of the Institute shall be an Associate Member and shall have the right to use the addition "A.C.A." after his name to indicate that he is an Associate Member; and</p> <p>(5) Every Member of the Institute shall be entitled to take and use the title "Chartered Accountant"</p>

CONSTITUTION OF  
COUNCIL

**THE COUNCIL**

7. (1) There shall be a Council of the Institute, in this Act referred to as “the Council”.
- (2) The Council shall consist of a President, a Vice President and fourteen other members appointed or elected as hereinafter provided.
- (3) During the period of ten years, commencing on the appointed date, the President, Vice President and the other members of the Council shall be appointed by the Minister, and of the members so appointed at least six shall be persons who are members of the Institute of whom not more than four shall be practising accountants; and
- (4) After the expiration of the period of ten years referred to in sub section (3), the President and Vice President of the Council shall be elected by the members of the Institute from themselves, and the remaining members of the Council shall consist of;
- (a) Eight members appointed by the Minister of whom one shall be the Auditor General if he is a member of the Institute and another shall be the immediate past President of the Council;
- (b) Six members elected by the members of the Institute, from among its members;
- (c) A member appointed by the Minister, in a case where the Auditor General is not a member of the Institute or the immediate past President declines to accept appointment to the Council, and
- Provided, however, that –
- (i) where the Minister fails to appoint, within three months after the expiration of the period of ten years referred to in sub section (3), one or more of the members specified in paragraph (a) of this sub section, or
- (ii) where the Minister fails to appoint, within three months after the death of, or vacation of office by, a member of the Council appointed under paragraph (a) or (c) of this sub section, another person in place of such member, the members of the Institute may elect from themselves such number of persons as may be necessary to make up the number of members specified in paragraph (a) of this sub section.

	<p>(5) The elections under sub section (4) shall be conducted in accordance with such provisions in that behalf as may be made by the Minister by Order published in the Gazette.</p>
<p>SPECIAL PROVISION RELATING TO PRESIDENT AND VICE PRESIDENT</p>	<p>7a. (1) A member of the Institute shall not be eligible for elections as President of the Council for more than one term of office.</p> <p>(2) A member of the Institute shall not be qualified to be elected as Vice President of the Council unless he –</p> <p>(a) is Fellow of the Institute and</p> <p>(b) has served in at least three Committees appointed by the Council; and</p> <p>(c) has been a member of the Council for at least one term during the period of five years immediately preceding the date of closing of nominations for the post of Vice President.</p> <p>(3) Notwithstanding anything to the contrary in this Act, the Member of the Institute holding office as Vice President of the Council, shall be deemed, to be elected as President of the Council, for the next term of office of the Council, by the members of the Institute, unless the Council resolves to the contrary, by secret ballot, at a meeting held at least six months prior to the date of commencement of the next term of office of the Council and by a majority of not less than three fourths of the members of the Council (including those not present) voting in its favour. In the event of the Council so resolving or in the event of the member of the Institute holding office as Vice President of the Council being unable or unwilling to accept office as President of the Council for the next term of office of the Council the members of the Institute shall elect a President from among themselves, so however, that the member so elected shall be a member who has the qualifications set out in paragraphs (a), (b) and (c) of subsection (2) and is not the member holding office as President of the Council.</p>
<p>TERM OF OFFICE OF MEMBERS OF THE COUNCIL</p>	<p>8. (1) Every member of the Council shall, unless he earlier vacates his office, hold office for a period of two years from the date of his appointment or election;</p> <p>Provided, however, that the members appointed under sub section (3) of section 7 and holding office at the expiration of a period of ten years from the date referred to in that sub section shall thereupon vacate</p>

	<p>office.</p> <p>(2) A member of the Council shall vacate office by resignation therefore or if he ceases to be a member of the Institute.</p> <p>(3) In the event of the death of or vacation of office by a member of the Council, another person shall, in accordance with the provisions of section 7, be appointed or elected, as the case may be in place of such member, and shall hold office during the remaining part of the term of office of such member.</p> <p>(3a) A member of the Council who fails, without being excused by the Council, to attend three consecutive meetings of the Council shall be deemed to have vacated office, with effect from the date of the last of such meetings.</p> <p>(4) Any member of the Council who vacates office by effluxion of time shall be eligible for re-appointment or re-election as a member.</p>
<p>GENERAL POWERS AND DUTIES OF COUNCIL</p>	<p>9. (1) The Council shall be charged with the administration and management of the Institute and shall be responsible for carrying out the provisions of this Act and the function and duties conferred or imposed upon the Council by this Act.</p> <p>(2) It shall be the duty of the Council –</p> <p>(a) to conduct or provide for the conduct of the qualifying examinations for membership of the Institute and to prescribe or approve courses of study for such examinations;</p> <p>(b) to supervise and regulate the engagement, training and transfer of articled clerks who have entered into articles of agreement on or before the relevant date;</p> <p>(c) to supervise and regulate the registration of students and the courses of practical training for such registered students for such period as may be prescribed by the Council;</p> <p>(d) to specify the class of persons who shall have the right to train articled clerks who have entered into articles of agreement on or before the relevant date, and to specify the circumstances in which any person of that class may be deprived of that right;</p>



	<p>(e) to fix the maximum amount of the premia of fees to be charged from articled clerks who have entered into articles of agreement on or before the relevant date and the conditions subject to which such fees are to be charged;</p> <p>(f) to maintain and publish a Register of members of the Institute and a Register of persons authorized to practice in Sri Lanka as Chartered Accountants;</p> <p>(g) to secure the maintenance of professional standards among members of the Institute and to take such steps as may be necessary to acquaint them with the methods and practices necessary to maintain such standards;</p> <p>(h) to maintain a library of books and periodicals relating to accountancy and to encourage the publication of such books in Sri Lanka;</p> <p>(i) to carry out and encourage research in Sri Lanka in the subjects of accountancy, audit and other related subjects and generally to promote the education, training and advancement of the registered students and secure the well-being and advancement of the profession of accountants;</p> <p>(j) to approve the scheme of practical training to be followed by the registered students;</p> <p>(k) to require any institution to provide information to the Council with regard to facilities available for training students in accounting and audit;</p> <p>(l) to issue Sri Lanka Accounting and Sri Lanka Auditing Standards;</p> <p>(m) to borrow or raise monies with or without security;</p> <p>(n) to purchase, lease, rent or otherwise acquire any movable or immovable property and to sell, mortgage, lease or otherwise dispose of any such property;</p> <p>(o) to construct, alter, maintain and equip any buildings necessary for the use of the Institute;</p> <p>(p) to pay remuneration, allowances, pensions and gratuities to officers and servants of the</p>
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	<p>Institute, and to their dependents;</p> <p>(q) to pay expenses to members of the Council and to any other persons who render any services to the Institute; and</p> <p>(r) to do all such other acts or things as may be necessary for carrying out the objects of the Institute.</p>
OFFICERS OF THE COUNCIL	<p>10. The Council may appoint a Secretary and such other officers and servants as it may deem necessary.</p>
	<p>11. (1) The Council shall establish and maintain a fund under its management and control into which shall be paid all moneys received by the Council and out of which shall be met all expenses and liabilities incurred by the Council in carrying out its powers, functions and duties under this Act.</p> <p>(2) The Council may invest moneys in the fund in any securities issued or guaranteed by the Government of Sri Lanka in any other securities approved by the Minister.</p> <p>(3) The Council may maintain an account in any bank or banks in Sri Lanka.</p> <p>(4) The annual accounts of the Council shall be subject to audit by a member of the Institute (not being a member of the Council) in practice as a Chartered Accountant in Sri Lanka who shall be appointed for the purpose each year by the Council.</p> <p>(5) As soon as may be after the end of each financial year of the Council the accounts for the preceding year shall be published in the Gazette and copies thereof shall be furnished to the Minister and to each member of the Institute.</p> <p>(6) As soon as convenient after the appointed date, the Government shall donate to the Council a sum of two hundred thousand rupees.</p> <p>(7) The Minister of Finance may from time to time decide that a temporary loan shall, subject to such conditions as he may determine, be made to the Council from the Consolidated Fund of Sri Lanka in</p>

	<p>order to enable the Council to meet any current liabilities pending the receipt of income by the Council. Any sum which is to be lent to the Council under this sub section is hereby charged on the Consolidated Fund in Sri Lanka.</p> <p>Provided, however, that total amount of such loans to the Council outstanding at any time shall not exceed ten thousand rupees.</p>
<p>POWER TO MAKE REGULATIONS</p>	<p>12. (1) The Council may make regulations for or in respect of any matter required or authorized by this Act to be prescribed or of any matter relating to or connected with its powers, functions and duties under this Act or the proper exercise, discharge or performance thereof.</p> <p>(2) Without prejudice to the generality of the provisions of sub section (1), the Council may make regulations in respect of all or any of the following matters.</p> <ul style="list-style-type: none"> <li>(a) the summoning and holding of meetings of the Council, the times and places of such meetings and the conduct of business there at;</li> <li>(b) the management of the property of the Council, the custody of its funds and the maintenance and audit of its accounts;</li> <li>(c) the election or appointment by the Council of standing or other 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;</li> <li>(d) the powers, functions and duties of the Secretary and other officers of the Council and the salaries, fees, allowances and conditions of service of such officers and servants;</li> <li>(e) the establishment and regulation of a provident fund for the benefit of the officers and servants and their dependents or nominees, and the contributions to be made by the Council and by such officers and servants to such Fund;</li> <li>(f) the exercise of disciplinary control over officers and servants of the Council;</li> <li>(g) the time and manner of the payment of enrolment registration and renewal fees, the termination of membership upon failure to pay renewal fees and the conditions of restoration to</li> </ul>

	<p>membership in such cases;</p> <p>(h) the fees to be paid to the Council by students admitted to the qualifying examinations or for courses of instructions provided by the Council, and the engagement and remuneration of lecturers and examiners; and</p> <p>(i) the grant of assistance, whether financial or otherwise, to societies of students.</p>
	<p>13.     }</p> <p>14.     }</p> <p style="margin-left: 150px;">Repealed</p>
<p>GENERAL DISQUALIFICATIONS</p>	<p style="text-align: center;"><b><u>QUALIFICATIONS FOR ENROLMENT AND PROVISIONS AS TO DISENROLMENT, ETC.</u></b></p> <p>15. (1) No person shall be enrolled as a member of the Institute –</p> <p style="margin-left: 40px;">(a) unless he has attained the age of twenty one years and is either a citizen of Sri Lanka or has ordinarily resided in Sri Lanka for a period of not less than three years;</p> <p style="margin-left: 40px;">(b) if he has been adjudged by a competent court to be of unsound mind;</p> <p style="margin-left: 40px;">(c) if having been adjudged an insolvent or bankrupt, he has not been granted by a competent court a certificate to the effect that his insolvency or bankruptcy has arisen wholly or partly from unavoidable losses or misfortunes;</p> <p style="margin-left: 40px;">(d) if he has been convicted by a competent court, whether in Sri Lanka or elsewhere, of any offence involving moral turpitude and punishable with imprisonment or similar punishment and has not been granted a free pardon.</p> <p>(2) The Council shall disenrol any person who is a member of the Institute if he becomes subject to any disqualification mentioned in paragraph (b) or paragraph (c) or paragraph (d) or sub section (1) of this</p>

	<p>section;</p> <p>Provided, however, that such disenrolment shall not prevent the Council from subsequently re-enrolling such person if satisfied that he is fit to practice the profession of an accountant and auditor.</p>
<p>DISENROLMENT OR REVOCATION OF REGISTRATION FOR PROFESSIONAL MISCONDUCT</p>	<p>16. (1) The Council May disenrol any individual who is a member of the Institute, if satisfied that he is unfit to practice the profession of an accountant and auditor by reason that he has been guilty of professional misconduct.</p> <p>(2) The disenrolment of any person under sub section (1) shall not prevent the Council from subsequently re-enrolling that person, if satisfied that he is fit to practice the profession of an accountant and auditor.</p>
<p>INQUIRIES BY DISCIPLINARY COMMITTEES</p>	<p>17. (1) The Council shall not, under section 16, disenrol any person unless a Disciplinary Committee has, after inquiry, made a report to the Council that the person has been guilty of professional misconduct.</p> <p>(2) (a) Where the Council has reasonable cause to believe, whether on complaint made to it or otherwise, that any person who is member of the Institute has been guilty of professional misconduct, the Council may appoint an investigating committee to inquire into and report to the Council, whether a prima facie case of professional misconduct, has been made against such member.</p> <p>(b) Where an investigating Committee appointed under paragraph (a) reports to the Council that a prima facie case of professional misconduct has been made out against a member, the Council shall appoint a disciplinary Committee for the purpose of inquiring into the conduct of such member.</p> <p>(3) The provisions of the First Schedule to the Act shall apply in relation to the constitution of and the procedure to be followed by Disciplinary Committees appointed under this section, the proceedings at inquiries held by such Committees and the powers exercisable by such Committees.</p> <p>(4) The Minister may, upon the recommendation of the Council, by Order published in the Gazette, amend or alter or add to or revoke any or all of the provisions of the First Schedule.</p> <p>(5) The provisions of the First Schedule for the time being in force shall be as valid and effectual as if they were herein enacted.</p>

<p>SUSPENSION IN LIEU OF DISENROLMENT</p>	<p>18. In any case where the Council is by section 16 empowered to disenrol any person from membership of the Institute, the Council may, in lieu of exercising that power, warn or reprimand that person or suspend that person from membership for such period as the Council may deem fit.</p>
<p>APPEAL TO THE SUPREME COURT FROM DECISIONS OF THE COUNCIL UNDER SECTION 16 OR SECTION 18</p>	<p>19. (1) Any person aggrieved by a decision of the Council under section 16 or section 18 may appeal against that decision to the Supreme Court.</p> <p>(2) Every appeal under sub section (1) against a decision –</p> <p>(a) Shall be made by petition in writing bearing a stamp of one rupee;</p> <p>(b) Shall be preferred within ten days after the date of that decision; and</p> <p>(c) Shall be heard and decided by a Judge of the Supreme Court after such summary inquiry as that Judge may deem requisite.</p>
<p>MEANINIG OF “PROFESSIONAL MISCOUNDUCT”</p>	<p>20. (1) For the purposes of this Act, “professional misconduct” means any act or omission which is for the time being specified in the Second Schedule to this Act.</p> <p>(2) The Minister may, upon the recommendation of the Council, by Order published in the Gazette, amend or alter or add to any or all of the provisions of the Second Schedule.</p>
<p>RESTRICTIONS ON PRACTICING AS ACCOUNTANTS</p>	<p style="text-align: center;"><b><u>RESTRICTIONS ON PRACTICE AS ACCOUNTANTS</u></b></p> <p>21. (1) No person who is a member of the Institute or is a partner of any such firm of accountants as is referred to in sub section (3) of section 22 shall practice as an Accountant unless he is the holder of a certificate to practice which is for the time being in force.</p> <p>Provided, however, that such certificate to practice shall not be issued to a member of the Institute unless such person has had at least a period of two years practice training in a firm of practicing</p>

	<p>accountants after he has passed one of the qualifying examinations prescribed by the Council.</p> <p>(2) Every certificate to practice shall be issued by the Council upon payment of the prescribed fee; different fees may be prescribed in respect of Fellows, Associate Members, and partners of any such firm of accountants as is referred to in sub section (3) of section 22 respectively.</p> <p>(3) Every certificate to practice shall be in force until the thirty first day of December of the year of issue of that certificate, and may from time to time be renewed upon payment of the fee prescribed as provided in sub section (2).</p> <p>(4) Where each of the partners in a firm of accountants is the holder of a certificate to practice, no such certificate shall be required to authorize the firm to practice as accountants.</p> <p>(5) The preceding provisions of this section shall not come into operation until such date as may be fixed by the Minister by Order published in the Gazette.</p> <p>(6) Where all or any of the partners of a firm of Accountants are not citizens of Sri Lanka and are not qualified to be members of the Institute by reason of the fact that they have not ordinarily resided in Sri Lanka for a period of not less than three years, then, if the number of partners who are not such citizens and are not so qualified is increased by the admission to that firm of partners who is not a citizen of Sri Lanka and who has not ordinarily resided in Sri Lanka for a period of not less than three years, that firm shall not practice as accountants.</p>
<p>RESTRICTIONS AS TO USE OF TITLES CONFERRED UNDER THIS ACT</p>	<p style="text-align: center;"><b><u>RESTRICTIONS AS TO USE OF TITLES, ETC.</u></b></p> <p>22. (1) No person, not being a member of the Institute, shall take or use the title “Chartered Accountant”, or any addition mentioned in section 6.</p> <p>(2) Notwithstanding anything in sub section (1), any firm of accountants, each of the partners of which is a member of the Institute, may take and use the title “Chartered Accountants”.</p> <p>(3) Notwithstanding anything in sub section (1), any firm of accountants all or any of the partners of which are not citizens of Sri Lanka and are not qualified to be members of the Institute by reason of the</p>

	<p>fact that they have not ordinarily resided in Sri Lanka for a period of not less than three years may, if that firm was in practice on the ninth day of February, 1959, take and use the title "Chartered Accountants".</p>
<p>OFFENCES AND PENALTIES</p>	<p style="text-align: center;"><b><u>MISCELLANEOUS PROVISIONS</u></b></p> <p>23. (1) Any person who contravenes any provision of this Act shall be guilty of an offence and shall be liable, on conviction after summary trial before a Magistrate, to imprisonment of either description for a term not exceeding six months or to a fine not exceeding one thousand rupees or to both such imprisonment and fine.</p> <p>(2) Any person who is declared by any rule in the First Schedule to be guilty of an offence under this Act, shall be liable, on conviction after summary trial before a Magistrate, to a fine not exceeding five hundred rupees.</p> <p>(3) No prosecution for any offence under this Act shall be instituted except by a member or officer of the Council authorized in writing for the purpose by the Council.</p>
<p>MEANING OF "PRACTICE"</p>	<p>24 (1) For the purpose of this Act, a person shall be deemed to practise as an accountant, if, in consideration of remuneration received or to be received, and whether by himself or in partnership with any other person or as a director of a company, he -</p> <p>(a) engages himself in the practice of accountancy or holds himself out to the public as an accountant; or</p> <p>(b) offers to perform or performs service involving the auditing or verification of financial transactions books, accounts or records, or the preparation, verification, or certification of financial accounting and related statements; or</p> <p>(c) renders professional service or assistance in or about matters of principle or details relating to accounting procedures or company taxation or business matter or certification of financial facts or data; or</p>



	<p>(d) renders any other services which may be declared by the Council by regulation to be service constituting practice as any accountant.</p> <p>(2) A person who is the salaried employee of the Government, or of any one employer shall not, by reason only that he does any Act referred to in sub section (1) in his capacity as such employee, be deemed to practice as an accountant.</p>
<p>TRANSITIONAL ARRANGEMENTS</p>	<p>25. Notwithstanding anything in the preceding sections of this Act, the following provisions shall apply in relation to the first enrolment of members of the Institute and the constitution of the first Council to hold office under this Act.</p> <p>(1) As soon as may be after the appointed date, the Minister shall in term of sub section (3) of section 7 appoint a person to be the President of the Council.</p> <p>(2) The President shall, by notice published in the Gazette and in at least two daily newspapers circulating in Sri Lanka, call upon persons eligible for membership of the Institute to make application therefor.</p> <p>(3) The President shall, subject to the provisions of section 5 and 15, enrol as members of the Institute all persons eligible for such membership who make application in that behalf within the period of three months immediately succeeding the appointed date.</p> <p>(4) The name of the persons enrolled under paragraph (3) of this section shall be presented to the Minister for the purpose of enabling him to make the other appointments for which provision is made in sub section (3) of section 7.</p> <p>(5) As soon as may be after all appointment are made, the Minister shall by Order published in the Gazette specify the date on which the first Council established under this Act shall commence to hold office.</p>

**FIRST SCHEDULE**

(SECTION 17)

**RULES AS TO INQUIRIES BY DISCIPLINARY  
COMMITTEES**

1. For the purposes of any inquiry to be held under section 17 of the Act, the Council shall appoint, by drawing lots if the Council so determines, three persons from among its members to constitute a Disciplinary Committee and shall appoint one of them to be Chairman of the Committee.
2. (1) The Council shall cause a statement to be prepared setting out the charges to be investigated by the Disciplinary Committee, and the Secretary shall transmit a copy of the statement to each member of the Committee and to the person whose conduct is the subject of the investigation.  
  
(2) Where the inquiry is to be held in consequence of a petition or complaint alleging misconduct by any person, the Secretary of the Council shall in addition transmit a copy of that petition or complaint to that person and to each of the members of the Disciplinary Committee.
3. (1) The Secretary of the Council shall give notice of the first date fixed for the inquiry to the person whose conduct is the subject of the investigation. Every such notice shall, at least fourteen days before the date fixed for the inquiry, be delivered by hand at, or sent through the post by registered letter addressed to, the last known place of residence of that person.  
  
(2) Where any person to whom a notice has been given under paragraph (1) fails to appear in person or is not represented by Counsel, inquiry may be held by the Disciplinary Committee in his absence.  
  
(3) Notice or any date to which the inquiry may be adjourned shall be given by the Committee personally to the person whose conduct is the subject of inquiry or be given in manner provided in paragraph (1).
4. (1) If the Council is of the opinion that the evidence of any person, or the production by any person of any document, is necessary to enable any matter to be investigated by a Disciplinary Committee, the Council shall direct to the Secretary of the Council to require the attendance of that person, or the production by that person of such document, at such time and place as may be specified in a notice

which shall be delivered by and at, or sent through the post by registered letter addressed to the last known place of residence of that person.

(2) Where any person who has been served with a notice under paragraph (1) fails, without reasonable cause, to attend or to produce any document, as the case may be, at the time and place specified in the notice, he shall be guilty of an offence under the Act.

(3) The Secretary for the time being of the Council shall be the Secretary of every Disciplinary Committee and every notice issue under these rules shall be signed by him.

(4) A Disciplinary Committee shall have power to administer oaths or affirmations to all persons who are required to give evidence before such Committee, and every person who refuses to be sworn or affirmed, or to answer such questions as may be put to him concerning any matter in respect of which the inquiry is held shall be guilty of an offence under the Act.

(5) Every person who upon examination upon oath or affirmation before a Disciplinary Committee wilfully gives false evidence shall be guilty of an offence under the Act.

(6) Any person whose conduct is the subject of investigation at an inquiry or who is in any way concerned or implicated in such inquiry may be represented by one or more advocates or proctors at the inquiry.

(7) The Council may authorize any advocate or proctor to assist the Disciplinary Committee as to the leading and taking of evidence.

(8) Every inquiry held by a Disciplinary Committee shall, unless the Council otherwise determines in any case be held in camera.

(9) Any question before a Disciplinary Committee shall be determined by the decision of the majority of the members of that Committee.

(10) Upon the conclusion of an inquiry, the Disciplinary Committee shall prepare and transmit to the Council a report embodying the findings on the matters in respect of which the inquiry was held, and shall cause a copy of such report to be sent to the person whose conduct was the subject of the inquiry.

## **SECOND SCHEDULE**

### (SECTION 20)

(As amended by Minister's Orders published in Sri Lanka Government Gazette No. 867/17 of 21.04.1995. Contents of amendments contained in order published in Gazette No. 14, 693 of 29.04.1966 of has been deleted as those are embodied in the contents below)

A. "Professional misconduct" means any of these acts or omissions:

1. for all members

- 1.1. Failing to comply with the Sri Lanka accounting and auditing or other technical standards as adopted by the Council.
- 1.2 Being grossly negligent in the performance of his professional duties.
- 1.3 Using information acquired in the course of his practice or employment for the advantage of himself or another person without the consent of his prospective client or employer, or client or employer, or former client or employer.
- 1.4 Disclosing information acquired from his prospective client or employer, or client or employer, or former client or employer, to another person, without the consent of such prospective client or employer, or client or otherwise than as legally or professionally required.
- 1.5 Failing to keep a record of professional advice given to his client or employer.
- 1.6 Convening any provision of the Act as amended from time to time, or any Order or regulation made there under as amended from time to time.
- 1.7 Failing to supply any information called for by the Council or comply with any direction of the Council with relation to any disciplinary enquiry, or to his membership or professional status.
- 1.8 Absenting himself without leave or excuse from three consecutive meetings of the Council in

	<p>contravention of the regulations of the Council, being a member thereof.</p> <p>1.9 Directly or indirectly being a party to any act which will bring the Institute or the profession into discredit or disrepute.</p> <p>1.10 Including in any statement, return or form to be submitted to the Council any information knowing it to be false.</p> <p>1.11 Exercising undue influence, directly or indirectly, in securing election or nomination to the Council including making incorrect or misleading statements, or making an offer or inducement to obtain votes.</p> <p>1.12 Publicising professional services or attainments with a view to securing professional work unless permitted by the Council or specifically requested by a client or prospective client.</p> <p>1.13 Falsely describing himself as a Fellow of the Institute, or falsely using the addition "F.C.A." after his name.</p> <p>1.14 Falsely describing himself as the President, the Vice President or member of the Council.</p> <p>1.15 Failing, without reasonable cause, to appear in person or to be represented by Counsel, or to produce any document, at any enquiry initiated by the Council.</p> <p>1.16 Refusing to be sworn or affirmed, or to answer such questions as may be put to him at a Disciplinary Committee inquiry.</p> <p>1.17 Giving false evidence to Disciplinary Committee, upon examination upon oath or affirmation.</p> <p>2. for all practicing members -</p> <p>2.1 Owning, or being committed to acquire a direct material financial interest in a client for whom he, his partner or firm performs a reporting assignment, held or to be held by or for himself, or his partner, or his or his partner's spouse, parent or minor child.</p>
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- 2.2 Holding an investment or advising on investing on behalf of a third party in a client for whom he, his partner or firm performs a reporting assignment.
- 2.3 Performing a reporting assignment for a client in which a trust or dead person's estate has a holding material to the size of the capital of such client or the total assets of such trust or estate, when he, his partner, or the spouse, child, parent, brother or sister of himself or his partner is a trustee of such trust or an executor or administrator of such estate.
- 2.4 Failing to dispose at the earliest practicable date or to ensure that his partner or his partner's spouse disposes at the earliest practicable date, material capital in a client for which he, his partner or firm performs a reporting assignment, when he, his partner or his partner's spouse involuntarily acquires capital in such a client, or he or his partner marries a proprietor of such a client or, if such disposition is not effected, he, his partner or firm failing to decline any further such assignment.
- 2.5 He, or his partner, or spouse, or dependent child -
- 2.5.1 Having a loan given to or taken from a client or whom he or his partner or firm performs a reporting assignment, or a proprietor, principal shareholder, director, officer, or employee of such client.
- 2.5.2 Being a loan guarantor for a client for which he, his partner or firm performs a reporting assignment, or for a proprietor, principal shareholder, director, officer or employee of such client.
- 2.5.3 Having a loan guaranteed by a client for which he, his partner or firm performs a reporting assignment, or by a proprietor, principal shareholder, director, officer, or employee of such client.
- Provided that these restrictions shall not apply to loans, deposits, current accounts or guarantees given to or taken from institutions whose ordinary business includes such transactions, under the normal procedures, terms and requirements of such institutions.
- 2.6 Accepting a reporting appointment for a client, unless at least two years have elapsed since he or his partner ceased to be a proprietor, principal shareholder, director, officer, or employee of such client, or a partner or employee of a proprietor, principal shareholder, director, officer, or employee of such client.

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|  | <p>2.7 Having a mutual business interest with a client for whom he or his partner or firm performs a reporting assignment, or with a proprietor, principal shareholder, director, officer, or employee of such client.</p> <p>2.8 Performing a reporting assignment for a client when he, his partner or his or his firm's employee engaged on such assignment is the spouse, child, parent, brother or sister living in a common household with such client.</p> <p>2.9 Permitting any person, other than his partner or a member authorized by him, to sign on behalf of himself or his firm any opinion issued by him or his firm.</p> <p>2.10 Permitting any person, other than a member, to practice in his name or in partnership with him.</p> <p>2.11 Practicing under a firm name which indicates specialization or is misleading, unless such name is or includes the name of a past or present proprietor or partner.</p> <p>2.12 Practicing in the name of an existing firm, unless he is a partner of such firm.</p> <p>2.13 Practicing in his name for and on behalf of his employer, if such employer is not a practicing member or a firm of practicing accountants.</p> <p>2.14 Sharing his profits or fees directly or indirectly with a person other than another practicing member, provided that a payment based on profits to a person in the employment of the member or his firm, or a retired partner or his nominee or representative, shall not be deemed to be sharing profits.</p> <p>2.15 Practicing the profession of a Chartered Accountant in partnership with any person other than a member.</p> <p>2.16 Accepting appointment as the auditor of a company without first ascertaining that the requirements of the Companies Act No. 17 of 1982, as amended from time to time relating to the appointment of auditors have been complied with.</p> <p>2.17 Charging fees contingent upon findings or results, except when fixed by a Court or other State authority or statute, or approved by the Institute as generally accepted practice for certain professional services.</p> |
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- 2.18 Paying or receiving a referral fee or commission for a client referred to or by him, provided that such fee or commission shall not include payments to, or receipts from, a partner or retired partner, or his nominee or representative, for the purchase or sale of the whole or part of a firm of practicing accountants.
- 2.19 He is partner or firm performing a reporting assignment for a client, when he or his partner is a principal shareholder, director or employee of such client.
- 2.20 Rendering professional services to an illegal business or activity, except as may be necessary to enable such business or activity, except as may be necessary to enable such business or activity to render financial statements and opinions thereon prepared by a member for the State or a State agency.
- 2.21 Failing to declare to the State or a State agency his position regarding the professional services he renders to an illegal business or activity and the capacity in which he acts.
- 2.22 Holding clients' assets which he has reason to believe were obtained from or are to be used for, illegal activities.
- 2.23 Failing to keep clients' monies in a separate client account.
- 2.24 Failing to use clients' assets only for the purposes for which they are intended, or failing to render accounts to any person entitled to such accounting when requested to do so.
- 2.25 Failing to deposit clients' monies promptly into a client account.
- 2.26 Failing to safeguard clients' assets in his custody against unauthorized use.
- 2.27 Drawing on a client account without the express or implied instructions of the respective client.
- 2.28 Drawing his fees from a clients' monies held by him, without the prior consent of such client, unless held as a deposit in the exercise of a right of lien for fees charged.
- 2.29 Failing to credit income earned on a client's assets promptly to such client.



- 2.30 Failing to keep such books of account for clients' assets as will enable him at any time to establish clearly his dealings with client's assets in general, and the assets of each individual client in particular.
- 2.31 Failing to send each client an annual statement of such client's assets.
- 2.32 Failing as a receiving member, when there is an existing member who continues to provide professional services, to take reasonable steps to support the existing member's current relationship with the client.
- 2.33 Accepting an assignment for professional services earlier done by an existing member without -
- 2.33.1 Ascertaining that the prospective client has advised such existing member of the proposed change.
- 2.33.2 Ascertaining if the prospective client has given such existing member permission in writing, to discuss such client's affairs fully and freely with the proposed receiving member.
- 2.33.3 Declining such proposed assignment, if the permission referred to in paragraph A.2.33.2 is not given or is refused, in the absence of exceptional circumstances of which there is full knowledge.
- 2.33.4 Asking such existing member in writing, if the permission referred to in paragraph A.2.33.2 is given, to advise such proposed receiving member in writing of the professional reasons such receiving member should know before deciding whether or not to accept such proposed assignment.
- 2.33.5 Asking such existing member in writing a second time, as to the matters mentioned in paragraph A.2.33.4 if the communication referred to in paragraph A.2.33.4 does not elicit reply on such matters, and stating further in writing that there is an assumption that there are no professional reasons why such proposed assignments should not be accepted and that there is an intention to do so.
- 2.33.6 Ensuring that his appointment conforms to the relevant laws and regulations, as amended

from time to time.

2.34 Failing, as an existing member doing an assignment for professional services which his client intends changing to another practicing member -

2.34.1 To promptly seek the authorization of such client to discuss such client's affairs fully and freely with such other practicing member.

2.34.2 To promptly reply to an inquiry from such other practicing member as to whether such existing member has any professional reasons that such other member should know before accepting or declining such proposed assignment and stating –

2.34.2.1 That there are some such stated reasons, or that there are no such reasons; or

2.34.2.2 That such client has refused such existing member authorization to discuss such client's affairs fully and freely with such other practicing member.

2.35 Making a direct or indirect offer of employment to an employee of another practicing member, on behalf of himself, his firm or his client, without first informing such other practicing member, provided that this restriction shall not apply if such employee applies for such employment on his own initiative, or in response to a public advertisement.

2.36 Engaging in advertising for, or solicitation of, professional work or services.

2.37 Using any designation or desoption other than "Chartered Accountant" unless approved by the Council; except honours or academic or professional degrees or qualifications or abbreviations thereof.

2.38 Practicing as an accountant if he does not hold a certificate to practice which is for the time being in force.

2.39 Practicing as an accountant or as a partner of a firm all the partners of which are members, unless all such members hold valid certificates to practice.

	<p>B. Notwithstanding anything to the contrary in paragraph A of this Schedule, a member shall not be guilty of professional misconduct by reason only of any of the following acts –</p> <ol style="list-style-type: none"> <li>1. 1.1 Practising in partnership with a person outside Sri Lanka who may legally practice in a foreign country provided that such person is eligible to be a member, and that such person shall only act in a consultative capacity and shall not actively participate in the conduct of such partnership in Sri Lanka.</li> <li>1.2 Securing professional business by reason of such partnership.</li> <li>1.3 Allowing such partnership to be carried on in his name.</li> <li>1.4 Paying or allowing, or agreeing to pay or allow, to any such partner any share out of his practice fees or profits for professional services.</li> </ol> <ol style="list-style-type: none"> <li>2. Practicing in a foreign country in partnership with a person who may legally practice therein.</li> <li>3. Complying with the professional conduct standards of and institute or society of professional accountants whose headquarters are in a foreign country, if he performs professional services in such country.</li> </ol>
ADVERTISING	<p>In this Schedule –</p> <p>Means the communication to the public of information as to any professional service provided by practicing members with a view to procuring professional business;</p>
CLIENT ACCOUNT	<p>Means a bank account which is used solely for client's monies;</p>
COMPANY	<p>Means that term as defined by the Companies Act No. 17 of 1982, as amended from time to time, and a company incorporated outside Sri Lanka, including a holding company and its subsidiary companies; but</p>

	in Paragraphs A. 2.6 and A. 2.16 “Company” means that term as defined by the Companies Act No. 17 of 1982, as amended from time to time, and a company incorporated outside Sri Lanka;
EXISTING MEMBER	Means a practicing member currently performing any professional service for a client;
HOLDING COMPANY	Means that term as defined by the Companies Act. No. 17 of 1982, as amended from time to time;
MATERIAL	Means of such size or nature that its presence, absence or error would influence the judgment or decision of a reasonable person;
MEMBER	Means a member of the Institute of Chartered Accountants of Sri Lanka;
PRACTICING MEMBER	Means a member who performs professional services, in consideration of remuneration received or to be received, and whether by himself or in partnership with any other person;
PRINCIPAL SHAREHOLDER	Means the shareholder who has the largest number of votes on a poll, and if more than one shareholder has the largest number of votes on a pool, all such shareholders;
PROFESSIONAL SERVICE	Means an action which constitutes “practice” under the Act, as amended from time to time;
PUBLICITY	Means the communication to the public of facts about a member which are not designed for the deliberate promotion of that member.
RECEIVING MEMBER	Means a practicing member to whom an existing member or the client of an existing member has referred any professional service, or who is consulted to meet any of the professional service needs of such a client;

REPORTING ASSIGNMENT	Means an engagement which requires the expression of an opinion by a practicing member on financial information;
SOLICITATION	Means an approach to a potential client for the purpose of offering any professional service;
SUBSIDIARY COMPANY	Means that term as defined by the Companies Act, No. 17 of 1982, as amended from time to time.

	<p style="text-align: center;">SECTION B</p> <p style="text-align: center;"><b><u>INSTITUTE OF CHARTERED ACCOUNTANTS</u></b> <b><u>REGULATIONS 1960:</u></b></p> <p>Regulation made by the Council of the Institute of Chartered Accountants of Sri Lanka by virtue of the Powers vested in the Council by section 12 of the Institute of Chartered Accountants Act, No. 23 of 1959, as amended by the Institute of Chartered Accountants (Amendment) Act, No. 16 of 1964.</p>
INTERPRETATION	<p style="text-align: center;"><b><u>PRELIMINARY</u></b></p> <p>1. These regulations may be cited as the Institute of Chartered Accountants Regulations, 1960.</p> <p>2. In these regulations, unless the context otherwise requires –</p> <p>“Act” means the Institute of Chartered Accountants Act, No. 23 of 1959;</p> <p>“articled clerk” means a clerk serving under articles with a member of the Institute;</p> <p>“Council” means the Council of the Institute of Chartered Accountants of Sri Lanka;</p> <p>“Institute” means the Institute of Chartered Accountants of Sri Lanka established under the Act;</p> <p>“Secretary” means the Secretary appointed by the Council under Section 10 of the Act and includes an Assistant Secretary or any person duly acting for the time being as Secretary.</p>
NOTICES TO MEMBERS	<p>3. Every notice or other communication which has to be sent under these regulations to a member shall be sent by post or delivered to the address last notified to the Secretary by the member as his address for communications.</p>
FORMS	<p>4. The forms set forth in the Schedule to these regulations and such other forms as the Council may from time to time authorize, shall be used in the cases to which they are applicable with such alterations or</p>

	additions thereto as the Council may from time to time determine.
	<b><u>PROCEEDINGS AND POWERS OF THE COUNCIL</u></b>
MEETINGS OF THE COUNCIL	5. The Council shall, unless it otherwise decides, meet on the first Wednesday in each month at the office of the Institute.
SUMMONING OF MEETINGS	6. A meeting of the Council may at any time be convened by order of the President or upon a written requisition addressed to the Secretary by three members of the Council.
NOTICE OF MEETINGS	7. Notice in writing of every meeting of the Council.  (1) Shall be delivered or sent by post to each member of the Council at his usual or last-known address at least three clear days before such meeting.  (2) The notice referred to in paragraph (1) relating to any meeting shall contain as far as is practicable a statement of the business to be transacted at such meeting.
CHAIRMAN	8. The President or in his absence the Vice-President shall preside at all meetings of the Council. Where both the President and the Vice President are absent at any meeting the members present at such meeting may elect one of their members to preside at the meeting.
QUORUM	9. Five members of the Council shall constitute a quorum at any meeting of the Council.
VOTING AT MEETINGS	10. Any meeting, all questions shall be decided by a majority of the members actually present and voting; and in the case of an equality of votes the Chairman shall have a second or casting vote.
MINUTES OF MEETINGS	11. Proper minutes shall be kept of all resolutions and proceedings of meetings of the Council and of the Committees thereof, and the minutes of any meeting signed by the Chairman of such meeting or by the Chairman of a subsequent meeting shall be sufficient evidence of the facts therein stated.

ADJOURNMENT OF MEETINGS	12. At any meeting of the Council, the Chairman may with the consent of the members present at such meeting adjourn the meeting from time to time and from place to place. No business shall be transacted at any such adjourned meeting other than the business left unfinished at the meeting from which such adjournment took place. No notice shall be given of an adjourned meeting unless the resolution for adjournment requires such notice to be given.
CUSTODY OF COMMON SEAL	13. The Common Seal of the Institute shall be kept in the custody of such person or persons as the Council may from time to time determine.
USE OF COMMON SEAL	14. The common seal of the Institute shall not be affixed to any instrument except by an order of the council and in the presence of any two members of the Council and the Secretary, who shall sign their names on the instrument in token of their presence; and such signing shall be independent of the signing of any person as a witness.
APPOINTMENT OF COMMITTEES	15. The Council may from time to time appoint Committees either from among its members only or from among its members and members of the Institute to deal with specified subjects and may lay down rules for regulating the proceedings of such committees.
PUBLICATION OF LISTS OF MEMBERS AND PERSONS AUTHORIZED TO PRACTICE	16. The Council shall from time to time publish or cause to be published –  (a) a list of the members of the Institute; and  (b) a list of persons authorized to practice in Sri Lanka as Chartered Accountants.
SALARIES AND ALLOWANCES	<b><u>SECRETARY AND OTHER OFFICERS OF THE COUNCIL</u></b>  17. The salaries and allowances and conditions of service of the Secretary and other officers and servants of the Council shall be such as may be decided upon from time to time by the Council.
DUTIES OF	18. The Secretary shall exercise such powers and perform such duties as may be imposed upon him by the Act, by regulations made there under and by resolutions of the Council made in that behalf from



SECRETARY	time to time.
	<b><u>ACCOUNTS AND AUDIT</u></b>
RECEIPTS AND PAYMENTS	19. All moneys received by or on behalf of the Institute shall be paid into an account at its Bank and all cheques drawn upon its bankers shall be signed by two members of the Council or by a member of the Council and the Secretary or by the Secretary and another officer of the Council subject to such conditions and limitations as the Council may determine.
INVESTMENT AND APPLICATION OF FUNDS	20. All funds of the Institute not needed immediately for the day to day needs of the Institute may be invested by the Council in the name of the Institute in accordance with the provisions of Section 11 (2) of the Act.
ACCOUNTING OF GIFTS, & C. RECEIVED FOR SPECIFIC PURPOSES	21. The council may, on behalf of the Institute, receive and utilize any gift, bequest or other donation of money given for specific purposes which are not inconsistent with the objects of the Institute; and the proceeds thereof shall be accounted for and dealt with distinct from the general funds of the Institute.
ANNUAL ACCOUNTS	22. The Council shall prepare not later than the thirty-first day of March each year, the annual accounts of the Council which shall include an income and expenditure account and the balance sheet made up to the thirty-first day of December of the preceding year.
	<b><u>MEMBERS</u></b>
	23. Applications for membership of the Institute shall be substantially in Form M of the Schedule thereto and those from members for election as Fellows shall be in the form of that Schedule.
ADMISSION OF ASSOCIATES AND ELECTION OF FELLOWS	24. The admission of Associate Members and the election of Fellows of the Institute shall be made by the Council, and every applicant for admission as an Associate Member of the Institute or election as a Fellow of the Institute shall satisfy the Council of his having fulfilled the conditions laid down therefore in the Act and in those regulations in such manner as the Council shall require; and shall also produce such evidence of his fitness to be so admitted or elected as the Council may deem

	necessary.
CERTIFICATES	25. Upon a person being admitted as an Associate Member of the Institute or elected a Fellow of the Institute and upon his commencing to practice, he shall be entitled to a certificate to that effect under the seal of the Institute.
CERTIFICATES TO BE PROPERTY OF THE INSTITUTE	26. Every certificate of membership shall remain the property of the Institute and the Council shall be at liberty at any time to call for and compel its production and delivery. Every person ceasing to be a member of the Institute shall, when so requested by the Council or by the Secretary, return his certificate or membership for cancellation.
ELIGIBILITY FOR MEMBERSHIP OF INSTITUTE	27. The Council may in its absolute discretion admit to membership of the Institute any applicant who proves to the satisfaction of the Council that he is a member of –  (a) An Institute of Chartered Accountants of any country within the British Commonwealth, approved by the Council; or  (b) The Society of the Sri Lanka Accountants and Auditors, and has passed the final examination of the Sri Lanka Accountancy Board.
ENROLMENT FEE FOR ASSOCIATE MEMBERS	28. Every person who is admitted as an Associate member shall pay an enrolment fee of rupees two hundred and fifty.
ENROLMENT FEE FOR FELLOWS	29. Every Associate member who is elected a Fellow of the Institute shall pay an additional fee of rupees two hundred and fifty.
FEE PAYABLE WITHIN TWO MONTHS	30. The admission of any person as an Associate Member or the election of any person as a Fellow of the Institute shall be void unless the fees due are paid within two months of such admission or election, as the case may be.
RENEWAL FEE	31. (1) Every member, after the year in which he has been enrolled as a member shall annually pay a fee of rupees one hundred and twenty five for the renewal of his membership (Amended on 18/10/68)

	(2) Every application for the renewal of membership shall be substantially in Form R of the Schedule hereto.
	<p>31. A (1) The Council may at its discretion on application made substantially in Form R-1 set out in the Schedule hereto by any member who is over 60 years of age and who has retired from practice and other business activities reduce to Rs. 5/- the fee payable for the renewal of his membership for any year.</p> <p>(2) The Council may at its discretion invite any member who in its opinion has rendered distinguished service to the accountancy profession to continue membership on payment annually of a fee of Rs. 5/- provided that such member is over 60 years of age, and is not in practice.</p>
LAPSE OF MEMBERSHIP	32. If the fee for renewal of membership is not paid before the first day of March of the year in respect of which it falls due, the membership of the person concerned shall be deemed to have lapsed.
RESTORATION OF LAPSED MEMBERSHIP	33. A person whose membership has lapsed by virtue of the preceding regulation may, at the discretion of the Council, be restored to membership upon payment of all dues together with such fine, not exceeding rupees five hundred as may be imposed upon him by the Council.
MEMBERS TO BE BOUND BY THE ACT AND REGULATIONS	34. Every member of the Institute shall be bound by the Act and by the regulations made there under which are for the time being in force.
	<p>35. }  36. } Repealed  37. }</p>

APPLICATION TO PRACTISE	<p style="text-align: center;"><b><u>PRACTICE</u></b></p> <p>38. (1) Every member shall, before commencing to practice as an accountant within the meaning of section 24 of the Act, to the Council for a certificate to practice.</p> <p>(2) Every such application shall be substantially in form PM.</p>
FEE FOR CERTIFICATE TO PRACTICE	<p>39. Subject to the provisions of paragraph (2) a fee of rupees three hundred and twenty five shall be levied by the Council before a certificate to practice is issued to any member.</p>
FEE FOR RENEWAL OF CERTIFICATE	<p>40. Every certificate to practice shall be in force until the thirty first day of December of the year in respect of which it is issued and may be renewed upon payment of a fee of rupees three hundred and twenty five (Amended on 18/10/68).</p> <p>40. A: Every firm of Chartered Accountants in Sri Lanka shall specify on its letter heads the names and professional qualifications of each of its partners.</p>
ANNUAL MEETING	<p style="text-align: center;"><b><u>MEETING OF THE MEMBERS OF THE INSTITUTE</u></b></p> <p>41. An annual general meeting of the members of the Institute for the transaction of the ordinary annual business of the Institute (that is to say, the reception and consideration of the annual report of the Council and the accounts of the Council together with the Auditor's report thereon) shall be held in Colombo on such day in April in every year as may be fixed by the Council or on such other date as the Council may determine.</p>
NOTICE	<p>42. The Secretary shall not less than fourteen days before any annual meeting of the members of the Institute send to each such member a notice giving the date, time and venue of the meeting and the business to be transacted thereat.</p>

<p>QUORUM AND ADJOURNMENT OF MEETING</p>	<p>43. At any annual meeting of the members of the Institute, if twenty members are not present personally within half-an-hour after the time appointed for such meeting, the meeting shall stand adjourned for a fortnight to be held at the same hour and place. On the date to which the meeting was adjourned, the meeting shall proceed to business notwithstanding that there may be less than twenty members present at such adjourned meeting.</p> <p>Note: These regulations incorporate all amendments made thereto by the Council upto 7<sup>th</sup> April, 1965.</p>
	<p style="text-align: center;"><u>SCHEDULE</u></p> <p style="text-align: center;"><b><u>FORM M</u></b></p> <p>The Secretary Institute of Chartered Accountants of Sri Lanka Colombo</p> <p style="text-align: center;"><b><u>APPLICATION FOR MEMBERSHIP OF THE INSTITUTE</u></b></p> <p>I do hereby apply for enrolment as a member of the Institute of Chartered Accountant of Sri Lanka, and furnish the following particulars together with a cheque for Rs. 250/- being my enrolment fee.</p> <p>Date:.....</p> <p style="text-align: right;">..... Signature</p>

Particulars

1. Full Name of Applicant :
2. Business Name (if any) :
3. Postal Address :
4. Date of Birth :
5. Professional Accountancy Qualification :
6. Period during which the applicant has been in continuous practice as Accountant, (Practice is defined in Section 24 of Act, No. 23 of 1959) :
7. Nationality :
8. If applicant is not a citizen of Sri Lanka-
  - i) give reference to residence Permit Number :
  - ii) state the period during which he has resided in Sri Lanka :
9. I declare that I am not subject to any of the disqualifications laid down in section 15 (a) of the Act.

.....  
Signature

**FORM F**

The Secretary  
Institute of Chartered Accountants of Sri Lanka  
Colombo

**APPLICATION FOR ELECTION AS A FELLOW OF THE INSTITUTE  
OF CHARTERED ACCOUNTANTS OF SRI LANKA**

I, \* ..... a member of the Institute of Chartered Accountants of Sri Lanka, do hereby apply for election as a Fellow of the Institute and forward herewith a cheque for Rs.50/- being my Fellowship election fees.

I have been in continuous practice as an Accountant within the meaning of Section 24 of Act, No. 23 of 1959.

from ..... to .....

.....  
Signature of Applicant

Date: .....

\* Full name to be inserted.

**FORM R**

The Secretary  
Institute of Chartered Accountants of Sri Lanka  
Colombo

**APPLICATION FOR RENEWAL OF  
MEMBERSHIP OF THE INSTITUTE**

I, \* ..... do hereby apply for renewal of my membership of the Institute of Chartered Accountants of Sri Lanka and forward herewith a cheque for Rs. 125/- being the renewal fee of my membership.

I declare that I have not become subject to any of the disqualifications laid down in section 15 (1) of Act, No. 23 of 1959.

.....  
Signature

Date: .....

\* Full name to be inserted.



**FORM PM**

The Secretary  
Institute of Chartered Accountants of Sri Lanka  
Colombo

**APPLICATION FOR A CERTIFICATE TO PRACTICE**

I, \*.....member of the Institute of Chartered Accountants of Sri Lanka, do hereby apply for a certificate to practice as an Accountant within the meaning of section 24 of Act, No. 23 of 1959, and forward herewith a cheque for Rs. 325/- being my fee for the aforesaid certificate.

I hereby undertake to furnish the Council with any further information in regard to the nature and extent of my practice, if called upon to do so.

.....  
Signature

Date: .....

\* Full name to be inserted.

**FORM R - 1**

The Secretary  
Institute of Chartered Accountants of Sri Lanka  
Colombo

**APPLICATION FOR REDUCTION OF FEE FOR RENEWAL OF  
MEMBERSHIP UNDER REGULATION 31A**

I, \* ..... do hereby apply for reduction of the fee for the renewal of my membership of the Institute of Chartered Accountants of Sri Lanka, to Rs. 5/- and forward therewith a cheque for Rs. 5/- being the reduced fee.

I declare that I have not become subject to any of the disqualifications laid down in section 15 (1) of Act, No. 23 of 1959.

I declare that I am over 60 years of age and have retired from practice and other business activities.

.....  
Signature

Date: .....

\* Full name to be inserted.

<p>SHORT TITLE</p>	<p style="text-align: right;">(Old Regulations)</p> <p style="text-align: center;"><b><u>INSTITUTE OF CHARTERED ACCOUNTANTS</u></b> <b><u>(NO. 2) REGULATIONS, 1960</u></b></p> <p>Regulations made by the Council of the Institute of Chartered Accountants of Sri Lanka by virtue of the powers vested in the Council by Section 12 of the Institute of Chartered Accountants Act, No. 23 of 1959, as amended by the Institute of Chartered Accountants (Amendment) Act. No. 16 of 1964.</p> <p style="text-align: center;"><b><u>Preliminary:</u></b></p> <p>1. These regulations may be cited as the Institute Chartered Accountants (No.2) Regulations, 1960.</p>
<p>INTERPRETATION</p>	<p>2. In these regulations, unless the context otherwise requires;</p> <p>“<b>Accountancy Board</b>” means the Accountancy Board established under the Companies (Auditors) Regulations, 1941, published in Gazette No. 8, 756 of June 20, 1941;</p> <p>“<b>Act</b>” means the Institute of Chartered Accountants Act, No. 23 of 1959;</p> <p>“<b>Approved University</b>” means such University as is approved by the Council;</p> <p>“<b>Articled Clerk</b>” means a clerk serving under articles with a member of the Institute in practice or with a member of the Institute who is a salaried employee in the service of a firm of accountants;</p> <p>“<b>Council</b>” means the Council of the Institute of Chartered Accountants of Sri Lanka;</p> <p>“<b>Director of Studies</b>” means the Director of Studies appointed by the Council under Section 10 of the Act and includes a Deputy or any person duly acting for the time being as Director of Studies;</p> <p>“<b>Institute</b>” means the Institute of Chartered Accountants of Sri Lanka established under the Act;</p>

	<p><b>“Member”</b> means a member of the Institute;</p> <p><b>“Principal”</b> in relation to an articled clerk means;</p> <p>(a) a member of the Institute in practice with whom such articled clerk is serving under articles; or</p> <p>(b) a member of the Institute who is a salaried employee in the service of a firm of accountants with whom such clerk is serving under articles;</p> <p><b>“Probationary period”</b> means service in Sri Lanka performing the duties and functions of an articled clerk in the employment of a member for a period of not less than 3 months preceding the date of signing of articles;</p> <p><b>“Secretary”</b> means the Secretary appointed by the Council under Section 10 of the Act and includes an Assistant Secretary or any person duly acting for the time being as Secretary; and</p> <p><b>“Service”</b> means service in Sri Lanka as an Articled Clerk.</p>
<p>EXAMINATIONS FOR MEMBERSHIP</p>	<p style="text-align: center;"><b><u>EXAMINATIONS FOR MEMBERSHIP</u></b></p> <p>3. The Qualifying examinations for membership of the Institute shall consist of;</p> <p>(a) an Intermediate Examinations; and</p> <p>(b) a Final Examination</p>
<p>ELIGIBILITY FOR EXAMINATIONS FOR MEMBERSHIP</p>	<p>4. No person shall be admitted to the Intermediate Examination or the Final Examination referred to in Regulation 3 unless he has, at the date of each such examination, satisfied in all respects the requirements relating to serving under articles and courses of study as provided in these regulations.</p>

<p>ELIGIBILITY FOR INTERMEDIATE EXAMINATION</p>	<p>5. Every articled clerk shall present himself for the Intermediate Examination referred to in Regulation 3 before the expiration of his articles, but shall not do so unless he has completed periods of service as stated hereinafter –</p> <p>(a) in the case of an articled clerk who is serving a three year period of service ..... 11 months.</p> <p>(b) in the case of an articled clerk who is serving a four year period of articles ..... 17 months.</p> <p>(c) in the case of an articled clerk who is serving a 5 year period of articles ..... 23 months.</p> <p>Provided that the Council may in its discretion –</p> <p>(i) in a case where it considers there are exceptional circumstances, allow an articled clerk to present himself for the intermediate examination before the expiration of the aforesaid period of service; and</p> <p>(ii) in a case where an articled clerk has presented himself for the Intermediate Examination before the expiration of his articles but has failed to pass such examination before the expiration of the articles, allow such articled clerk to present himself for the Intermediate Examination at any time after the expiration of his articles if such clerk produces to the Secretary a certificate from his principal to the effect that he has satisfactorily completed his full term of service.</p>
<p>EXEMPTION FROM THE INTERMEDIATE EXAMINATION</p>	<p>6. The Council may, in its discretion, exempt from the Intermediate Examination any person who has passed the Intermediate Examination of any professional body, membership of which has been approved by the Council for purposes of admission to membership of the Institute under Section 4 (i) (ii) of the act, if such person has served (whether in Sri Lanka or elsewhere) the minimum term of service required for the Intermediate Examination of the Institute under Regulation 5 and such service is acceptable to the Council.</p>
<p>ELIGIBILITY FOR FINAL EXAMINATION</p>	<p>7. No person shall be allowed to present himself for the Final Examination referred to in Regulation 3 unless he has completed his period of articles in terms of Regulation 17 or Regulation 29 (whichever is applicable to such person) and until a period of eleven months has elapsed since he has passed the</p>

	<p>intermediate Examination or the examination exempting from the Intermediate Examination as provided in Regulation 6.</p> <p>Provided, however, that –</p> <p>(a) a person may be allowed to present himself for the Final Examination within the last three months of his term of service;</p> <p>(b) In a case where the date of the Final Examination has been changed from that previously announced to another date with the result that a person who but for such change would have been entitled to present himself, but who by reason of such change is not so entitled, the Council may, in its discretion, allow such person to present himself for that examination; and</p> <p>(c) A person may, if a period of eleven months has elapsed since he has passed the Intermediate Examination or the examination exempting from the intermediate Examination as provided in regulation 6, be permitted to sit for any one part of the Final Examination at any time within the period of twelve months before he would be eligible to sit for the Final Examination in accordance with the foregoing provisions of this regulation (Amended on 28.02.1969)</p>
<p>APPOINTMENT OF EXAMINATION COMMITTEE</p>	<p>8. For the purpose of conducting the examinations prescribed in these regulations, the Council shall appoint a committee to be called the Examination Committee consisting of six members of the Institute of whom at least four shall be members of the Council. Each member so appointed shall hold office in the committee for a term of one year. The quorum for any meeting of the Examination Committee shall be three members.</p>
<p>POWERS AND DUTIES OF THE EXAMINATION COMMITTEE</p>	<p>9. (1) The Examination Committee shall have power to;</p> <p>(a) regulate the time and place of the holding of each examination referred to in these regulations, and make such other arrangements as may be necessary for the conduct of each such examination;</p> <p>(b) determine, with the approval of the Council the subjects and syllabuses in respect of each such examination;</p>

- (c) appoint (from its members or from the panel of examiners and moderators appointed by the Council under Regulation 12) such of them as examiners and moderators as it may think fit;
  - (d) appoint a member of the Institute to invigilate at each examination on each day on which the examination is held;
  - (e) consider the reports of the examiners and moderators on each examination and accept them or reject them or accept them subject to such modifications or alterations as it deems necessary; and
  - (f) report to the Council the results of each such examination provided however that, notwithstanding anything to the contrary in sub paragraph (c) of this paragraph the Examination Committee may appoint, subject to the ratification by the Council at its first subsequent meeting, any other qualified persons as examiners and moderators if exceptional circumstances necessitate such a measure.
- (2) Every member of the Institute who is appointed as an invigilator under this regulation shall be paid such remuneration as may be determined by the Council.
- (3) The examiners and moderators appointed under this regulation shall, with such other assistance as the Council may approve, examine by means of written papers and orally or by written papers alone the candidates sitting for an examination and shall report the results of such examination to the Examination Committee, as soon as may be practicable after holding of the examination.
- (4) The Examination Committee may, if authorized so to do by the Council, notify each candidate before the results of an examination are communicated to the Council, whether or not such candidate has passed the examination to the satisfaction of the Examination Committee.
- (5) Every candidate who passes any examination of the Institute shall receive a certificate to the effect that he has passed such examination. Every such certificate shall be signed by a member of the Council nominated for the purpose by the Council, and by the Secretary.

REFUND OF EXAMINATION FEES	10. Where after the payment of an examination fee in respect of any examination, a candidate withdraws his entry or fails to present himself for such examination, the examination fee paid by him may, at the discretion of the Examination Committee, be refunded to him.
PERSONS FAILING TO PASS MAY AGAIN PRESENT THEMSELVES	11. Any person who has failed to pass an examination to the satisfaction of the Examination Committee may, unless the Committee directs otherwise, present himself again on any subsequent occasion for such examination. Where the Committee refuses to allow any such candidate to present himself for the examination on any subsequent occasion, he may appeal to the Council against the refusal of the Committee and the decision of the Council on such appeal shall be final.
EXAMINERS AND MODERATORS	<p style="text-align: center;"><b><u>EXAMINATION – GENERAL</u></b></p> <p>12. The Council shall appoint a panel of examiners and moderators who shall hold office, when called upon so to do by the Examination Committee. The examiners and moderators shall be determined from time to time by the Council. The Council may, in its discretion, add to, or withdraw from, the panel any examiner or moderator as may be found necessary from time to time.</p>
ADMISSION TO EXAMINATIONS	<p>13. No candidate shall be admitted to any examination prescribed in these regulations unless he has, at least thirty days before the date of the examination –</p> <p>(a) given written notice to the Secretary in such form as may be approved for the purpose by the Council, of his desire to present himself for such examination;</p> <p>(b) paid the fee payable in respect of such examination, such fee being determined from time to time, by the Council;</p> <p>(c) produced such evidence of service or experience, as the case may be, as is prescribed in Regulation 14; and</p> <p>(d) produced evidence of following the course of study as prescribed in Regulation 31.</p>



<p>EVIDENCE OF SERVICE OR EXPERIENCE AND OF ATTENDANCE AT TUTORIAL COURSES</p>	<p>14. (1) every candidate intending to sit for any of the examinations prescribed in these regulations shall produce to the Secretary –</p> <ul style="list-style-type: none"> <li>(a) a certificate from his principal or employer, as the case may be, to the effect that he is a fit and proper person to be admitted to the examination, and specifying in such certificate, the period of service which he has duly served or the experience he has duly acquired, whichever is applicable, or if such certificate cannot be produced, such other evidence as the Council may require; and</li> <li>(b) a certificate of attendance at lectures and tutorial courses from the Director of Studies, as provided in Regulation 31.</li> </ul> <p>Provided, whoever, that in a case where a principal or employer refuses to give a certificate to the effect that he is a fit and proper person to be admitted to the examination, the said candidate may, within seven days of such refusal appeal to the Council against such refusal stating the grounds of appeal, and the Council's decision on such appeal shall be final and conclusive.</p> <p>(2) If a candidate fails to produce a certificate from his principal stating that he is a fit and proper person to be admitted to the examination or if his appeal to the Council under paragraph (1) has not been allowed, he will not be admitted to the examination.</p>
<p>QUALIFICATIONS TO BE ARTICLED CLERKS</p>	<p style="text-align: center;"><b><u>ARTICLED CLERKS</u></b></p> <p>15. No person shall be eligible to be articulated to a member of the Institute unless he –</p> <ul style="list-style-type: none"> <li>(1) is above the age of seventeen on the date of his commencement of articles;</li> <li>(2) has for a period of not less than three months preceding the date of commencement of the articles served as a clerk in the employment of a member to the satisfaction of such member, such period commencing on 1<sup>st</sup> January or 1<sup>st</sup> July of any year and has, in the opinion of the Council, satisfactorily completed the introductory course of lectures and tutorials referred to in regulation 30 (1) (a). (Amended on 06/11/1967)</li> <li>(3) possesses one of the following educational qualifications –</li> </ul>

	<ul style="list-style-type: none"> <li>(i) a degree of the University of Sri Lanka or of any approved University;</li> <li>(ii) the Ceylon Higher School Certificate;</li> <li>(iii) diploma in Accountancy and Commerce of the Sri Lanka Technical College;</li> <li>(iv) the London University of Ceylon General Certificate of Education (Advanced Level) in four subjects including mathematics, obtained at more than two attempts;</li> <li>(v) the London University of Ceylon General Certificate of Education (Advanced Level) in 4 subjects obtained at not more than two attempts and the London University or Ceylon General Certificate of Education (Ordinary Level) with a credit pass in Mathematics or Arithmetic (Amended on 28.02.1969)</li> </ul>
<p>EXEMPTION FROM MINIMUM EDUCATIONAL QUALIFICATIONS IN SPECIAL CASSES</p>	<p>16. Notwithstanding the preceding provisions of these regulations, the Council may, by resolution passed at a meeting specially convened for the purpose (at which meeting there shall be present not less than nine of the members of the Council and for which resolution not less than two-thirds of those present and voting shall vote), grant exemption from the Minimum educational qualifications specified in Regulation 15 to a person who is not under the age of thirty years of age and who, at the date of the application for such exemption, has been for not less than ten years continuously in employment as a clerk to a member or members in practice. Where an exemption is granted to a person in pursuance of this regulation, the Secretary shall issue to such person a certificate under his hand stating that such person has been exempted under this regulation from the requirements as to the minimum educational qualifications.</p>
<p>PERIOD OF ARTICLES</p>	<p>17. The period of articles shall be –</p> <ul style="list-style-type: none"> <li>(a) in the case of a graduate of the University of Sri Lanka or of any approved University or the Diploma in Accountancy or Commerce of the Sri Lanka Technical College 3 years;</li> <li>(b) in the case of a person who possesses one of the following educational qualifications; <ul style="list-style-type: none"> <li>(i) the Ceylon Higher School Certificate;</li> </ul> </li> </ul>

	<p>(ii) the Diploma in Accountancy of the Sri Lanka Technical College;</p> <p>(iii) the London University or Ceylon General Certificate of Education (Advanced Level) in 4 subjects including Mathematics obtained at not more than two attempts;</p> <p>(iv) the London University or Ceylon General Certificate of Education (Advanced Level) in 4 subjects obtained at not more than two attempts and the London University or Sri Lanka General Certificate of Education (Ordinary Level) with a credit pass in Mathematics or Arithmetic ..... 4 years. (Amended on 28.02.1969)</p> <p>(1) Provided, however, that the Council may in its discretion reduce the period of articles -</p> <p>(a) in the case of an articed clerk who having entered into articles for five years subsequently obtains qualifications stipulated in sub paragraph (b) of this regulations to not less than 4 years, or qualifications stipulated in sub paragraph (a) to not less than 3 years.</p> <p>(b) in the case of an articed clerk who having entered into articles for 4 years subsequently obtains the qualifications stipulated in sub paragraph (a) to not less than 3 years.</p> <p>(2) Provided further, that the Council may in its discretion extend the period of articles by a further period not exceeding one year under paragraph (ii) of Regulation 28.</p> <p>Notwithstanding anything in the preceding provisions of these regulations, for the purpose of the computation of the period of articles of an articed clerk, the period he has served as a clerk in terms of Regulation 15 (2) shall be reckoned as a part of his period of articles.</p>
EVIDENCE AS TO ELIGIBILITY FOR ARTICLESHIP	18. Before a member of the Institute accepts a person to serve with him under articles, he shall require such person to produce evidence as to age and such other documentary evidence as may be necessary to show that such person possesses the minimum educational qualifications prescribed in Regulation 15 or that he has been exempted therefrom under Regulation 16.
ARTICLES TO BE	19. The articles of agreement shall be executed in triplicate and shall be substantially in the form set out

REGISTERED	<p>in the Schedule hereto. Where articles have been executed, the Principal shall inform the Secretary of the execution of the articles within seven days thereof. The articles together with the necessary documentary evidence showing that the requirements laid down in Regulation 15 have been complied with and a statement giving particulars of the name, father's name, residence and the age of the articted clerk shall be transmitted to the Secretary for registration within one month after the execution of the articles, or within such longer period as the Council may, in its discretion, allow in any particular case. The articles of agreement shall be subject to the provisions of the Act and the regulations made thereunder.</p> <p>The fee for such registration shall be Rs. 50/- <u>*per articted clerk.</u></p> <p>* Provided, however, that in a case where fresh articles are entered into under regulation 25 (1) of these regulations the Council may, in its discretion, waive the fee for the registration of such articles. (Amended on 08.04.68)</p>
REGISTER OF ARTICLED CLERKS	20. The Secretary shall maintain a register of articted clerks.
	<p>21. (1) From 1<sup>st</sup> July, 1973 a member who has been approved for the purpose by the Council may take or retain without limit as to number of Articted Clerks in accordance with these regulations.</p> <p>(2) The Council may approve any member for purposes of paragraph (1) -</p> <p>(a) if he -</p> <p>(i) is in practice and such practice is his main occupation (upon which the decision of the Council shall be conclusive) and he can satisfy the Council that he is in a position to provide such practical training to an articted clerk as is acceptable to the Council; or</p> <p>(ii) is a salaried employee in the service of a firm of practicing accountants and such employment is his main occupation and he can satisfy the Council that he is in a position to provide such practical training to an articted clerk as is acceptable to the Council; and</p>

	<p>(iii) has himself served articles before becoming a member of the Institute, and has passed the Final Examination of the Accountancy Board, or of any Institute of Chartered Accountants approved by the Council for the purposes of admission to membership of the Institute under Section 4 (1) (ii) of the Act; or</p> <p>(b) if, before the coming into force of these regulations he had been approved by the Accountancy Board as a person eligible to take articled clears.</p> <p>(3) No person shall while he is suspended from membership of the Institute take or retain an articled clerk.</p>
	<p>22. No member shall charge any premium or fee in respect of the engagement of an Articled Clerk.</p> <p>“..... and of the sum of by the said to the said Principal paid at or before the execution of these presents (the receipt whereof the said Principal do hereby acknowledge)”.</p> <p style="text-align: center;">AND</p> <p>“And Provided further that if the said Clerk shall by reason of illness be discharged by the said Principal under the powers aforesaid the said Principal shall within one calendar month return to the said a proportionate part of the premium”.</p> <p>(Amended on 09/06/72)</p>
<p>TRANSFER OF ARTICLES</p>	<p>23. An articled clerk serving his articles under any member may, by agreement between the parties concerned, be transferred to another member competent to take an articled clerk. Where any such transfer takes place, the instrument of transfer shall be lodged with the Secretary for registration within one month of its execution or within such longer period as the Council may in its discretion allow in any particular case.</p>

<p>FRESH ARTICLES OF TRANSFER TO ANOTHER MEMBER ON DEATH, &amp; C. OF PRINCIPAL</p>	<p>24. (1) Where a member who has in his service an articled clerk ceases to practice or terminate his employment in the service of a firm of accountants or resigns his membership, as the case may be, then, the articles may be transferred to or fresh articles may be transferred to or fresh articles may be entered into for the remainder of his term of service with any other member eligible under these regulations to take an articled clerk. Where a member dies or is removed or suspended from membership, the articled clerk may enter into fresh articles with another member for the remainder of his term of service. (Amended on 06/12/1967).</p> <p>(2) Where fresh articles have been entered into by an articled clerk under the provisions of the preceding paragraph the Council may, subject to such terms and conditions as it may think fit, treat the service of such articled clerk under two or more members as continuous service, notwithstanding any interruption of service.</p> <p>(3) Where a member who has in his service a person who is serving as a clerk in terms of Regulation 15 (2) ceases to practice or terminates his employment in the service of a firm of accountants or resigns his membership or dies or is removed or suspended from membership, as the case may be, another member eligible under these regulations to take an articled clerk may employ the clerk and sign articles if the clerk is found satisfactory.</p>
<p>ARTICLED CLERKS MAY NOT ENGAGE IN OTHER BUSINESS</p>	<p>25. No articled clerk shall, during his term of service engage in any other business or occupation except in so far as he may be permitted so to do by his principal and the principal shall not give such permission without the prior approval of the Council.</p>
<p>SERVICE UNDER ARTICLES</p>	<p>26. An articled clerk shall throughout his term of service on his principal's business of practising accountant.</p> <p>Provided that he may with the consent of his principal –</p> <p>(a) Have leave of absence from the principal's office or business for the purpose of studying for any examination of the Institute, such leave not to exceed six weeks in respect of the first occasion, he sits for an examination and one month in respect of each subsequent occasion he sits for that examination in a case where he sits for that examination in a case where he has failed that</p>

	<p>examination on the first occasion;</p> <p>(b) Have leave of absence from the principal's office or business for the purpose of following for a second time the Intermediate or Final revision courses as the case may be, where he has failed such examination on the first occasion;</p> <p>(c) Spend subject to such terms and conditions as the council may impose a period not exceeding six months in the aggregate in any industrial, commercial or other similar organization approved by the Council; provided further that, the aggregate period allowed under the preceding provisions of this regulation shall in on case exceed one-third of the full term of service.</p>
<p>CANCELLATION OF REGISTRATION OF ARTICLES</p>	<p>27. (i) Where an articled clerk has been convicted by a competent court, or any criminal offence or any other offence involving moral turpitude or where an allegation has been made that an articled clerk has committed any act or default which, in the opinion of the Council, is of such a nature as to warrant an inquiry, or that he has neglected his studies or duties imposed on him by the principal in terms of the Articles of Agreement the Council may, after due inquiry by a committee appointed under Regulation 15 of the Institute of Chartered Accountants Regulation, 1960, decide that such articled clerk is not a fit and proper person to become a member of the Institute.</p> <p>(ii) Where the Council has decided that an articled clerk is not a fit and proper person to become a member of the Institute, the Council shall forthwith cancel the registration of such articled clerk and shall call upon the principal to discharge such clerk from service. Thereafter no member shall retain or take such clerk as an articled clerk without the express permission of the council which shall be given only for special reasons and upon such terms as the Council shall in its discretion think fit.</p> <p>(iii) The Council may reprimand or admonish an articled clerk or debar him from sitting any of the examinations of the Institute for a period to be stipulated or extend the period of articles by a further period not exceeding one year, if, in the opinion of the Council, the articled clerk has been found guilty of any act, default, or neglect, such act default or neglect, being not of such a serious nature as to result in the cancellation of registration of articles.</p> <p>(iv) The Committee inquiring into any allegation made against an articled clerk shall give such articled clerk an opportunity to be heard before it, and shall, if such articled clerk as desires, permit such articled clerk to be represented before it by Counsel or Proctor or by member of the Institute. The</p>

	<p>Committee may request a member of the Institute to support the allegation before the Committee or may instruct a Proctor to support such allegation or to brief Counsel to support such allegation.</p> <p>(v) An articled clerk whose registration is cancelled in terms of paragraph (i) of this regulation or who has been admonished or reprimanded in terms of paragraph (iii) of this regulation, may, within 21 days of the decision relating to such cancellation, admonition or reprimand being conveyed to him, appeal to the Council stating the grounds of appeal. The decision of the Council on this appeal shall be final and conclusive.</p> <p>(vi) The Council shall have full powers to affirm, waive or reverse any earlier decision.</p>
<p>REDUCTION IN PERIOD OF SERVICE IN SPECIAL CASES</p> <p>PAYMENT TO ARTICLED CLERKS</p>	<p>28. The Council may, by resolution duly passed at a meeting, notice of which shall contain particulars relating to such resolution, (and for which resolution not less than three-fourths of these presents and voting shall vote), in the case of a person who possesses the qualifications prescribed in Regulation 15 and who, at the date of such meeting, has been for not less than ten years continuously in employment as a clerk to a member in practice, or who has had experience which, in the opinion of the Council, is equivalent to such employment, reduce the period such person is required to serve under articles to not less than three years or, where such person is a graduate of the University of Sri Lanka or of any approved University, not less than two years.</p> <p>28(A) A Principal shall pay an articled Clerk the following minimum allowances per mensem.</p> <p style="padding-left: 40px;">Before passing the Intermediate Examination a sum of Rs. 75/-.</p> <p style="padding-left: 40px;">After passing the Intermediate Examination a sum of Rs. 100/-.</p> <p style="padding-left: 40px;">After passing a part of the Final Examination a sum of Rs. 150/-.</p> <p>Where however an Articled Clerk received an allowance from any source in the course of his Articleship with the Principal and/or other person in relation to his services performed during his period of Articleship such allowance may be taken into account in determining the amount payable as aforesaid.</p>



<p>STUDY LEAVE OF ARTICLED CLERKS</p>	<p>28(B) Articled Clerks shall be granted not more than the undernoted leave for the purpose of study;</p> <p>9 weeks for the Intermediate Examination</p> <p>9 weeks for the Final Examination Part 1</p> <p>9 weeks for the Final Examination Part 11</p> <p>If study leave in excess of the period so allowed is taken by an Articled Clerk his period of Articles shall be extended by the period for which he has taken leave in excess of the period herein stipulated.</p>
<p>COURSES OF STUDY FOR EXAMINATIONS UNDER REGULATION 3</p>	<p style="text-align: center;"><b><u>COURSES OF STUDY</u></b></p> <p>29. (i) The course of study in preparation for the Intermediate Examination to be held under Regulation 3 consist of –</p> <p>(a) A compulsory introductory course of lectures and tutorials on such subjects as may be decided by the Council from time to time;</p> <p>(b) A compulsory correspondence course approved or conducted by the Council in such subjects as may be decided by the Council from time to time and where it is considered necessary by the Council a compulsory course of lectures and tutorials as may be conducted or approved by the Council;</p> <p>(c) A compulsory revision course conducted by the Council.</p> <p>(ii) The course of study in preparation for the Final Examination to be held under Regulation 3 shall consist of –</p> <p>(a) A compulsory correspondence course approved or conducted by the Council in such subjects as</p>

may be decided by the Council from time to time and where it is considered necessary by the Council a compulsory course of lectures and tutorials as may be conducted or approved by the Council;

(b) A compulsory revision course conducted by the Council;

(iii) Articles of Agreement shall not be entered into by Principals with any person unless that person as, in the opinion of the Council, satisfactorily completed the introductory course of lectures and tutorials during his probationary period. Where a person fails to satisfactorily complete the introductory course of lectures and tutorials at the first attempt. He may, at the discretion of his Principal be allowed a second attempt and in such a case, the probationary period shall be deemed to commence from the date of the next intake of articled clerks. Where a person fails to satisfactorily complete the introductory course of lectures and tutorials at the second attempt also, then, he shall not be permitted to enter into articles at any time thereafter. Provided, however, that in the circumstances of any particular case, the Council may in its discretion, exempt any person from attending the lectures and tutorials in any subject of the introductory course of lectures and tutorials. (Amended on 06.11.1967)

(iv) An articled clerk who has not passed the Intermediate Examination will not be permitted to follow the final courses of study;

Provided, however, that, in the particular circumstances of any case, the Council may, in its discretion permit any person to follow the final courses of study though such person has not passed the Intermediate Examination.

(v) An articled clerk shall follow the compulsory revision course conducted by the Council immediately prior to the examination for which such articled clerk is eligible to present himself under these regulations.

Provided, however, that, the Council may in the particular circumstances of any case, permit an articled clerk to follow a compulsory revision course conducted earlier than the course referred to in the preceding provisions of this paragraph.

(v) The fees for the courses of study for such examination shall be determined from time to time by the Council.

	<p>(vi) The lectures shall be appointed by the Council and shall be paid such remuneration as may be determined from time to time by the Council.</p>
<p>ATTENDANCE AT LECTURES AND TUTORIALS</p>	<p>30. (i) no person shall be admitted to the Intermediate Examination of the Institute unless –</p> <p>(a) he has satisfied the provisions of regulations 29 (iii);</p> <p>(b) in a case where Articles of Agreement have already been entered into without satisfactorily completing the introductory course of lectures and tutorials, he satisfactorily completes the introductory course of lectures and tutorials referred to in Regulation 29 (i) (a) (Amended on 06.11.1967)</p> <p>(c) He produces a certificate from the Director of Studies to the effect that he has regularly submitted written answers to questions based upon the compulsory correspondence course referred to in Regulation 29 (i) (b) and has in the opinion of the Director of Studies reached a satisfactory standard in such course;</p> <p>(d) He produces a certificate from the Director of Studies that he has attended not less than 70 per cent of the compulsory lectures and tutorials and the revision course conducted or approved by the Council.</p> <p>Provided, however, that, in the particular circumstances of any case, the Council may, in its discretion permit a person to present himself for the Intermediate Examination notwithstanding that he has failed to comply with paragraph 1 of this regulation.</p> <p>(ii) No person shall be admitted to the Final Examination of the Institute unless –</p> <p>(a) He has followed the course of study prescribed for the Final Examination;</p> <p>(b) He produces a certificate from the Director of Studies to the effect that he has regularly submitted written answers to questions based upon the compulsory correspondence course referred to in Regulation 29 (ii) (a), and has in the opinion of the Director of Studies reached a satisfactory</p>

	<p>standard in such course.</p> <p>(c) He produces a certificate from the Director of Studies that he has attended not less than 70 per cent of the compulsory lectures and tutorials and the revision courses conducted or approved by the Council;</p> <p>Provided, however, that, in the particular circumstances of any case, the Council may, in its discretion, permit a person to present himself for the Final Examination notwithstanding that he has failed to comply with paragraph (ii) of this regulation, and provided, further, that any person may be permitted to sit for any one part of the Final Examination in accordance with the provisions of the proviso (c) to Regulation 7, if he satisfies the requirements of Regulation 30 (ii) with regard to the subjects comprising that part of the Final Examination.</p>
<p>CERTIFICATE OF ATTENDANCE</p>	<p>31. (i) The Director of Studies shall, as soon as possible after the termination of the courses of study, issue to each articled clerk who has followed such course -</p> <p>(a) A certificate to the effect that such articled clerk has satisfied the requirements of Regulation 30 (i) or 30 (ii) or</p> <p>(b) A statement to the effect that he is unable to certify that the articled clerk has satisfied the requirements of Regulation 30 (i) or 30 (ii). Such statement shall specify the subjects in which the articled clerk has not reached the required standard or has not been able to obtain the 70 per cent attendance as the case may be.</p> <p>(ii) The Director of Studies shall, in the case of an articled clerk who wished to sit for any one part of the Final Examination in accordance with proviso (c) to Regulation 7, issue to such articled clerk;</p> <p>(a) A certificate to the effect that such articled clerk has satisfied the requirements of Regulation 30 (ii) with regard to the subjects comprising that part of the Final Examination ; or</p> <p>(b) A statement to the effect that he is unable to certify that the articled clerk has satisfied the requirements of Regulation 30 (ii) with regard to the subjects comprising that part of the Final</p>

	<p>Examination. Such statement shall specify the subjects in which the articled clerk has not reached the required standard or has not been able to obtain the 70 per cent attendance as the case may be.</p> <p>(iii) An articled clerk who is aggrieved by the refusal of the Director of Studies to issue the certificate referred to in Regulation 31 (1) (a) or the certificate referred to in Regulation 31 (ii) (a) may appeal to the Council stating the grounds of appeal. The decision of the Council on this appeal shall be final and conclusive.</p> <p>31. (A) The provisions of Regulation 29, 30 and 31 in which are amended by this regulation shall, in relation to any articled clerk who has completed, or shall complete on or before June 30, 1966, his intermediate or final courses of lectures and tutorials, continue to have effect as if such regulations are not so amended.</p>
<p>SERVICE UNDER ARTICLES ABROAD</p>	<p style="text-align: center;"><b>MISCELLANEOUS:</b></p> <p>32. Where any articled clerk has served any period of service under articles for the purpose of any examination conducted by any professional body membership of which has been approved by the Council for the purposes of admission to membership of the Institute under Section 4 (1) (ii) of the Act, such period may in the discretion of the Council be set off against the period of articles required under these regulations. ( Amended on 8.4.1968)</p>
<p>EXAMINATIONS</p>	<p>33. (i) A person who has passed any examination or part of an examination conducted by the Accountancy Board shall be exempt from the corresponding examination or the corresponding part of the examination of the Institute.</p> <p>(ii) A person who has served his full term of articles or any part thereof under the rules of the Accountancy Board shall be exempt from the full term of articles or the corresponding part of the articles, as the case may be, under these regulations.</p> <p>(iii) A person who has attended a course of lectures or tutorials conducted by the Accountancy Board shall be exempt from the corresponding course of lectures or tutorials conducted by the Council.</p>



Regulations.

**NOW THIS INDENTURE WITNESSETH:**

That the said Clerk of his own free will and with the consent of the said\*

doth place and bind himself Clerk to the said Principal to serve him for and during and unto the full end and term of a continuous and uninterrupted period of years (save as hereinafter provided) which term shall be deemed to have commenced not less than three months prior to the day of the date hereof and doth hereby for himself his heirs executors and administrators covenant and promise and agree to and with the Principal his executors, administrators and assigns that the said Clerk will faithfully and diligently serve the said Principal as his Clerk in the Profession of an Accountant and Auditor from the day of the date hereof for and during and unto the full end of the said term of years or such period as reduced by Council in terms of proviso 1 to Regulation 17 of the Institute of Chartered Accountants (No. 2) Regulations, 1960, or such period as extended by Council in terms of proviso 2 Regulation 17, and that he the said Clerk shall not at any time during such term cancel, obliterate, spoil, destroy, waste, embezzle, append or make away with any of the books, papers, moneys or other property of the said Principal, his executors, administrators or assigns or of his Partner or Partners or of any of his Clients or Employers which shall be deposited in his hands or which shall come or be entrusted to his care, custody or possession and shall not make copies of any books or papers belonging to or in the custody of the said Principal or of is Partner or Partners and that in case the said Clerk shall act contrary to the last mentioned covenant or if he the said Principal, his executors, administrators or assigns or his Partner or Partners or all or any of them shall suffer any loss, damage or prejudice by the misbehavior, neglect or improper conduct of the said Clerk the said \*

his executors or administrators shall indemnify the said Principal and his Partner or Partners and all or any of them therefrom and make good the reimburse to the said Principal and his Partner or Partners and all or any of them the amount or value thereof.

**AND FURTHER** that the said Clerk shall and will at all times keep the secret of the said Principal and his Partner or Partners and all and every one of them and of him and their Clients and Employers and shall not divulge the names or affairs of such Clients and shall readily and cheerfully obey and execute his and their lawful and reasonable commands and shall not depart of absent himself from the service or employ of the said Principal at any time during the said term without his consent first obtained but shall at all times during the said term conduct himself with all due diligence, honesty and propriety, AND the said Clerk doth hereby for himself convenient, promise and agree to and with the said Principal, his executors, administrators and assigns that he the Clerk shall and will faithfully serve that said Principal

at all times during the said term as a Clerk ought to do in all things whatsoever.

**IN CONSIDERATION** whereof and of the obligations hereunder undertaken by the said Clerk and of the sum of by the said\* to the said Principal paid at or before the execution of these presents (the receipt whereof the said Principal doth hereby acknowledge) the said Principal for himself, his heirs, executors and administrators doth covenant, promise and agree to and with the said\* his executors and administrators by these presents that he the said Principal shall and will accept and take the said Clerk as his Clerk during the said term and shall and will throughout the said term to the best of his ability and power afford him the said Clerk such reasonable opportunities and work as may be required to enable him to acquire the art, science and knowledge of a Professional Accountant and Auditor AND if the said Clerk shall be well and faithfully serving or shall have well and faithfully served his said intended Clerkship shall and will during and at the expiration of the said term give to him such certificates as may be necessary to enable the Articled Clerk to sit for his examination and for the purpose of his being a Member of the Institute of Chartered Accountants of Sri Lanka.

**PROVIDED ALWAYS AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED** between and by the parties hereto that if during the said term the said Clerk shall be incapacitated by illness for a period or periods amounting in any one year of the said term to a total of six months or shall be absent without leave otherwise than by reason of illness for a period or periods amounting in any one such year to a total of six months or if a resolution shall be passed by the Council of the Institute of Chartered Accountants of Sri Lanka to the effect that the said Clerk is unfit to become a member of the Institute of Chartered Accountants of Sri Lanka the said Principal shall be entitled to discharge the said Clerk from service hereunder.

**PROVIDED ALWAYS AND IT IS EXPRESSLY AGREED AND DECLARED** between and by the said Principal and the said \* that if the said Principal shall die or cease to practice or cease to be a Member of the Institute of Chartered Accountants of Sri Lanka during the said term he or in the case of his death his executors or administrators shall within one calendar month after such death or ceasor at the option of the said \* return a proportionate part of the premium or make due provision for the completion by the said Clerk of the residue of the said term as Articled Clerk to some other Principal without any further expense to the said, \*



**AND PROVIDED FURTHER THAT** if the said Clerk shall be reason of illness be discharged by the said Principal under the powers aforesaid the said Principal shall within one calendar month return to the said \* a proportionate part of the premium.

**IN WITNESS** whereof the said parties to these presents have hereunto set their hands the day and year first above written.

**SIGNED AND EXECUTED** by the said Principal .....  
(Signature)

In the presence of

(Witness) .....(Witness) .....

Address ..... Address .....

.....

**SIGNED AND EXECUTED** by the said .....  
(Signature)

In the presence of

(Witness) ..... (Witness) .....

Address ..... Address .....

.....

**SIGNED AND EXECUTED** by the said Clerk .....  
(Signature)

In the presence of

(Witness) ..... (Witness) .....

Address ..... Address .....

.....

**FOR OFFICE USE ONLY**

Date .....

.....

and

.....

Qualifying Examination .....

Term of Articles .....

• Commencing .....

• Expiring .....

Expiring .....

Registered .....

No .....

.....

Secretary  
Institute of Chartered  
Accountants of Sri Lanka

“Three” in the case of graduates, and “four” in the case of non-graduates in accordance with Regulation 17 of the Institute of Chartered Accountants (No. 2) regulations, 1968.

The probationary period of three months is included as part of the period of articles.

- The commencing date of the articles shall be
- Not less than three months prior to the execution of these articles.
- “Parent” or “Guardian” or the articled Clerk himself when he is a major.

	<p><b>INSTITUTE OF CHARTERED ACCOUNTANTS OF SRI LANKA</b>  <b><u>NO. (1) REGULATIONS 1975</u></b></p> <p>Regulations made by the Council of the Institute of Chartered Accountants of Sri Lanka by virtue of the Powers vested in the Council by Section 12 of the Institute of Chartered Accountants Act, No. 23 of 1959, as amended by the Institute of Chartered Accountants (Amendment) Act, No. 16 of 1964 and Act, Institute of Chartered Accountants of Sri Lanka <u>Amendment Law No. 34 of 1975.</u></p>
Short Title	<p><b><u>REGISTERED STUDENTS</u></b></p>
Applicability of Regulations	<p>1. (A) These regulations may be cited as the Institute of Chartered Accountants No. 1 Regulations 1975.</p> <p>(B) These Regulations will apply to students Registered with the Institute on or after the relevant date referred to in the Institute of Chartered Accountants Amendment Law No. 34 of 1975.</p>
Requirements for Registration	<p>2. A person to be eligible to sit any of the examinations of the Institute leading up to associate Membership of the Institute and to follow a course of approved practical training as required by these regulations is required to register himself with the Institute as a student and such person shall be referred to in these regulations as a registered student.</p>
Application for Registration	<p>3. A person shall apply to the Institute for registration as a student only in response to a public advertisement made by the Institute. Except in the initial year of Registration, the Council shall advertise at least twice in each calendar year.</p>
Minimum Qualifications for Registration	<p>4. A person to be considered for registration should possess any one of the following Educational Qualifications unless such person has been exempted from these requirements under Regulation 5</p>

	<p>of these Regulations.</p> <ul style="list-style-type: none"> <li>(i) The Sri Lanka or the London University Certificate of Education (Advanced Level) in four subjects obtained at not more than two attempts with Mathematics as one of the four subjects or a credit pass in Arithmetic, Commercial Arithmetic or Mathematics at the General Certificate of Education (Ordinary Level) if Mathematics is not one of the four subjects at the Advanced Level. (All four subjects should be either in Sri Lanka (Advanced Level) or London (Advanced Level) or;</li> <li>(ii) The Ceylon Higher School Certificate; or</li> <li>(iii) A Degree of the University of Sri Lanka or of any other University approved by the Council; or</li> <li>(iv) Second year Examination in Diploma in Accountancy or Diploma in commerce of the Ceylon Technical College; or</li> <li>(v) Parts 1 &amp; 11 of the Institute of Cost and Management Accountants or the Institute of Certified and Corporate Accountants; or</li> <li>(vi) Membership of the Sri Lanka Government Accountants' Service; or</li> <li>(vii) Membership of the Sri Lanka Government Audit Service; or</li> <li>(viii) Diploma in Public Financial Management of the Academy of Administrative Studies; or</li> <li>(ix) Final Examination of the Institute of Chartered Secretaries and Administrators; or</li> <li>(x) Professional Stage Examination of the Institute of Book-Keepers and related Data Processing (London)</li> <li>(xi) Any other qualification as approved by the Council.</li> </ul>
<p>Exemptions from Minimum Qualification</p>	<p>5. A person may be exempted from the requirements of regulation 4 of these regulations at the discretion of the Council of the Institute, if such person –</p> <ul style="list-style-type: none"> <li>(a) Has had 7 years' continuous experience in Accounting and/or Auditing; and</li> </ul>

	<p>(b) Has passed in a written test and where necessary and oral test conducted by the Council, for the purpose of assessing the person's experience. Provided however, that such exemption shall not be granted to any person after 31<sup>st</sup> December, 1980.</p> <p>(c) The Council shall insert a public advertisement calling for applications from those eligible under Regulation 5 at least once each Calendar Year.</p>
Registration Fees	6. A person will not be deemed registered with the Institute as a student (and shall lose his registration) unless such person has paid to the Institute the initial registration fees and the annual renewal fees of such amount as may be determined by such fees are not paid at determined times, the registration will lapse.
Register of Registered Students	7. The Council of the Institute shall maintain a register of Registered Students.
Rules of Conduct	8. A registered student shall abide by any rules of conduct that the council of the Institute may lay down as applicable to registered students and the failure of a registered student to comply with any such rules of conduct will make the student liable for disciplinary action by the Council of the Institute.
Appointment of Examination Committee	<p style="text-align: center;"><b><u>EXAMINATION GENERAL</u></b></p> <p>9. For the purpose of conducting the examinations prescribed in these regulations, the Council shall appoint a Committee to be called the Examination Committee consisting of not less than six members of the Council. Each member so appointed shall hold office in the Committee for a term of one year. The quorum for any meeting of the Examination Committee shall be three members.</p>

<p>Powers and duties of the Examination Committee</p>	<p>10. (1) The Examination Committee shall have power to:</p> <ul style="list-style-type: none"> <li>(a) Regulate the time and place of the holding of each examination referred to in these regulations, and make such other arrangements as may be necessary for the conduct of each such examination;</li> <li>(b) Determine, with the approval of the Council the subjects and syllabuses in respect of each examination;</li> <li>(c) Appoint (from its members or from the panel of examiners and moderators appointed by the Council under Regulation 13) such of them as examiners and moderators as it may think fit;</li> <li>(d) Appoint suitable persons as invigilators to invigilate at each examination on each day on which the examination is held;</li> <li>(e) Consider the reports of the examiners and moderators on each examination and accept them or reject them or accept them subject to such modifications or alterations as it deems necessary; and</li> <li>(f) Report to the Council the results of each such examination;</li> <li>(g) Appoint sub-committees from among its members to carry out functions assigned to such sub-committees by the Examination Committee.</li> </ul> <p>Provided however, that, notwithstanding anything to the contrary in sub paragraph (c) of this paragraph the Examination Committee may appoint subject to ratification by the Council at its first-subsequent meeting, any, other qualified persons as examiners and moderators, if exceptional circumstances necessitate such a measure.</p> <ul style="list-style-type: none"> <li>(2) Examiners, moderators and invigilators appointed under this regulation shall be paid such remuneration as may be determined by the Council.</li> <li>(3) The examiners and moderators appointed under this regulation shall, with such other assistance as the Council may approve, examine by means of written papers and orally or by written papers</li> </ul>
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	<p>along the candidates sitting for an examination, and shall report the results of such examination to the Examination Committee, as soon as may be practicable after holding of the examination.</p> <p>(4) Every candidate who passes the Licentiate or Associate Examinations and satisfactorily completes the prescribed periods of practical training shall receive a certificate to the effect that he has passed such examinations. Every such certificate shall be signed by a member of the Council (Nominated for the purpose by the Council) and by the Secretary.</p>
<p>No Refund of Examination Fees</p>	<p>11. Where after the payment of an examination fee in respect of any examination, a candidate withdraws his entry or fails to present himself for such examination the examination fee paid shall not be refunded.</p> <p>Provided however, in cases of illness on submission of a Medical Certificate by a Registered Medical Practitioner, the Council may transfer one half of such fee to the credit of the candidate at the examination immediately following.</p>
<p>Persons failing to pass may again present themselves</p>	<p>12. Any person who has failed to pass an examination to the satisfaction of the Examination Committee may, unless the Committee directs otherwise, present himself again on any subsequent occasion for such examination. Where the Committee refuses to allow any such candidate to present himself for the examination on any subsequent occasion, he may appeal to the Council against the refusal of the Committee and the decision of the Council on such appeal shall be final.</p>
<p>Examiners and Moderators</p>	<p>13. The Council shall appoint a panel of Examiners and Moderators who shall hold office, when called upon to do so by the Examination Committee. Examiners and Moderators shall be paid such remuneration as shall be determined from time to time by the Council. The Council may in its discretion, add to, or withdraw from, the panel any examiner or Moderator as may be found necessary from time to time.</p>



<p>Qualifying Examinations</p>	<p style="text-align: center;"><b><u>EXAMINATION FOR ASSOCIATE MEMBERSHIP</u></b></p> <p>14. The qualifying examinations for Associate Membership of the Institute shall consist of –</p> <ul style="list-style-type: none"> <li>(a) Preliminary Examination</li> <li>(b) Licentiate Examination</li> <li>(c) Associate Examination Part 1</li> <li>(d) Associate Examination Part 11</li> </ul> <p>No candidate shall be eligible to appear at the above examinations except in the order prescribed above, nor shall a candidate be eligible to appear at the same examination session for more than one such examination.</p>
<p>Eligibility to be admitted to the Preliminary Examination</p>	<p style="text-align: center;"><b><u>PRELIMINARY EXAMINATION</u></b></p> <p>15. No person shall be admitted to the Preliminary Examination unless such person –</p> <ul style="list-style-type: none"> <li>(a) Is a registered student of the Institute;</li> <li>(b) Has at least 90 days before the date of the Examination given written notice to the Secretary in such form as may be approved for the purpose by the Council or his desire to present himself for such examination;</li> <li>(c) Has paid the fee payable in respect of the examination, such fee being determined from time to time by the Council;</li> <li>(d) Produces a certificate from his employer, his training institution, the head of his educational institution or a member of the Institute or any other category of persons approved by the Council to the effect that he is a fit and proper person to be admitted to the examination;</li> <li>(e) Produces a certificate of attendance at lectures and/or seminars and or tutorial courses from an</li> </ul>

	<p>officer authorized by the Council in compliance with any requirement as may be laid down by the Council;</p> <p>(f) Produces evidence of having followed a course of study as may be required to be followed by the Council or the Institute.</p>
<p>Eligibility to be admitted to the Licentiate Examination</p>	<p style="text-align: center;"><b><u>LICENTIATE EXAMINATION</u></b></p> <p>16. No person shall be admitted to the Licentiate Examination unless such person –</p> <p>(a) is a registered student of the Institute;</p> <p>(b) has passed the preliminary Examination of the Institute;</p> <p>(c) Has at least 90 days before the date of the examination given written notice to the Secretary in such form as may be approved for the purpose by the Council of his desire to present himself for such examination;</p> <p>(d) has paid the fee payable in respect of the examination such fee being determined from time to time by the Council;</p> <p>(e) produces a certificate from his employer, his training institution, the head of his educational institution or a member of the Institute or any other category of person approved by the Council to the effect that he is a fit and proper person to be admitted to the examination.</p> <p>(f) produces a certificate of attendance at lectures and/or seminars and/or tutorial courses from officers authorized by the Council in compliance with any requirement as may be laid down by the Council;</p> <p>(g) produces evidence of having followed a course of study as may be required to be followed by the Council of the Institute;</p>

Issue of Licentiate Certificate	<p>17. A registered student who has passed the Licentiate Examination shall be entitled to a certificate referred to as the Licentiate Certificate, on production of evidence that such person has satisfactorily completed a period of practical training under an approved scheme for a period not less than two years, unless such registered student has been exempted from the requirement to acquire practical training for a period of 2 years or part thereof under Regulation 31.</p>
Licentiate of the Institute	<p>18. (a) A person holding the Licentiate Certificate may describe himself as a Licentiate of the Institute of Chartered Accountants of Sri Lanka but shall not describe himself as a Chartered Accountants or a member of the Institute of Chartered Accountants of Sri Lanka.</p> <p>(b) A Licentiate shall abide by any rules of conduct that the Council of the Institute may lay down as applicable to Licentiate and the failure of a Licentiate to comply with any such rules of conduct will make the student liable for disciplinary action by the Council of the Institute.</p>
Eligibility to be admitted to the Associate Examination Part 1	<p style="text-align: center;"><b><u>ASSOCIATE EXAMINATION PART 1</u></b></p> <p>19. No person shall be eligible to sit the Associate Examination Part 1 unless such person –</p> <ul style="list-style-type: none"> <li>(a) Is a registered student of the Institute;</li> <li>(b) Is a Licentiate of the Institute;</li> <li>(c) Has at least 90 days before the date of the examination given written notice to the Secretary in such form as may be approved for the purpose of his desire to present himself for such examination;</li> <li>(d) Has paid the fee payable in respect of the examination such fee being determined from time to time by the Council;</li> <li>(e) Produces a certificate from his employer, his training institution, the head of his educational institution or a member of the Institute or any other category of person approved by the Council to the effect that he is a fit and proper person to be admitted to the examination;</li> <li>(f) Produces a certificate of attendance at lectures and /or tutorial courses from an officer authorized</li> </ul>

	<p>by the Council in compliance with any requirement as may be laid down by the Council;</p> <p>(g) Produces evidence of having followed a course of study as may be required to be followed by the Council of the Institute.</p>
<p>Eligibility to be admitted to the Associate Examination Part 11</p>	<p style="text-align: center;"><b><u>ASSOCIATE EXAMINATION PART 11</u></b></p> <p>20. No person shall be eligible to sit the Associate Examination Part 11 unless such person -</p> <ul style="list-style-type: none"> <li>(a) is a registered student of the Institute;</li> <li>(b) has passed the associate Examination Part 1 of the Institute;</li> <li>(c) has at least 90 days before the date of the examination given written notice to the Secretary in such form as may be approved for the purpose by the Council of his desire to present himself for such examination;</li> <li>(d) has paid the fee payable in respect of the examination such fee being determined from time to time by the Council;</li> <li>(e) produces a certificate from his Employer his training institution, the head of his educational institution or a member of the Institute or any other category of person approved by the Council to the effect that he is fit and proper person to be admitted to the examination;</li> <li>(f) produces a certificate of attendance at lectures and/or seminars and/or tutorial courses from an officer authorized by the Council in compliance with any requirement as may be laid down by the Council;</li> <li>(h) produces evidence of having followed a course of study as may be required to be followed by the Council of the Institute.</li> </ul>

Associate Membership	<p>21. No person shall be enrolled as a member of the Institute unless such person –</p> <p>(i) Has passed the Associate Examination Part 11 of the Institute;</p> <p>(ii) Produces evidence to the effect that such person has completed a period of training under an approved scheme for not less than two years since obtaining the Licentiate Certificate unless such student has been exempted from the requirement to acquire practical training for a period of two years or part thereof under Regulation 31.</p>
Approved Scheme of Practical Training	<p style="text-align: center;"><b><u>PRACTICAL TRAINING</u></b></p> <p>22. Subject to the provision of Regulation 31 of these Regulations, practical training acquired by registered students shall not be recognized for purposes of issuing the Licentiate Certificate and admission to Associate Membership of the Institute unless such training has been acquired under a scheme approved by the Council of the Institute.</p>
Approved Institutions	<p>23. The Council may approve institutions as suitable places for training within approved schemes. Such approval may be granted to Institutions for part of whole of the training.</p>
Commencement of recognized practical training	<p>24. Practical training to be recognized for the purpose of the issue of Licentiate certificate and admission to Associate Membership of the Institute shall commence after a registered student has passed the Preliminary Examination of the Institute, except in cases provided for in Regulation 31.</p>
Submission of Schemes of training by registered students	<p>25. A registered student may submit to the council of the Institute for its consideration a scheme of training arranged with any institution or institutions giving such particulars as may be require by the Council and the Council may approve such scheme in whole or in part.</p>
Training Record and Progress Report	<p>26. Every registered student shall keep a training record in such manner and form as may be prescribed by the Council. The training record shall be the property of the Institute.</p>

	Every registered student shall submit to the Council of the Institute, progress reports in such manner and form and at such times, as may be prescribed by the Council.
Certificate by Head of Training Institution or his authorized representative	27. The training records and the progress reports referred to in regulation 26 shall be certified by the Head of the Institution in which the registered student is undergoing training or his authorized representative to the effect that the particulars given therein give a true record of the training acquired by the registered student.
Supervision of Practical Training	28. No training will be recognized unless it is supervised by a Member of the Institute authorized or engaged by the Council to supervise such training. However, such members may or may not be in the employment of the training institutions provided however that no member of the Institute who provides tuition facilities for registered students authorized or be engaged by the Council to supervise such practical training.
Certificates by Supervising Members	29. Members of the Institute authorized or engaged by the Council to supervise the practical training of registered students shall give certificates on the nature and adequacy of such training in such form and manner as may be prescribed by the Council.
Satisfactory completion of Practical Training	30. For the purpose of granting the Licentiate Certificate and admitting persons as Associate Members of the Institute, the Council of the Institute shall assess the adequacy of the Practical Training acquired on the basis of the training records, progress reports certificate issued by supervising members and in such other manner as may be determined by the Council.
Exemptions from practical training required	31. (a) The minimum period of 2 years practical training required for the issue of the Licentiate Certificate referred to in Regulation 17 shall be reduced by one year where the registered student is a Graduate of the University of Sri Lanka or any other approved University.  (b) Where the registered student has, in the opinion of the Council, acquired satisfactory practical experience in accounting or auditing for not less than 5 years prior to registration, the minimum period of practical training required for the issue of the Licentiate Certificate referred to in Regulation

	<p>17 may be reduced by not more than one year, provided, however that this exemption may not be granted after 31<sup>st</sup> December 1980.</p> <p>(c) A registered student who has had suitable experience for not less than 10 years prior to registration in a responsible capacity as an accountant or an auditor may, at the discretion of the Council, be exempted from the minimum practical training requirements or part thereof provided, however, that no exemptions under this scheme shall be granted after 31<sup>st</sup> December 1980.</p>
Certificate to Practice	<p>32. A member of the Institute shall not be entitled to a Certificate of Practice unless such person has had at least two years experience in a Practising Firm of Accountants after obtaining the Licentiate Certificate;</p>
Training Agreement	<p>33. A registered student may be required to enter into an agreement with the Institute in relation to practical training and the registered student shall comply with such requirement.</p>