

AS TABLED IN THE HOUSE OF ASSEMBLY

A BILL

entitled

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT ACT 2014

TABLE OF CONTENTS

Preliminary

- 1 Citation and interpretation
Chartered Professional Accountants of Bermuda
- 2 Chartered Professional Accountants of Bermuda
Amendments to the principal Act
- 3 Amends the title of the principal Act
4 General consequential amendments of the principal Act
5 Amends section 1
6 Repeals and replaces section 2
7 Amends headnotes to sections 4 to 7 and 8B
8 Amends section 5
9 Repeals and replaces section 9
10 Inserts section 9A
11 Repeals and replaces section 10

Amendments to the By-Laws

- 12 Amends the title of the By-Laws
13 General amendments of the By-Laws
14 Amends By-Law 2(1)
15 Amends By-Law 50(13)

Miscellaneous

- 16 Other consequential amendments
17 Commencement

SCHEDULE
CONSEQUENTIAL AMENDMENTS

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
ACT 2014

WHEREAS it is expedient to rename the Institute of Chartered Accountants of Bermuda, to amend the Institute of Chartered Accountants of Bermuda Act 1973 and to amend the Institute of Chartered Accountants of Bermuda By-Laws 2006 in consequence, and to make further consequential provision:

Be it enacted by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Preliminary

Citation and interpretation

1 (1) This Act may be cited as the Institute of Chartered Accountants of Bermuda Amendment Act 2014.

(2) In this Act—

- (a) “the principal Act” means the Institute of Chartered Accountants of Bermuda Act 1973; and
- (b) “the By-Laws” means the Institute of Chartered Accountants of Bermuda By-Laws 2006.

Chartered Professional Accountants of Bermuda

Chartered Professional Accountants of Bermuda

2 (1) The body corporate known as the “Institute of Chartered Accountants of Bermuda”, established under section 2 of the principal Act, is renamed the “Chartered Professional Accountants of Bermuda”.

(2) The Council of the Institute of Chartered Accountants of Bermuda, established under section 4 of the principal Act, is renamed the “CPA Board”.

Amendments to the principal Act

Amends the title of the principal Act

3 The title of the principal Act is amended by deleting “Institute of Chartered Accountants of Bermuda Act 1973” and substituting “Chartered Professional Accountants of Bermuda Act 1973”.

General consequential amendments of the principal Act

4 (1) The principal Act is amended by deleting “the Institute” (in every place) and substituting “CPA Bermuda”.

(2) The principal Act is amended by deleting “the Council” (in every place) and substituting “CPA Board”.

(3) The principal Act is amended by deleting “the Board” (in every place) and substituting “the Barristers and Accountants AML/ATF Board”.

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
ACT 2014

Amends section 1

5 Section 1 of the principal Act is amended—

- (a) by deleting the definitions of “Council”, “Institute” and “Society”; and
- (b) by inserting the following definitions in appropriate alphabetical order—

“By-Laws” means the by-laws governing the management and administration of the affairs of CPA Bermuda made under section 7;

“CPA Bermuda” or “Chartered Professional Accountants of Bermuda” means the Chartered Professional Accountants of Bermuda established under this Act;

“CPA Board” means the Board of Directors of CPA Bermuda established in accordance with section 4 and the By—laws;”.

Repeals and replaces section 2

6 Section 2 of the principal Act is repealed as follows—

“Chartered Professional Accountants of Bermuda

2 The body corporate established by section 2 of this Act (as originally enacted) shall continue in being under the name of “Chartered Professional Accountants of Bermuda”, with the exclusive right to use that name and under that name to have perpetual succession.”

Amends headnotes to sections 4 to 7 and 8B

7 (1) Delete the headnote to section 4 of the principal Act and substitute “Board of CPA Bermuda”.

(2) In the headnotes to sections 5, 6 and 7 of the principal Act, delete “Council” and substitute “CPA Board”.

(3) In the headnote to section 8B of the principal Act, delete “Board” and substitute “Barristers and Accountants AML/ATF Board”.

Amends section 5

8 Section 5 of the principal Act is amended—

- (a) in the headnote by deleting the word “Council” and substituting the words “the Board”; and
- (b) by deleting the word “Council”, where they appear, and substituting the word “Board”.

Repeals and replaces section 9

9 Section 9 of the principal Act is repealed and replaced by the following—

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
ACT 2014

“Right to use designations “Chartered Professional Accountant” and
“Chartered Accountant”

9 (1) Each member who is admitted as a Fellow of CPA Bermuda has the right to use the designation “Fellow of the Chartered Professional Accountants” and the initials “FCPA”.

(2) Each member who is admitted as a Fellow of CPA Bermuda has the right to use—

- (a) the designation “Fellow of the Chartered Professional Accountants”; and
- (b) the initials “FCPA”.

(3) Each member of CPA Bermuda shall, subject to the by-laws, be entitled to use—

- (a) any of the following designations—
 - (i) “Associate of the Chartered Accountants”;
 - (ii) “Associate of the Chartered Professional Accountants”;
 - (iii) “Certified General Accountant”;
 - (iv) “Certified Management Accountant”;
 - (v) “Chartered Accountant”;
 - (vi) “Chartered Professional Accountant”;
 - (vii) “Certified Public Accountant”;
 - (viii) “Fellow of Certified General Accountants”;
 - (ix) “Fellow of the Chartered Professional Accountants”;
 - (x) “Fellow of the Chartered Accountants”;
 - (xi) “Fellow of the Certified Management Accountants”;
 - (xii) “Professional Accountant”; and
- (b) any of the following initials—
 - (i) “ACA”;
 - (ii) “ACPA”;
 - (iii) “CA”;
 - (iv) “CGA”;
 - (v) “CMA”;
 - (vi) “CPA”;
 - (vii) “CPA, CA”;

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
ACT 2014

- (viii) “CPA, CGA”;
- (ix) “CPA, CMA”;
- (x) “FCA”;
- (xi) “FCGA”;
- (xii) “FCPA, FCMA”;
- (xiii) “FCPA, FCA”;
- (xiv) “FCPA, FCGA”; or
- (xv) “FCMA”,

either alone or in combination with any other word or words, or any other name, title, initials or description, implies or is calculated to imply that the member using any of the titles or initials is a chartered accountant or certified accountant.”.

Inserts section 9A

10 After section 9 of the principal Act insert—

“Honorary Memberships

9A (1) CPA Bermuda may, in accordance with this Act and the by-laws, recognise an honorary membership.

(2) For the purpose of subsection (1)—

“honorary membership” includes—

- (a) fellowships;
- (b) life honours; and
- (c) life memberships.

(3) An honorary membership, recognised by CPA Bermuda in accordance with this Act and the by-laws, shall have effect for the duration the member retains an honorary membership.”.

Repeals and replaces section 10

11 Section 10 of this Act is repealed and replaced with the following—

“Unqualified persons; offences

10 (1) Subject to section 13, a person who holds himself out (or practices as a public accountant) in contravention of section 9 commits an offence.

(2) Any person who holds himself out in contravention of section 9 shall be liable to a penalty not exceeding—

- (a) one thousand dollars for a first offence; or

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
ACT 2014

- (b) two thousand dollars for a second offence or for each subsequent offence thereafter.”.

Amendments to the By-Laws

Amends the title of the By-Laws

12 The title of the By-Laws is amended by deleting “Institute of Chartered Accountants of Bermuda By-Laws 2006” and substituting “Chartered Professional Accountants of Bermuda By-Laws 2006”.

General amendments of the By-Laws

13 (1) The By-Laws are amended by deleting “the Institute” (in every place, except where it is referring to an Institute of a jurisdiction outside of Bermuda) and substituting “CPA Bermuda”.

(2) The By-Laws are amended by deleting “the Council” (in every place) and substituting “the CPA Board”.

(3) The By-Laws are amended by deleting “provincial institute” (in every place) and substituting “provincial CPA body”.

(4) By-Laws 11(2), 18(3) and 50(3) are amended by deleting “Council” (in every place) and substituting “the CPA Board”.

Amends By-Law 2(1)

14 By-Law 2(1) is amended—

- (a) by deleting the definitions of “Council” and “Institute”; and
(b) by inserting the following definitions in appropriate alphabetical order—

“ “CPA Bermuda” or “Chartered Professional Accountants of Bermuda” means the Chartered Professional Accountants of Bermuda established under the Act;

“CPA Board” means the Board of Directors of CPA Bermuda established in accordance with section 4 of the Act and by these By-Laws;”.

Amends By-Law 50(13)

15 In By-Law 50(13) delete “2007” and substitute “2015”.

Miscellaneous

Other consequential amendments

16 The amendments in the Schedule shall have effect.

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
ACT 2014

Commencement

17 This Act shall come into operation on such day or days as the Minister of Finance may appoint by notice in the Gazette.

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
ACT 2014

SCHEDULE

(Section 16)

CONSEQUENTIAL AMENDMENTS

General amendments

1 In each of the following enactments delete “Institute of Chartered Accountants of Bermuda” (in each place) and substitute “Chartered Professional Accountants of Bermuda”—

- (a) Barristers (Accounts and Records) Rules 1976, rule 8(3);
- (b) Bermuda Housing Association (Model Rules) Regulations 1982, regulation 51;
- (c) Anti-Terrorism (Financial and Other Measures) Act 2004, section 2;
- (d) Bermuda Bar Act 1974, sections 9A(1)(2), 25A(1), 25B(1)(a)(b), 25B(5) and 25D(1);
- (e) Bermuda Tourism Authority, section 20(3);
- (f) Banks and Deposit Companies Act 1999, section 54(5A);
- (g) Companies Act 1981, sections 34, 84(5), and 90(4);
- (h) Companies (The United Kingdom Class Scheme Bye-Laws) Regulations 1988, regulation 19C;
- (i) Corporate Service Provider Business 2012, section 2(1);
- (j) Deposit Insurance Act 2011, Schedule 2 paragraph 4;
- (k) Investment Business Act 2003, section 80(5A);
- (l) Internal Audit Act 2010, section 23(1);
- (m) National Pension Scheme (Occupational Pensions) Act 1998, section 62(2);
- (n) Ministers and Members of the Legislature (Salaries and Pensions) Act 1975, Schedule 1;
- (o) Miscellaneous Taxes Act 1976, section 35(2);
- (p) National Pension Scheme (Occupational Pensions) Act 1998, section 62(2);
- (q) Proceeds of Crime Act, section 42A;
- (r) Proceeds of Crime (Anti-Money Laundering and Ant-Terrorist Financing) Supervision and Enforcement Act 2008, sections 2 (in the definition of “firm”) and 32(1)(ba);
- (s) Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing) Regulations 2008, regulation 14(2)(b)(ii);
- (t) Real Estate Agents’ Licensing Act 1976, section 16(6);

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
ACT 2014

- (u) Regulatory Authority Act 2011, section 46(3);
- (v) SAGE Commission Act 2013, section 14(3); and
- (w) Trusts (Regulation of Trust Business) Act 2001, sections 2 and 50(6A).

Amends the Bermuda Bar Act 1974

2 The sections 25D(1) to (7) and 25E(1) to (4) of the Bermuda Bar Act 1974, delete “Council of the Institute” (in each place) and substitute “Board of the Chartered Professional Accountants of Bermuda”.

Amends the Bermuda Public Accountability Act 2011

3 The Bermuda Public Accountability Act 2011 is amended—

- (a) in section 2 by—
 - (i) deleting the definition of “ICAB”;
 - (ii) inserting in appropriate alphabetic order—

“CPAB” means the Chartered Professional Accountants of Bermuda;”
- (b) by deleting (wherever it appears) “ICAB” and substituting “CPAB”; and
- (c) in sections 16(1)(a) and 22(1)(d), by deleting “Institute of Chartered Accountants of Bermuda Act” and substituting “Chartered Professional Accountants of Bermuda Act”.

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
BILL 2014

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Institute of Chartered Accountants of Bermuda Act 1973 (the “principal Act”), and the Institute of Chartered Accountants of Bermuda By-Laws 2006 (the “principal By-Laws”), thereby changing the title of the principal Act and principal By-Laws, to reflect the merger between the Canadian Institute of Chartered Accountants (the principal affiliate of the Institute of Chartered Accountants of Bermuda) and the Canadian Management Association which took effect on 1st January, 2013 and the signing of the integration agreement with the Certified General Accountants of Canada in October 2013.

Clause 1 is the citation and interpretation clause.

Clause 2 amends the principal Act by renaming the Institute of Chartered Accountants of Bermuda as the Chartered Professional Accountants of Bermuda. Clause 2 also amends the principal Act by renaming the Council of the Institute of Chartered Accountants of Bermuda as the CPA Board.

Clause 3 amends the title of the principal Act by renaming the principal Act the Chartered Professional Accountants of Bermuda Act 1973.

Clause 4 makes general consequential amendments to the principal Act.

Clause 5 amends section 1 of the principal Act thereby adding new definitions to the principal Act.

Clause 6 repeals and replaces section 2 of the principal Act, clarifying that the body corporate established by section 2 of the principle Act (as originally enacted), is to continue in being under the name of Chartered Professional Accountants of Bermuda- with the exclusive right to use this name and under that name to have perpetual succession.

Clause 7 amends the headnotes to section 4 to 7 and 8B.

Clause 8 amends section 5 of the principal Act: (1) in the headnote by deleting the word “Council” and substituting the words “the Board”; and (2) in the body of section 5 by deleting the word “Council” (where it appears) and substituting the word “Board”.

Clause 9 repeals and replaces section 9 of the principal Act, establishing the right to use the designations “Chartered Professional Accountant”, “Chartered Accountant”, and associated initials.

Clause 10 amends the principal Act, inserting section 9A, thereby making allowance for honorary memberships.

Clause 11 repeals and replaces section 10, thereby prohibiting and making it an offence for an unqualified person to practice or hold themselves out as a public accountant.

INSTITUTE OF CHARTERED ACCOUNTANTS OF BERMUDA AMENDMENT
BILL 2014

Clause 12 to 15 makes consequential amendments to the By-Laws. By-Law 50(13) is amended to allow members until 1 January 2015 to obtain professional liability insurance coverage required by that By-Law.

Clause 16 sets out other consequential amendments that are to have effect, as set out in the Schedule.

Clause 17 sets out the commencement provision.