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# The Gazette of the Democratic Socialist Republic of Sri Lanka

## EXTRAORDINARY

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No. 1853/52 - SATURDAY, MARCH 15, 2014

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## PART I : SECTION (I) — GENERAL

### Government Notifications

L.D.B01/2013.

#### INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA ACT, No. 23 OF 2009

##### Rules under Section 19

RULES made by the Council of the Institute of Certified Management Accountants of Sri Lanka by virtue of the powers vested in the Council under Section 19 of the Institute of Certified Management Accountants of Sri Lanka Act, No. 23 of 2009, and approved by the Minister of Co-operatives and Internal Trade.

President,  
Institute of Certified Management Accountants  
of Sri Lanka.

Colombo,  
05th March, 2014.

#### RULES

1. These rules may be cited as the Institute of Certified Management Accountants of Sri Lanka (Administration) Rules No. 1 of 2013.

2. Every notice or other communication which is required to be sent under these rules to a member shall be sent by electronic mail or post or delivered to the address last notified to the Chief Executive Officer by the member as his address for communications.

3. Notice of every meeting of the Council :-

- (i) shall be in writing and be delivered or sent by post or electronic mail to each member of the Council to his last known address at least seven days before such meeting ;
- (ii) shall contain as far as is practicable an appropriate Agenda to be transacted at such meeting ;



4. 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.

5. A member of the Council may at any time resign from his office by letter addressed to the Council and the resignation shall become effective on its acceptance by the Council. The Council may, for valid reasons assigned, refuse to accept such resignation.

6. At any meeting of the Council all questions or proposals shall be decided by a majority of the members present and voting thereat.

7. 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 President or presiding member as the case may be, at such meeting or at a subsequent meeting shall be sufficient evidence of the facts stated therein.

8. At any meeting of the Council, the President 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.

9. The Common Seal of the Institute shall be kept in the custody of such person as may be determined by the Council from time to time and shall not be affixed to any instrument whatsoever except with the sanction of the Council and in the presence of any two members of the Council and the Chief Executive Officer. Such members and the Chief Executive Officer shall sign their names to the instrument, in token of their presence and such signing shall be independent of the signing of any person as a witness. A record of all such instruments and the names of the persons signing shall be kept by the Chief Executive Officer.

10. The Council may, from time to time appoint the following 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. The Council shall have the power to amalgamate, or dissolve any such Committee and approve working groups and Sub Committees as it deems necessary :-

- (i) Examinations Committee
- (ii) Education and Training Committee ;
- (iii) Conference and Seminars Committee ;
- (iv) Continuing Professional Development Committee ;
- (v) Ethics and disciplinary Committee ;
- (vi) Finance and Administration Committee ;
- (vii) Journal and Publicity and Promotions Committee ;
- (viii) Accounting and Cost Accounting Standards Committee ;
- (ix) Public Sector Accounting and Auditing Standards Committee ;
- (x) Professional Accountants in Business Committee ;
- (xi) Corporate Governance and Integration Reporting Committee ;
- (xii) Members and Students Affairs Committee ;
- (xiii) Committee on Banking and Insurance ; and
- (xiv) Committee on Small and Medium Enterprises.

11. The Council shall from time to time publish or cause to be published a list of all members of the Institute.

12. The Council shall appoint a Chief Executive Officer who shall exercise such powers and perform such duties as may be assigned to by him in terms of the Act, rules made thereunder and resolutions of the Council made in that behalf from time to time.

13. The salaries and allowances and terms and conditions of employment of the Chief Executive Officer and other Officers and servants of the Institute shall be such as may be determined by the Council from time to time.

14. (a) All moneys received by or on behalf of the Institute shall be paid into an account or accounts maintained in any Bank or Banks in Sri Lanka as the Council may approve. All cheques drawn shall be signed by two members of the Council or by a member of the Council and either by the Chief Executive Officer or the Authorized Officer or by the Chief Executive Officer and the Authorized Officer subject to such conditions and limitations as the Council may determine from time to time.

(b) The Council shall have the power to invest any funds that are not immediately required for the purposes of the Institute in Government Treasury Bills or deposit such funds in term deposits in any licensed Bank or licensed financial Institution.

15. 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 Institutes. The proceeds thereof shall be accounted for and dealt with distinct from the general funds of the Institute.

16. The Institute shall prepare not later than the thirty first day of March in the subsequent year or such later date as determined by the Council in respect of every year the annual accounts of the Institute which shall include an Income and Expenditure Account and Balance Sheet for the year ending on the thirty first day of December of such year, and copies thereof shall be furnished to the Minister to whom the subject of Co-operative and Internal Trade is assigned and to each member of the Institute.

17. Application for membership of the Institute shall be substantially in Form M and for those members as Fellows shall be in Form F as set out in the Schedule to these rules.

18. No person shall be enrolled as a Member of the Institute :-

- (a) unless he has attained the age of twenty one years and is a citizen of Sri Lanka or a person approved by the Council ;
- (b) if he has been adjudged by a competent court to be of unsound mind ;
- (c) if he has been adjudged as an insolvent or bankrupt by a competent Court, unless a Certificate to the effect that his insolvency or bankruptcy has arisen wholly or partly from unavoidable losses or misfortunes is obtained from an Auditor ; or
- (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 unless in an appeal made against such conviction to a Higher Court his conviction has been annulled, or he has been given a pardon by the President of the Republic of Sri Lanka.

19. The Council shall disenroll any person who is a member of the Institute if he becomes subject to any disqualification referred to in paragraph (b) or paragraph (c) or paragraph (d) of rule 18 :

Provided however, such disenrollment shall not prevent the Council from subsequently re-enroll such person if the Council is satisfied that he is a fit person to practice the profession as a Certified Management Accountant.

20. The Council may cancel the enrollment of any individual who is a member of the Institute if it is satisfied that he is unfit to practice the profession as a Certified Management Accountant by reason that he had been found guilty of professional misconduct.

21. The admission of Associate Members and the election of Fellows of the Institute after 5 years shall be made by the Council and every such applicant shall satisfy the Council that he has fulfilled the conditions laid down by the Council from time to time and complied with rule 18, and shall also produce such of his fitness to be so admitted or elected as the Council may deem necessary.

22. Upon a person being admitted as an Associate Member of the Institute or elected as a Fellow of the Institute, he shall be entitled to a Certificate of membership to that effect under the seal of the Institute.

23. 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 to the Institute. Every person ceasing to be a Member of the Institute shall, when so required by the Council or by the Chief Executive Officer, return his Certificate of Membership for cancellation.

24. The Council may subject to compliance with the requirements laid down in its absolute discretion and subject to provisions of rule 18 admit to membership of the Institute any applicant who proves to the satisfaction of the Council that he is a Member of any other Institute or Association of Accountants by whatever name called and approved by the Council as being in the opinion of the Council an Institute or Association of equivalent status to the Institute.

25. Applicants for membership of the Institute shall pay the fees determined by the Council. These fees are subject to revision by the Council from time to time and current fees are as follows :-

	<i>CMA Students (Rs.)</i>	<i>Other Applicants (Rs.)</i>
Enrolment as an Associate :	9,500/-	17,500/-
Election as a Fellow :	5,000/-	18,500/- (Direct Fellowship)
Renewal - Associates :	5,500/- 5,500/-	
Renewal - Fellows :	6,500/- 6,500/-	

26. Every application for the renewal of Membership shall be substantially in Form R set out in the Schedule hereto, and in compliance with such rules relating to Continuing Professional Development as may be determined by the Council from time to time.

27. The Council may at its discretion and on application made substantially in Form R1 set out in the Schedule hereto by any Member who is over 70 years of age and who has retired from active employment or other business activities allow to pay a reduced renewal fee as decided by the Council from time to time.

Provided however, Members who are seventy five years and over shall be exempt from the renewal fees.

28. The details of members who fail to renew their Membership before the first day of March or such extended date each year shall be reported to the Council for necessary action and a person whose Membership has lapsed, owing to non-payment of renewal fees before the stipulated date, may at the discretion of the Council, be restored to Membership upon payment of all dues together with a fine as may be imposed upon him by the Council.

29. All members of the Institute are required to comply with the Continuing Professional Development (CPD) requirements as determined by the Council from time to time.

30. An Annual General Meeting of the members of the Institute to receive and consider the report of the Council and the Accounts of the Institute together with the Auditor's report thereon shall be held at such place and on such day in every year as decided by the Council.

31. The Chief Executive Officer shall, not less than fourteen days before any Annual General Meeting of the Institute send to each member a notice giving the date, time and venue of the meeting and the business to be transacted thereat together with the Annual Report. Quorum for the Annual General Meeting of the Institute shall be ten members.

32. At any Annual General Meeting of the Institute, if ten 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 time and place. On the date to which the meeting was adjourned, the meeting shall proceed to business notwithstanding that there may be less than ten Members present at such adjourned meeting.

33. In these rules, unless the context otherwise requires :-

"Act" means the Institute of Certified Management Accountants of Sri Lanka Act, no. 23 of 2009 ;

"Authorized Officer" means an officer of the institute designated by the Council for the purpose of rule No. 14 ;

"President" means the President of the Institute and includes a person who presides at any meeting of the Council ;

"Chief Executive Officer" means the Chief Executive Officer appointed by the Council under Section 15(1) of the Act and includes any other officer or any person duly acting for the time being as Chief Executive Officer ;

"Council" means the Council of the Institute of Certified Management Accountants of Sri Lanka ;

"Institute" means the Institute of Certified Management Accountants of Sri Lanka established under Act, No. 23 of 2009 ;

"Member" means a member of the Institute ;

SCHEDULE (RULE 17)

*FORM M*

The Chief Executive Officer,  
The Institute of Certified Management Accountants of Sri Lanka,  
29/24, Visakha Road,  
Colombo 04.

*Application for Membership of the Institute*

I do hereby apply for enrolment as a member of the Institute of Certified Management Accountants of Sri Lanka, and furnish the following particulars together with a cheque for Rs. .... being my enrolment fee.

1. Full name of Applicant : \_\_\_\_\_ ;
2. Business Name (if any) : \_\_\_\_\_ ;
3. Postal Address : \_\_\_\_\_ ;
4. Date of Birth : \_\_\_\_\_ ;
5. Professional Accountancy Qualifications : \_\_\_\_\_ ;
6. Period during which the applicant has been in continuous practical training : \_\_\_\_\_ ;  
(Practical training details to be attached according to the Guidelines issued by the relevant Institute)
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. If applicant is a member of a foreign accounting institute, details of such institute : \_\_\_\_\_ ;

10. I ..... declare that I am not subject to any of the disqualifications laid down in rule 18 of the Institute of Certified Management Accountants of Sri Lanka (Administration) Rules No. 1 of 2013.

.....  
Signature.

Date : .....

*FORM F (Rule 17)*

The Chief Executive Officer,  
The Institute of Certified Management Accountants of Sri Lanka,  
29/24, Visakha Road,  
Colombo 04.

*Application for Election as a Fellow of the Institute of Certified Management Accountants of Sri Lanka*

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

Date : ..... Signature of Applicant

Address : \_\_\_\_\_;

E-mail : \_\_\_\_\_;

Telephone/Fax : \_\_\_\_\_;

\*Full name to be inserted

*FORM R (Rule 26)*

The Chief Executive Officer,  
The Institute of Certified Management Accountants of Sri Lanka,  
29/24, Visakha Road,  
Colombo 04.

*Application for Renewal of Membership the CMA*

I \* .....do hereby apply for renewal of my membership of the Institute of Certified Management Accountants of Sri Lanka and forward herewith a cheque for Rs. .... being the renewal fee of my membership.

I, declare that I have not become subject to any of the disqualifications laid down in rule 18 of the Institute of Certified Management Accountants of Sri Lanka (Administrations) Rules No. 01 of 2013.

.....  
Signature.

Date : .....

\* Full name to be inserted.

*FORM R - I (Rule 27)*

The Chief Executive Officer,  
The Institute of Certified Management Accountants of Sri Lanka,  
29/24, Visakha Road,  
Colombo 04.

*Application for Reduction of Fee for Renewal of Membership under Rule 27*

I, .....do hereby apply for reduction of the fee for the renewal of my membership of the Institute of Certified Management Accountants of Sri Lanka, to Rs. .... and forward herewith a cheque for Rs. .... being the reduced fee.

I declare that I have not become subject to any of the disqualifications laid down in rule 18 of the Institute of Certified Management Accountants of Sri Lanka (Administrations) Rules No. 01 of 2013.

I declare that I am over 70 years of age and have retired from practice and other business activities.

.....  
Signature.

Date : .....

\* Full name to be inserted.

03 - 1026/1

L.D.B 01/2013.

**INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA ACT, No. 23 OF 2009**

**Rules under Section 19**

RULES made by the Council of the Institute of Certified Management Accountants of Sri Lanka by virtue of the powers vested in the Council under Section 19 of the Institute of Certified Management Accountants of Sri Lanka Act, No. 23 of 2009, and approved by the Minister of Co-operatives and Internal Trade.

President,  
Institute of Certified Management Accountants  
of Sri Lanka.

Colombo,  
05th March, 2014.

**RULES**

1. These rules may be cited as the Institute of Certified Management Accountants of Sri Lanka (Admissions and Examinations) Rules No. 2 of 2013.

2. (a) A person to be eligible to sit any of the examinations as per the prescribed syllabus of the Institute leading to the Associate Membership of the Institute and to follow a course of approved practical training as required by these rules is required to register himself with the Institute as a student (hereinafter in these rules referred as a "registered student").

(b) The Council shall have the power to change, alter or modify the syllabus and examination structure and from form time to time.

3. A person shall apply to the Institute for registration as a student on application form together with the required documents in response to a public advertisement made by the Institute. The Council shall cause the advertisement calling of application to be published twice in each calendar year in at least one newspaper in Sinhala, Tamil and English.

4. A person to be considered for registration as a student and for exemptions should possess any one of the following educational or professional qualifications :-

(1) (a) For English Medium -

Two passes at the G.C.E. Advance Level Examination together with a Credit Pass in English Language and a Ordinary Pass in Mathematics at the G.C.E. O/L Examination ;

(b) For Sinhala or Tamil Medium -

Two passes at the G.C.E. Advance Level Examination together with Simple Passes in English Language and Mathematics at the G.C.E. O/L Examination.

(2) For registration with exemptions full or part qualification of :

(a) A relevant Degree of a University of Sri Lanka or any other University approved by the Council of the Institute ;

(b) Membership of the Sri Lanka Government Accountants Service ;

(c) Final Examination of the Institute of Chartered Secretaries and Administrators, U.K. ;

(d) Final Examination of the Institute of Financial Accountants, U.K. ;

(e) Final Examination of the Association of the International Accountants, U.K. ;

(f) Final Examination of the Institute of Bankers of Sri Lanka or of London ;

(g) Final Examination of the Chartered Institute of Marketing ;

(h) Final Examination of the Institute of Chartered Accountants ;

(i) Part qualification of professional, university, vocational and other qualifications will be considered on a case by case basis ;

(j) Final Examination of AAT Sri Lanka ;

(k) Final Examination of the Institute of Administrative Accountant (IAB) ;

(l) Those in employment and over 21 years of age with a minimum of two years experience in an accounting environment and recommended by the employer ;

(m) Final Examination of the Higher National Diploma in Accounting or Management of the Sri Lanka Institute of Advanced Technological Education ;

(n) Final Examination of ACCA (UK) ;

(o) Final Examination of CIMA (UK) ;

(p) Final examination of Professional Accounting bodies who are members of South Asia Federation of Accountants and International Federation of Accountants ;

(q) A conversion course for students with G.C.E. Ordinary Level with six passes conducted by the Institute of Certified Management Accountants of Sri Lanka ;

(r) Any other qualification as may be approved by the Council from time to time.



Provided however, the Council shall have the power to the entry qualification from time to time.

5. A person shall not be deemed registered with the Institute as a student unless such person has paid to the Institute the initial registration fees and the annual renewal fees to be determined by the Council from time to time.

6. If the fee for renewal of registration is not paid before the first day of March of the year in respect of which it falls due, the registration of the person concerned shall be deemed to have lapsed.

7. A person whose registration has been lapsed in terms of the preceding rule may at the discretion of the Council, be restored his registration upon payment of all dues calculated at the current fee together with a fine, of Rupees Two Thousand or such other sum as may be imposed upon him by the Council.

8. The Council of the Institute shall maintain a register or database of all registered students.

9. A registered student shall abide by any rules of conduct that the Council may lay down as applicable to registered students and the failure of a registered student to comply with any such rule of conduct will make the student liable for disciplinary action by the Council.

#### EXAMINATIONS - GENERAL

10. (1) (a) The Council shall appoint a Committee from among its Membership to be termed as the Examination Committee consisting of not less than five members of the Council for the purpose of conducting the examinations prescribed in these rules and appoint one of them as the Chairman. Each member so appointed shall hold office for a term of one year unless extended by the Council for a further period as determined by the Council. The quorum for any meeting of the Examination Committee shall be three members ;
- (b) The Council when considering examination results or any other matter relating to examinations shall exclude any Council member who is engaged in the conduct of lectures for the CMA Sri Lanka Examinations at any Public or Private Educational Institute after obtaining a declaration to be duly completed by all members of the Council ;
- (c) The Council shall have the power to change or modify the structure of any examination from time to time.
- (2) The Examination Committee shall have power to :
- (a) regulate the time and place of holding of each examination referred to in these rules and make such other arrangements as may be necessary for the conduct of each such examination ;
- (b) determine with the approval of the Council the structure, subjects and syllabuses in respect of each such examination from time to time ;
- (c) appoint examiners, moderators and translators from its members or from the panel of examiners, moderators and translators appointed by the Council under rule 13, as it may think fit ;
- (d) make arrangements to appoint suitable persons as invigilators 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 ;
- (f) report to the Council the results of each such examination for approval ; and

- (g) appoint sub-committees from among the members or other fit and proper persons to carry out functions assigned to such sub-committees by the Examination Committee ;

Provided however, on the requirement of exceptional circumstances notwithstanding anything to the contrary in sub-paragraph (c) of this paragraph the Examination Committee may appoint any other qualified and competent persons as examiners and moderators subject to ratification by the Council at its first or subsequent meetings.

- (3) Examiners, Moderators, Translators and Invigilators appointed under this rules shall be paid such fee as may be determined by the Council from time to time.
- (4) The examiners and moderators appointed under this rules shall examine the candidates who are sitting for an examinations by written papers and orally or computer based examination, with such other assistance as the Council may approve, and shall report the results of such examination to the Examination Committee as soon as practicable after holding such examination.
- (5) Every candidate who passes the Technician Stage (Level 1) Intermediate Stage (Level 2) or Professional Stage I (Level 3) or Professional State II (Level 4) shall be issued with a certificate to that effect. Every such certificate shall be signed by the two members of the Council and by the Chief Executive Officer. The Chief Executive Officer shall cause a register to be maintained of all such certificates.

11. Where after the payment of an examination fees 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 :

Provided however, in case of illness of a candidate on submission of a Medical Certificate by a Government Medical Officer, the Council may transfer one half of such fee to the credit of the candidate at the examination immediately following.

12. Any person who has failed an examination 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.

13. The Council shall appoint a panel of Examiners, Moderators or Translators who may hold office, when called upon to serve by the Examination Committee. The Examiners, Moderators and Translators shall be paid such fee as determined by the Council from time to time. The Council may, in its discretion, add to, or withdraw from, may examiner, moderator or translator of the panel as may be found necessary from time to time.

#### *EXAMINATIONS FOR ASSOCIATE MEMBERSHIP (ACMA)*

14. A student who passes all the under mentioned Stages (Levels) in that order shall be eligible for a candidate for award of Associate Membership of the Institute as determined by the Council from time to time.

- (a) Technical Stage / Foundation Level (Level 1) ;  
(b) Intermediate Stage / Operational Level (Level 2) ;  
(c) Professional Stage I / Managerial Level (Level 3) ;  
(d) Professional Stage II / Strategic Level (Level 4) ; and  
(e) Integrative Case Study :

Provided that, 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 for more than one such examination as provided in the criteria laid down by the Council, but students are permitted to sit the Examinations subject-wise.

15. (1) No person shall be admitted to the Technical Stage (Foundation Level), Intermediate Stage (Operational Level), Professional Stage I (Managerial Level) or Professional Stage II (Strategic Level) Examination and Integrative case study unless such person :-

- (a) is a Registered Student of the Institute ;
- (b) has at least 90 days before the date of the examination given written notice to the Chief Executive Officer or any other Officer authorized by him in such form as may be approved for the purpose by the Council of his desire to present himself for such examination ;
- (c) has received a letter from the Institute confirming the subjects or stage he is exempted, if applicable ;
- (d) has paid the appropriate fee payable in respect of the relevant stage of the examination which shall be determined by the Council from time to time.

(2) Students who have obtained Associate Management Accountant (AMA) qualification as per the criteria laid down by the Council could proceed to sit for the Professional Stage I and Professional Stage II examinations and Integrative Case Study of the Institute. On completion of these examinations and practical training as stipulated by the Council from time to time, students are eligible to be enrolled as a member of the Institute.

16. (1) The criteria for practical training of three years in the relevant areas to apply for Membership shall be as determined by the Council from time to time and published in a Practical Training Guide.

(2) No person shall be enrolled as a member of the Institute unless such person :-

- (a) has passed the Professional Stage II or Strategic Level 4 examination and the integrative case study of the Institute ;
- (b) produces evidence to the effect that such person has completed practical training in a business environment or in any other sector approved by the Council for a period of three years in such manner as determined by the Council from time to time ; and
- (c) has complied with the provisions of the rule 18 of the Institute of Certified Management Accountants of Sri Lanka (Administration) Rules No. 1 of 2013.

17. In these rules, unless the context otherwise requires :

"Act" means the Institute of Certified Management Accountants of Sri Lanka Act, no. 23 of 2009 ;

"Council" means the Council of the Institute of Certified Management Accountants of Sri Lanka ;

"Chief Executive Officer" means the Chief Executive Officer appointed under Section 15(1) of the Act and includes any other person duly acting for the time being as Chief Executive Officer ;

"Institute" means the Institute of Certified Management Accountants of Sri Lanka incorporated by Act, No. 23 of 2009 ;

"Students" means the students registered with the Society of Certified Management Accountants of Sri Lanka incorporated under the Societies Ordinance (Chapter 123) before the commencement of the Institute of Certified Management Accountants Act, No. 23 of 2009 and those registered with the Institute under the aforesaid Act.

L.D.B 01/2013.

## **INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA ACT, No. 23 OF 2009**

### **Rules under Section 19**

RULES made by the Council of the Institute of Certified Management Accountants of Sri Lanka by virtue of the powers vested in the Council under Section 19 of the Institute of Certified Management Accountants of Sri Lanka Act, No. 23 of 2009, and approved by the Minister of Co-operatives and Internal Trade.

President,  
Institute of Certified Management Accountants  
of Sri Lanka.

Colombo,  
05th March, 2014.

### **RULES**

1. These rules may be cited as the Institute of Certified Management Accountants of Sri Lanka (Elections) Rules, 3 of 2013.

2. The election of the President, Vice President and the Three Members of the Council referred to in paragraph (a) and (c) of sub-Section (2) of Section 8 of the Act shall take place at a meeting of the members of the Institute which shall be held on a day and at a place and time fixed by the Council. Such day shall not be more than seven days after the expiration of the period of four years referred to in sub-section (3) of Section 8 of the Act in the case of the first election and shall be not more than seven days after the expiry of the term of office of the members of the Council, in the case of subsequent elections.

3. (1) The Council shall display a notice convening a meeting on the Notice Board of the Institute at least four weeks before such meetings when a meeting of the members is to be convened. A copy of such rules may be annexed to or displayed together with such notice.

(2) The display of such notice upon the Notice Board shall be, and shall be deemed for all purposes to be, sufficient notice of the said meeting to every member of the Institute.

(3) The Chief Executive Officer shall send copy of the such notice to every member of the Institute whose address has previously been notified to him.

Provided however, that the omission or failure to send the same, or the non-receipt by a member of the same, shall not invalidate or otherwise affect the validity of the such notice, meeting, election or anything connected therewith or purporting to be done under this rule.

(4) Every such notice shall specify the time, date, venue and purpose of the meeting, and shall also state that nominations for the posts of President, Vice-President and for three posts of elected member of the Council respectively must reach the Chief Executive Officer on or before a day specified therein, which shall not be less than fourteen days before the meeting. In submitting nominations for post of Council Members the application should state specifically whether seeking election as a professional accountant in business or a practicing member or any other. This requirement has to be satisfied as there would be two Council positions represented by Professional Accountants in business.

5. (1) No person shall be qualified to be elected as President of the Council unless -

(a) he is a Fellow of the Institute ; and

(b) (i) in the case of the first election, he has served as a member of the Council at least for a period of four years ; or

- (ii) in the case of subsequent elections, he has served as a member of the Council at least for a period of six years of which two years should be in the capacity as Vice President.

(2) No person shall be qualified to be elected as Vice President of the Council unless -

(a) he is a Fellow of the Institute ; and

(b) he has served as a member of the Council at least for a period of four years.

6. (1) Every nomination paper shall contain the name of the candidate, the names and signatures of the proposer and seconder who shall be members of the Institute, and a statement signed by the candidate to the effect that he consents to be nominated for the post in question :

Provided however, no member is entitled to propose or second more than one candidate.

(2) Nominations for any post shall be made on Forms issued by the Institute and which shall be substantially in the Form set out in the Schedule hereto. Members submitting nominations for election to the Council are required to forward a brief profile of the person nominated containing the following :

(a) Year of admission to membership and category of membership ;

(b) Academic and Professional qualifications ;

(c) Special achievements in the field of Management Accounting and other disciplines ;

(d) Service to the Institute of Certified Management Accountants of Sri Lanka ;

(e) Details of present and past employment.

(3) A nomination Form shall not contain nominations for more than one post or of more than one member of the Institute, but a member may be nominated for more than one post, by different proposer and seconder :

Provided however, that the nomination of a person for the post of President shall *ipso facto* operate as, and shall be deemed for all purposes to be a nomination of such person for the post of Vice-President as well as for the post of Member of the Council, unless such person expressly declares his unwillingness to be so nominated upon the nomination paper ;

Provided further, that the nomination of a person for the post of Vice-President shall *ipso facto* operate as, and shall be deemed for all purposes to be a nomination of such person for the post of Member of the Council, unless such person expressly declares his unwillingness to be so nominated upon the nomination paper.

(4) The nominated candidates shall refrain from any activities of canvassing such as sending emails, letters or by word of mouth soliciting for votes.

(5) The Chief Executive Officer shall, in consultation with the Council, reject any nomination paper which is not, or has not been duly tendered, in compliance with the provisions of these rules. He shall also in consultation with the Council prepare or cause to be prepared the ballot papers and ballot boxes necessary for the elections.

(6) The voting at any election shall be conducted manually or electronically. Procedure for electronic voting shall be in terms of rule 15. Provided that any election has been conducted in either manner shall not invalidate or effect the validity of such election.

7. The Induction of the newly elected President shall take place on a date, time and place to be determined by the newly elected Council within three weeks of time of the election.

8. (1) Not more than two days after the day fixed for the receipt of nomination papers, the Chief Executive Officer shall display on the Notice Board three lists containing the names, in alphabetical order, of the persons duly nominated for the posts of President, Vice-President and Member of the Council respectively. In the list of persons nominated for the post of Vice-President, there shall be included the names of the persons duly nominated for the post of President, other than the names of those who have expressly declared their unwillingness to be nominated. In the list of persons nominated for the posts of Member of the Council, there shall be included the names of the persons duly nominated for the posts of President and Vice-President, other than the names of those who have expressly declared their unwillingness to be so nominated.

(2) The display of the above three lists upon the Notice Board shall be, and be deemed for all purposes to be, sufficient notice of the nominations to every member of the Institute.

(3) The Chief Executive Officer may send to every member of the Institute, whose address has previously been notified to him, one copy of each of the such three lists :

Provided, however, that the omission or failure to send the same, or the non-receipt by a member of the same, shall not invalidate or otherwise affect the validity of the nominations, lists, meeting, election or anything connected therewith or purporting to be done under these rules.

(4) The Chief Executive Officer shall also display on the Notice Board a list of the persons, if any, in respect of whom nomination papers were received but rejected under paragraph (6) of rule 6 together with the reasons for such rejection.

9. If the number of nominations duly made for any post or posts exceeds the number of vacancies, the Council shall, after the day fixed for the receipt of nomination papers and not less than seven days before the meeting, appoint three persons from among the members of the Institute or of the Council who have not been nominated for any post to be Umpires for the election.

10. The outgoing President, or if he is absent or unwilling, the outgoing Vice-President, or if he is absent or unwilling, any other person appointed by the members present at the meeting, shall preside at such meeting. However the outgoing immediate Past President shall function as Advisor to the newly elected Council.

11. (1) Any candidate may, orally announce his withdrawal from the election for any post at the commencement of the meeting without delay. The withdrawal of a candidate from the election for any post shall not be, or be deemed to be, a withdrawal from the election for any other post for which he has been duly nominated or deemed to be nominated.

(2) If there remains only one person who has been duly nominated for the post of President, such person shall thereupon be declared by the person presiding the meetings duly elected President.

(3) If there remains only one person who has been duly nominated for the post of Vice-President (and either only one person has been duly nominated for the post of President or all the persons duly nominated for the post of President have expressly declared their unwillingness to be nominated for the post of Vice-President) such person shall thereupon be declared by the person presiding the meetings duly elected Vice-President.

(4) If there remains not more than three persons who have been duly nominated for posts of Member of the Council (and either only one person had been duly nominated for each of the posts of President and Vice-President or all the persons duly nominated for the posts of President and Vice President have expressly declared their unwillingness to be nominated for the post of Member of the Council), all such persons shall thereupon be declared by the person presiding the meetings duly elected members of the Council.

12. (1) The election in respect of the posts to which no persons have been declared, under rule 11 as duly elected shall be by secret ballot or electronic voting, and every member of the Institute present at the meeting shall be entitled to vote. This issue of ballot papers for this purpose shall take place during the first two hours after the commencement of the meeting, and the voting shall take place during the first two and a half hours after the commencement of the meeting or as decided by the Council from time to time.

(2) Three sets of ballot papers in three different colours shall be prepared, for the posts of President, Vice-President and Member of the Council respectively, containing the names of the persons nominated as they appear in the three lists referred to in rule 8. Each ballot paper shall contain a cage against the name of each candidate in which may be indicated the vote of the voter.

(3) Three ballot boxes labeled "President", "Vice-President" and "Member of the Council" respectively, shall be provided, and votes shall be cast only in the appropriate ballot box.

(4) In the case of the election for the post of President, a voter shall indicate his vote by writing the figure '1' in the cage against the name of the candidate whose election he desires.

(5) In the Case of the election for the post of Vice-President, a voter shall indicate his vote by writing the figure '1' in the cage against the name of the candidate whose election he desires. A voter may also write the figure '2' in the cage against the name of the candidate whose election he desires in the event of the former candidate being elected President, and not otherwise.

(6) In the case of the election for the three posts of Member of the Council, a voter shall indicate his votes by writing the figures "1", "2", "3", "4", "5", "6" and so on in the cages against the names of the candidates whose election he desires in order of preference. Such votes shall be counted in the manner provided in rule 13(4).

13. (1) The opening of ballot boxes, the counting of votes, the rejection of spoilt ballot papers, the determination of the persons elected and of any other matter relating to the conduct of the elections not herein provided for shall be by, or in the manner agreed upon by, the three umpires appointed under rule 9 or by the majority of them should they be unable to agree. The determination of the persons elected in the event of an equality of votes, however, shall be by lots drawn by the Umpires. If one or more of the Umpires appointed under rule 9 are absent, any person or persons, as the case may be, present at the meeting, who have not been nominated for any post, may be appointed by the members present at the meeting, in place of the absent Umpire or Umpires.

(2) The ballot box provided for the casting of votes for the post of President shall be opened first, the votes counted and the candidate obtaining the highest number of valid votes shall be declared by the Chairman (on being so informed by the Umpires) to be duly elected President.

(3) The ballot box provided for the casting of votes for the post of Vice-President shall then be opened and the votes counted. Wherein any ballot paper a vote has been cast for the person elected President, such vote shall not be taken into account and the vote, if any, indicated by the writing of the figure "2" shall be counted. The candidate obtaining the highest number of valid votes shall be declared by the Chairman (on being so informed by the Umpires) to be duly elected Vice-President.

(4) The ballot box provided for the casting of votes for the posts of Member of Council shall then be opened and the votes counted. Where in any ballot paper a vote or votes have been cast for the persons elected President or Vice-President, such vote or votes shall be rejected and shall not be counted. The first three only of the remaining votes shall be counted. The three candidates obtaining the highest number of valid votes shall be declared by the Chairman (on being so informed by the Umpires) to be duly elected Members of the Council.

(5) If after the election of the President, it becomes apparent that there is only one candidate remaining eligible to be elected to the post of Vice-President, it shall not be necessary for the Umpires to proceed to count the votes cast for the post of Vice-President. If after the election of the Vice-President, it becomes apparent that there are only three or less candidates remaining eligible to be elected to the posts of member of the Council, it shall not be necessary for the Umpires to proceed to count the votes cast for the posts of Member of Council. Such candidate, or such candidates shall be declared by the Chairman (on being so informed by the Umpires) to be duly elected Vice-President or Members of the Council respectively.

(6) After the election is concluded, if any posts remain vacant, the person presiding the meeting shall immediately call for nominations, and the said posts shall be filled by election by show of hands at the meeting.

(7) No person shall be elected for more than one post.

14. (1) In the event of the death of, or vacation of office by the President, Vice-President or an elected member of the Council, the Council may, at its discretion, hold an election at a meeting of the members of the Institute on a day and at a time and place to be fixed by the Council. Such day shall not be more than four weeks after the Council shall have become aware of the necessity for such election.

(2) The Council shall cause a notice convening such meeting to be displayed on the Notice Board with specifying the time, date, venue and purpose of the meeting at least two weeks before such meeting.

(3) The display of such notice upon the Notice Board shall be, and shall be deemed for all purposes to be sufficient notice of the said meeting to every member of the Institute.

(4) The Chief Executive Officer shall send to every member of the Institute, whose address has previously been notified to him, a copy of the said notice :

Provided however, that the omission or failure to send the same, or the non-receipt by a member of the same, shall not invalidate or otherwise affect the validity of the said notice, meeting, election or anything connected therewith or purporting to be done under these Rules.

(5) The President, or if he is absent or unwilling, the Vice-President, or if he is absent or unwilling, any other person appointed by the members present at the meeting, shall preside at such meeting.

(6) At the meeting, the person presiding the meeting shall call for nominations for each of the posts to be filled, and the said posts shall be filled by election by show of hands.

(7) No nominations shall be valid unless the person nominated then consents, or has previously consented in writing to be so nominated.

(8) The person presiding the meeting shall decide every question of eligibility or procedure which may arise at such meeting, and which is not provided for in these rules. Such decision shall be final and conclusive.

15. (1). In case of electronic voting, following procedure shall be adopted :-

- (a) The list of candidates shall be displayed on the electronic voting system which is used for the casting of electronic votes and voter may select his preference by entering his choice on such system ;
- (b) The voter shall be registered at eight registration counters or such other number as may be required at any election. The registration of voters shall be carried out manually or electronically by operators ;
- (c) After a voter has been duly registered, the operator at the registration counter shall direct the voter to an available voting station and such voter may cast his vote ;
- (d) The casting of vote shall be by an Electronic Voting system at each voting station and shall be designed to display information such as names of candidates and to facilitate voters to indicate the selected candidate by touch screen mechanism or such other method as prescribed by regulations. The voting procedure for the post of President, Vice-President and Council members shall be the same ;
- (e) If required the casting of vote for President, Vice-President and Council Members, will be recorded by way of a printout and shall be kept as a record for Audit trail.

(2) The election at which votes are casted by electronic voting or electronic and manual voting, if any system failure, delay or breakdown occurs during the electronic voting process, voter shall be allowed to use ballot papers which will be



provided. When time period allocated for voting has expired, the Umpire shall be given the results in the form of a printed results sheet signed by an authorized officer appointed by the operator of the electronic voting system. The Umpire shall accounce the results within two hours.

(3) The Umpire may decide as to whether the process of voting should be switched from electronic voting to manual voting using ballot papers as follows :

- (a) The staff at the registration counters shall issue printed ballot paper for the election of president, Vice-President and Council Member to the remaining members who have not voted electronically ;
- (b) The voter shall vote by placing his preference in front of the name of preferred candidate and shall insert the ballot paper in a ballot box placed for this purpose ;
- (c) After the completion of the manual voting process, the ballot papers and the printout produced, electronically during the voting process shall be counted manually and results shall be announced by the Umpire.

16. No election shall be invalid by reason of any failure to comply with the provisions of these rules if it appears that the election was conducted in accordance with the principles laid down in such provisions, and that such failure did not affect the result of the election.

17. In these rules, unless the context otherwise requires :-

"Act" means the Institute of Certified Management Accountants of Sri Lanka Act, No. 23 of 2009 ;

"Audit trail" means a manual audit of the number of votes case electronically at any election, and any printout produced during the voting process which would indicate the number of votes cast by voters for each contestant ;

"Chief Executive Officer" means the Chief Executive Officer, appointed under Section 15(1) of the Act and includes any other person duly acting for the time being as Chief Executive Officer ;

"Council" means the Council of the Instiute of Certified Management Accountants of Sri Lanka ;

"Electronic Voting System" means a system of casting votes and tabulating ballots employing automatic tabulating equipment or data processing equipment ;

"Institute" means the Institute of Certified Management Accountants of Sri Lanka ;

"Member" means a person who is a member of the Institute and whose membership has not been lapsed or suspended or terminated, whether by effluxion of time or otherwise ;

"Notice Board" means the notice board at the principal office of the Institute on which is usually displayed official notices and communications of the Institute and of the Council ;

"Registration Centre" means any centre which is identified by the Council as a place where the voters are registered during an election ;

"Voting Station" means any electronic facility which is provided at each registration centre, electronically, using a touch screen to cast vote of any other electronic medium which shall be decided by the Council ;

SCHEDULE

*THE INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA*

Nomination Paper	
Post of :	..... 1
Candidate :	.....
Name of Candidate :	.....
Proposed by :	..... 2
	..... 3
Seconded by :	..... 2
	..... 3
In consent to be nominated for the post of .....	
I am unwilling to be nominated for the post / posts 4	
	..... 5
	..... 6

1. State post , i.e. President, Vice-President or Member of the Council.

2. Name

3. Signature

4. Delete or omit whatever is inapplicable

5. State post, i.e. Vice-President and / or Member of the Council

6. Signature of Candidate

Please note that nominations should reach Chief Executive Officer not later than ..... (insert date) and shall close at. 4.00 p.m. on such date.

Please handover your nominations personally to the Chief Executive Officer, who will immediately issue a receipt or sent your nominations by Registered Post to reach the Chief Executive Officer before the closing date of nominations. Nominations received by post will be acknowledge within three days

L.D.B 01/2013.

**INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA ACT, No. 23 OF 2009**

**Rules under Section 19**

RULES made by the Council of the Institute of Certified Management Accountants of Sri Lanka by virtue of the powers vested in the Council under Section 19 of the Institute of Certified Management Accountants of Sri Lanka Act, No. 23 of 2009, and approved by the Minister of Co-operatives and Internal Trade.

President,  
Institute of Certified Management Accountants  
of Sri Lanka.

Colombo,  
05th March, 2014.

**RULES**

1. These rules may be cited as the Institute of Certified Management Accountants of Sri Lanka (Elections) Rules, 4 of 2013.

2. (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 or a Finance Manager by reason that he has been guilty of professional misconduct.

(2) The disenrollment of any person under paragraph (1) shall not prevent the Council from subsequently re-enrolling that person, if the Council is satisfied that he is fit to practice the profession of an Accountant or a Finance Manager.

3. (1) No person shall be disenrolled under rule 2 (1) by the Council unless a disciplinary Committee has made a report after inquiry to the effect that such person has been found guilty of professional misconduct.

(2) (a) The Council may appoint an investigating Committee consisting of at least three members to inquire into and report to the Council. Where the Council has reasonable cause to believe, whether on complaint made to it or otherwise or through its own observations that any person who is a member of the Institute has been guilty of professional misconduct or whether a prima facie case of professional misconduct has been made against such person.

(b) Where an investigating Committee appointed under sub-paragraph (a) reports to the Council that a prima facie case of professional misconduct has been made against a member, the Council shall appoint a Disciplinary Committee for the purpose of inquiring into the conduct of such member, on the complaint made to it, or otherwise, through its own observations.

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 any 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 willfully gives false evidence shall be guilty of an offence under the Act.

6. Any person who has been served with a notice by a Disciplinary Committee to attend or to produce any document fails, without reasonable cause, to attend or to produce such document, as the case may be, at the time and place specified in the notice, shall be guilty of an offence under the Act.

7. The Provisions of the First Schedule to these rules shall apply in relation to the constitution of and the procedures to be followed by Disciplinary Committees appointed under rule 3 (2) (b) the proceedings at inquires held by such Committees and the powers exercisable by such Committees.

8. The Minister may, upon the recommendation of the Council, by Order published in the Gazette, amend, alter or add to or revoke all or any of the provisions of the First Schedule and the Second Schedule to these rules.

9. The Council may, in lieu of exercising the power which is vested in it by rule 2 warn or reprimand or suspend the person from membership for period as the Council may deem fit or impost a fine not exceeding Rupees Ten Thousand or impost such fine and issue such suspension or warning or reprimand.

10. Any person aggrieved by a decision of the Council under rule 2 or rule 3, may appeal in the first instance to a Committee appointed by the Council of three senior members of the Institute against such decision. A person aggrieved by the decision of such Committee may appeal to the Supreme Court against the decision of such Committee.

11. In these rules, unless the context otherwise requires :-

"Act" means the Institute of Certified Management Accountants of Sri Lanka Act, No. 23 of 2009 ;

"Council" means the Council of the Institute of Certified Management Accountants of Sri Lanka ;

"professional misconduct" means any act or omission which is for the time being specified in the Second Schedule to these rules ;

(Rule 7)

#### FIRST SCHEDULE

#### *CONSTITUTION AND THE PROCEDURES TO BE FOLLOWED BY, DISCIPLINARY COMMITTEES*

1. For the purposes of any inquiry to be held in respect of alleged misconduct of any member of the Institute the Council shall appoint, three persons from among its members to constitute a Disciplinary Committee by drawing lots 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 Chief Executive Officer shall transmit a copy of the statement to each member of the Disciplinary Committee and to the person whose conduct is under investigation.

(2) Where the inquiry is to be held in consequence of a petition or complaint alleging misconduct by any person, the Chief Executive Officer shall in addition transmit a copy of that petition or complaint to such person and to each of the members of the Disciplinary Committee. If the inquiry is held otherwise, by the Council's own observations, the Council shall set out its cause of statement on such observations.

3. (1) The Chief Executive Officer shall give notice of the first date fixed for the inquiry to the person whose conduct is under 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 a Counsel, the 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 Disciplinary Committee personally to the person whose conduct is the subject of inquiry or be given in the manner provided in paragraph (1).

4. (1) If the Council is of the opinion that the evidence of any person, or the production of any document by any person, is necessary to enable any matter to be investigated by the Disciplinary Committee, the Council shall direct the Chief Executive Officer to require the attendance of that person, or the production of such document by that person, at such time and place as may be specified in a notice which shall 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) The Chief Executive Officer for the time being of the Council shall be the Secretary to every Disciplinary Committee and every notice issued under these rules shall be signed by him. He shall also record the proceedings of the Committee.

(3) Any person whose conduct is under investigation at an inquiry or who is in any way concerned or implicated in such inquiry may be represented by one or more Attorney-at-Law or any member of the Institute at the inquiry. The Council may authorize an Attorney-at-Law or any member of the Institute to appear before the Disciplinary Committee in the leading and taking of evidence.

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

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

(6) 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.

(Rule 11)

## SECOND SCHEDULE

### *STANDARDS OF ETHICAL CONDUCT OF THE INSTITUTE OF CERTIFIED MANAGEMENT ACCOUNTANTS OF SRI LANKA*

1. The Code of Ethics issued by IFAC in 2010 and subsequent amendments will be the applicable code of ethics for CMA members.

#### 2. Standards of Ethical Conduct

Some standards of ethical conduct for practicing Management Accountants and Financial Managers convey how ethical behavior should be practiced in the profession.

"Professional misconduct" means any of the acts or omissions set out below. These are in respect of the competence, confidentiality, integrity, objectivity and good behavior which will hold the Institute in high esteem with the public.

Members have a responsibility to comply with the following standards :-

#### *Competence :*

- (1) Maintain an appropriate level of professional competence by ongoing development of their knowledge and skills.
- (2) Perform their professional duties in accordance with relevant laws, regulations and technical skills.
- (3) Prepare complete and clear reports and recommendations after appropriate analyses of relevant and reliable information.

*Confidentiality :*

- (1) Refrain from disclosing confidential information acquired in the course of their work except when authorized, unless legally their activities to assure the maintenance of that confidentiality.
- (2) Inform subordinates as appropriate regarding the confidentiality of information acquired in the course of their work and monitor their activities to assure the maintenance of that confidentiality.
- (3) Refrain from using or appearing to use confidential information acquired in the course of their work for unethical or illegal advantage either personally or through their parties.
- (4) Avoid actual or apparent conflicts of interest and advise all appropriate parties of any potential conflict.
- (5) Refrain from engaging in any activity designed to directly and substantially prejudice their ability to carry out their duties without bias.
- (6) Refuse any gift, favor or hospitality that would influence or would appear to influence their integrity.
- (7) Refrain from either actively or passively subverting the attainment of their organization or the society's legitimate and ethical objectives.
- (8) Recognize and communicate professional limitations or other constraints that would preclude objective judgment or successful performance of any professional assignment.
- (9) Communicate unfavourable as well as favourable information and relevant professional judgments or options.

*Good Behaviour Objectivity :*

- (1) Refrain from engaging in or supporting any activity that would discredit the professional or the Institute.
- (2) Communicate relevant strategic information fairly and objectively.
- (3) Disclose fully all relevant information that could reasonably be expected to influence an intended user's understanding of the reports, comments and recommendations presented.

3. (a) A member will act at all times with -

- (i) responsibility for and fidelity to public needs ;
- (ii) respect loyalty to such Member's associates, clients and employers, and
- (iii) competence through Professional development devotion to high ideals of personal honour and professional integrity.

(b) A member shall -

- (i) maintain at all times independence of thought and action ;
- (ii) not undertake Management Accountancy assignments or express opinion on financial reports or statements without first assessing her or his relationship with her or his client to determine whether such Member might expect her or his opinion to be considered independent, objective and unbiased by one who has knowledge of all the facts, and

- (iii) when preparing financial reports or statements or expressing an opinion on financial reports or statements disclose all material facts known to such Member in order not to make such financial reports or statements misleading, acquire sufficient information to warrant an expression of opinion and report all material misstatements or departures from generally accepted accounting principles.

(c) A member shall -

- (i) not disclose or use any confidential information concerning the affairs of such Member's employer or client unless acting in the course of his or her duties or except when such information is required to be disclosed in the course of any defence of himself or herself or any associate or employee in any lawsuit or other legal proceeding or against alleged professional misconduct by order or lawful authority of the Council or any Committee of the Institute in the proper exercise of their duties but only to the extent necessary for such purpose ;
- (ii) inform his or her employer or client of any business connections or interests in a Management Accounting Assignment of which such Member's employer or client would reasonably expect to be informed ;
- (iii) not, in the course of exercising his or her duties on behalf of such Member's employer or client, hold, receive, bargain for or acquire any fee, remuneration or benefit without such employer's or client's knowledge and consent ; and
- (iv) take all reasonable steps, in arranging any engagement as a consultant, to establish a clear understanding of the scope and objectives of the work before it is commenced and will furnish the client with an estimate of cost, preferably before the engagement is commenced, but in any event as soon as possible thereafter.

(d) A member shall -

- (i) conduct himself or herself towards other members with courtesy and good faith ;
- (ii) not commit an act discreditable to the profession of Management Accountancy or the Institute ;
- (iii) Not engage in counsel or any business or occupation which, in the opinion of the Institute, is incompatible with the professional ethics of a management accountant ;
- (iv) not accept any engagement to review the work of another Member for the same employer except with the knowledge and written consent of that member, or except where the connection of that member with the work has been terminated, unless the member reviews the work of others as a normal part of his or her responsibilities which are known to all members ;
- (v) not attempt to gain any unfair advantage over other members by paying or accepting any perquisite or commission in securing management accounting work ;
- (vi) uphold the principle of adequate compensation for management accounting work done ; and
- (vii) not act maliciously or in any other way which may adversely reflect on the public or professional reputation or business of another member.

(e) A member shall -

- (i) at all times maintain the standards of competence specified by the Council from time to time ;
- (ii) disseminate the knowledge when called for or required by the Institute upon which the profession of management accounting is based to others within the profession and generally promote the advancement of the profession and the Institute ;
- (iii) undertake only such work as he or she is competent to perform by virtue of his or her training and experience and will, where it would be in the best interests of an employer or client, engage, or advise the employer or client to engage, other specialists ;

- (iv) expose before the proper tribunals of the Institute any incompetent, unethical, illegal or unfair conduct or practice of a member which involves the reputation, dignity or honour of the Institute ; and
- (v) endeavor to ensure that a professional partnership or company, with which such member is associated as a partner, principal, director or officer, abides by the Code of Professional Ethics and the rules of Professional Ethics and the rules of professional conduct established by the Institute in regard to Management Accountancy.

4. The Institute shall formulate and formally adopt in its constitution of the procedures of Inquiry as set out in the First Schedule, on any complaint made to it or by other means, any breach of these rules of ethical behavior, including procedures of investigation and inquiry, punishments to be imposed on those found guilty of any breach of this professional code, including suspension, fine, admonishment or all of these and or in extreme cases disenrollment.

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