

The State Law and Order Restoration Council
The Myanmar Accountancy Council Law
(The State Law and Order Restoration Council Law No. 1/94)
The 11th Waning Day of Tabodwe, 1355 M.E.
(8th March 1994)

The State Law and Order Restoration Council hereby enacts the following Law:-

Chapter I
Title and Definition

1. This Law shall be called the Myanmar Accountancy Council Law.
2. The following expressions contained in this Law shall have the meanings given hereunder:-
 - (a) **Council** means the Myanmar Accountancy Council constituted under this Law;
 - (b) **Accountancy** means functions pertaining to book-keeping, accounting, auditing, settling of accounts, financial management and management information systems. This expression also includes such accounting functions as are prescribed by the Council;
 - (c) **Apprentice Accountant** means a person registered as an apprentice with the permission of the Council to qualify as a Certified Public Accountant;
 - (d) **Apprentice Service** means the period of service prescribed by the Council for practical training in Accountancy;
 - (e) **Certified Public Accountant** means a person who, having passed the Certified Public Accountant Examination and having satisfactorily completed the prescribed practical training during the period of apprentice service, is registered as a Certified Public Accountant;
 - (f) **Practising Accountant** means a person who, having been enrolled as a Certified Public Accountant, is registered to practise Accountancy as a main profession.

Chapter II
Objectives

3. The objectives of this Law are as follows:-
 - (a) augmenting the work force of qualified accountants, who will contribute towards the economic development of the State.,
 - (b) working for the advancement of Accountancy;
 - (c) contributing towards the development of accounting principles and practices in government departments and organizations;
 - (d) ensuring that Apprentice Accountants, Certified Public Accountants, and Practising Accountants observe their respective codes of ethics.

Chapter III

Formation of the Myanmar Accountancy Council

4. The Government:
 - (a) shall constitute the Myanmar Accountancy Council with the following persons-
 - (1) The Auditor General Chairman
 - (2) Citizen members of the accountancy profession, not exceeding Members

- 10 in number
- (3) suitable citizens not exceeding 4 in number Members
- (4) a person assigned by the Chairman Secretary
- (b) may determine the Vice-Chairman and the Joint Secretary, if necessary;
- (c) may determine the tenure of the Council;
- (d) may reconstitute the Council as may be necessary.
5. The Council may grant honorarium to its members who are not government servants.
6. The Council shall have perpetual succession and a common seal with the power to sue and be sued.

Chapter IV

Duties and Powers of the Council

7. The duties and powers of the Council are as follows:-
- (a) giving advice to government departments and organizations on matters concerning Accountancy, if such advice is sought;
 - (b) conducting, managing, and supervising training course in Accountancy conferring diplomas and certificates therefor;
 - (c) arranging for practical training pertaining to Accountancy, prescribing the period of apprentice service and recognizing the accountants who can provide training;
 - (d) scrutinizing and recognizing certificates and degrees in Accountancy from foreign countries, and stipulating requirements For citizens who hold such certificates or degrees to be registered;
 - (e) appointing a suitable person as the Registrar and prescribing his duties and responsibilities;
 - (f) communicating and cooperating with international accounting institutions with a view to promoting development of Accountancy;
 - (g) forming the Apprenticeship and Training Supervisory Committee with Council members and other suitable Citizens;
 - (h) prescribing and/or altering the list of government departments and organization which can provide training in Accountancy, and delegating such powers to the Apprenticeship and Training Supervisory Committee;
 - (i) reviewing. as may be necessary whether the training provided at the Accountancy courses conducted under this Law is up to specified standards;
 - (j) forming necessary committees and boards and prescribing the duties thereof;
 - (k) scrutinizing and allowing the establishment of professional institutions for development of Accountancy profession and providing guidance and supervision thereon;
 - (l) taking action against the Practising Accountants who are negligent of their duties or who violate their code of professional ethics;
 - (m) carrying out measures for successful fulfilment of the objectives of this Law.

Chapter V

Registration of the Apprentice Accountant

8. A citizen of registration as an Apprentice Accountant may apply to the Council in accordance with the stipulations of the Council.

9. If after scrutiny the Council find that the application is in conformity with the stipulation it shall;

- (a) select and allow registration as an Apprentice Accountant
- (b) cause the prescribed registration fees, tuition fees, examination fees, to be paid;
- (c) enroll as Apprentice Accountant in the Register.

10. The Apprentice Accountant shall pursue his studies during the period of apprentice service in accordance with the procedures;

11. The Council shall issue the Certified Public Accountant certificate to any person who, after having passed the Certified Public Accountant examination, has satisfactorily completed the practical training during the period of apprentice service.

Charter VI Registration of the Certified Public Accountant

12. A citizen desirous of registration as a Certified Public Accountant may apply to the Council for such registration, if he possesses any of the following qualifications:

- (a) a person who holds the Certified Public Accountant certificate;
- (b) a person who, having passed the Registered Accountant examination, has satisfactorily completed the practical training within the period of articleship;
- (c) a person who holds an Accountancy certificate or degree conferred by any foreign country and recognized by the Council;
- (d) a person, who has been registered as a Registered Accountant under the Myanmar Accountancy Law, 1972 or a person who is entitled to be so registered.

13. If after scrutiny the Council finds that the application is in conformity with the stipulations it shall:

- (a) allow registration;
- (b) cause the prescribed registration fees to be paid;
- (c) issue a certificate of registration as a Certified Public Accountant, after entering the name in the register.

14. (a) On expiry of the tenure of the certificate of registration as a Certified Public Accountant a person desirous of extending such tenure may apply to the Council in the manner prescribed.

- (b) The Council may extend the tenure after causing payment of the prescribed fees to be made.

Chapter VII Registration of the Practising Accountant

15. If the Certified Public Accountant who is registered under section 13 is desirous of practising Accountancy as a main profession, he may apply to the Council to be so registered in the manner prescribed.

16. If after scrutiny the Council finds that the application is in conformity with the stipulations it shall;

- (a) allow registration;
- (b) cause the prescribed registration fees to be paid;
- (c) issue a Certificate of Practice as a Practising Accountant, after entering his name in the register.

17. (a) On expiry of the tenure of the Certificate of Practice as a Practising Accountant a person desirous of extending such tenure may apply to the Council in the manner prescribed.

- (b) The Council may extend the tenure after causing payment of the prescribed fees to be made.

Chapter VIII **The Duties, Ethics and Rights of the Practising Accountant**

18. Practising Accountant has the following duties: -

- (a) performing as accurately as possible any work pertaining to Accountancy that he has undertaken;
- (b) complying with the rules, procedures, orders and directives issued under this Law;
- (c) carrying out efficiently the accounting duties assigned to him by the Council.

19. In undertaking any work pertaining to Accountancy, Practising Accountant shall not commit any one of the following acts which are contrary to the code of professional ethics that he must observe:-

- (a) advertising directly or indirectly; soliciting Accountancy work, and acting to get oneself appointed in any manner;
- (b) demanding fees based on a percentage of profits,
- (c) failing to furnish particulars in connection with the accounts which the Council may call for when necessary;
- (d) disclosing any confidential information to which he alone has access, without the approval of the client or without being required by any existing laws;
- (c) carrying out the Accountancy work with which he is entrusted without exercising due professional care;
- (f) entering into partnership for auditing work with persons other than a Certified Public Accountant;
- (g) accepting a post as auditor previously held by another auditor without communicating with him;
- (h) failing to comply with the provisions of the Myanmar Companies Act in respect of the appointment of auditors;
- (i) giving estimates of and certifying future profits for publication in a prospectus or in any other manner, or certifying for publication statements of average profits over a period of more than one year without specifying the profits or losses for each year respectively;

- (j) failing to maintain necessary accounting records and separate bank accounts for moneys entrusted by his clients, in order to show that such, moneys are managed in a systematic manner.

20. A Practising Accountant has the right to;
- (a) practise Accountancy as a profession;
 - (b) claim reasonable professional fees;
 - (c) advise the Council;
 - (d) submit any grievances to the Council.

Chapter IX

Taking of action against Practising Accountants

21. (a) The Council may form and assign a three-member Inquiry Committee, consisting of at least one Council member to investigate the Practising Accountant who is alleged to have failed in any one of the duties prescribed in section 18, or to have violated any one of the professional ethics prescribed in section 19.
- (b) The Inquiry Committee shall submit a report of its findings to the Disciplinary Committee, consisting of 5 Council members, formed for this purpose by the Council.
 - (c) The Disciplinary Committee may mete out any of the following administrative penalties:-
 - (1) giving a warning;
 - (2) withdrawing the right to practise as an Accountant for a fixed period of time;
 - (3) cancelling the Certificate of Practice as a Practising Accountant.
22. The Disciplinary Committee may any mete out of the following administrative penalties on the Practising Accountant who has been convicted of an offence amounting to misconduct:-
- (a) withdrawing the Certificate of Practice as a Practising Accountant for a fixed period of time;
 - (b) cancelling the Certificate of Practice as a Practising Accountant.
23. (a) A person whose Certificate of Practice as a Practising Accountant has been withdrawn for a fixed period of time may, at the end of such period, apply to the Council for re-registration as a Practising Accountant.
- (b) The Council may issue the Certificate of Practice as a Practising Accountant to the applicant after causing payment of the prescribed fees to be made.

Chapter X

Appeal

24. Any person, who is not satisfied with an order or decision made by the Disciplinary Committee under section 21 or section 22, may file an appeal to the Council within 60 days from the date on which such an order or decision was made.
25. The Council has the following powers in respect of appeals submitted under section 24:-
- (a) confirming;

- (b) setting aside
- (c) altering
- (d) causing a reinquiry to be made.

26. The decision of the Council shall be final and conclusive.

Chapter XI Prohibitions

27. No person shall act as an auditor of any company established under the Myanmar Companies Act or the Special Company Act, 1950, without holding a Certificate of Practice as a Practising Accountant.

28. A person whose Certificate of Practice as a Practising Accountant has been withdrawn for a fixed period of time or whose Certificate of Practice has been cancelled shall not fall to surrender the Certificate of Practice within 30 days of the date on which the Disciplinary Committee has made the order or the decision.

29. A Practising Accountant shall not mention any information which he knows to be incorrect in any account, notice, statement, report, cash book, certificate or form.

30. A Practising Accountant shall not certify or allow anyone else to sign on his behalf a balance sheet, profit and loss account, any statement or schedule whatsoever, which has not been completely verified under his own supervision or that of a partner of his firm, or a member of his staff.

Chapter XII Penalties

31. Whoever violates the provision of section 27 shall, on conviction be punished with a fine which may extend to kyats 30,000 or with imprisonment for a term which may extend to 3 years or with both.

32. Whoever violates the provision of section 28 shall, on conviction be punished with a fine which may extend to kyats 5,000.

33. Whoever violates the provision of section 29 or section 30 shall, on conviction be punished with a fine which may extend to kyats 50,000 or with imprisonment 1 for a term which may extend to 7 years or with both.

Chapter XIII Miscellaneous

34. (a) The expenditures of the Council shall: be borne by the Office of the Auditor General.
(b) The Office of the Auditor General shall establish the required staff to perform the office work of the Council.

35. If any reference is made to a Registered Accountant either in any existing law or in any document or in any record, such reference shall be deemed to refer also to a Certified Public Accountant as defined in this Law.

36. The Myanmar Accountancy Council, which was formed under the Myanmar Accountancy Council Law, 1972, shall, before the Myanmar Accountancy Council under this Law, can be constituted be deemed to have been constituted under this Law.

37. The rules, procedures, notifications, orders and directives issued under the Myanmar Accountancy Council Law, 1972 may continue to be applicable in so far as they are not inconsistent with the provisions of this Law.

38. In order to carry out the provisions of this Law:-

- (a) the Auditor General may, with the approval of Government issue such rules, and procedures as may be necessary ;
- (b) the Council may issue orders and directives as may be necessary.

39. The Myanmar Accountancy Council Law, 1972 is hereby repealed.

(Sd) Than Shwe

Senior General
Chairman
State Law and Order Restoration Council