

Mr. Millar.

## ACCOUNTANTS.

### ANALYSIS.

- | Title.  | <i>Duties of Council.</i>  |  |
|---|--|--|
| 1. Short Title.   | 27. Persons who may have names inserted in Register.   |  |
| 2. Interpretation.  | 28. Council to insert advertisements for applications for registration.  |  |
| <i>The Register.</i>  |  |  |
| 3. Who entitled to have name on Register.   | 29. If applicant does not possess qualifications, Council may decline to register, and if applicant feels aggrieved he may apply to Judge in Chambers. |  |
| 4. Persons to be registered must be of good character.  | 30. Privilege of registered accountants.   |  |
| <i>The Registered Accountants of New Zealand.</i>   |  |  |
| 5. The Institute.   | 31. Privilege of registered accountant who takes out practising certificate and who practises accountancy.   |  |
| 6. Advertisement for applications for registration to be published.   | 32. Roll of Examined Accountants, and who shall have their names thereon.  |  |
| 7. List of persons applying to be prepared and forwarded with ballot-papers to every person applying.                               | 33. Offence for person to use letters unless authorised.   |  |
| 8. Members of Council deemed to have been nominated for towns in which they reside.   | 34. Non-payment of fees for three months ground of removal from Register.  |  |
| 9. Membership of Council.   | 35. Pending inquiry into charges against member Council may require him to deliver up certificates.  |  |
| 10. Ballot-papers to be opened and examined by Registrar-General in presence of three accountants.                                  | 36. Council may remove name of any member from Register if guilty of certain offences.   |  |
| 11. Ballot-papers must be witnessed.  | 37. Provision for reinstatement of members struck off Register.  |  |
| 12. Conduct of elections.   | 38. Persons resigning Institute may register again.  |  |
| 13. Order in which elections to be taken.   | 39. Legal process of Institute to be in the name of President.   |  |
| 14. Four candidates receiving highest number of votes represent Auckland.   | 40. Institute to have power to erect chambers in any part of the colony.   |  |
| 15. All members may vote at each election.  | 41. Borrowing-powers.  |  |
| 16. Any disputes to be referred to Registrar-General.   | 42. Power of Council to deal with funds.   |  |
| 17. Registrar-General to supply omissions and rectify defects in the Act of his own motion.   | <i>Powers of the Council.</i>  |  |
| 18. Election of Council to be for four years, but one member from each centre to retire annually.                                   | 43. Regulations for conduct of meetings of Council.  |  |
| 19. In the event of dispute, same to be decided by ballot.  | 44. Effect of production of regulations.   |  |
| 20. On election of Council notice to be given to members elected and meeting convened.  | 45. Council may call upon members to appear before it to answer charges.   |  |
| 21. Quorum at first meeting of Council and business thereof.  | <i>Offences.</i>   |  |
| 22. Registrar-General to deduct his expenses from money received and hand balance to Council. His duties under this Act then cease. | 46. Offence for person other than public accountant to hold himself out as such.   |  |
| 23. Election of officers.   | 47. Not to apply to clerks or managers.  |  |
| 24. Annual election of Council at any place as decided by members of Institute.   | 48. What work registered accountants entitled to perform.  |  |
| 25. Members of Council may vote by proxy.   | 49. No public accountant to allow his name to be used by unqualified person.   |  |
| 26. Any member absent from three consecutive meetings of Council <i>ipso facto</i> ceases to be member.                             | 50. Offence to practise during suspension.   |  |
|   | 51. Offence to practise without taking out annual certificate.   |  |

<p>52. Offence not to preserve secrecy as to professional work.</p> <p style="text-align: center;"><i>Penalties.</i></p> <p>53. Anything done which is prohibited is an offence.</p> <p>54. Penalty for offence.</p> <p style="text-align: center;"><i>Examinations.</i></p> <p>55. Who must pass examinations.</p> <p>56. Examinations in two sections.</p> <p>57. General-knowledge examination.</p> <p>58. Professional examinations.</p>	<p style="text-align: center;"><i>The Corporate Seal.</i></p> <p>59. Seal.</p> <p>60. Contracts necessary to be under seal.</p> <p>61. Chairman at meetings.</p> <p>62. Chairman to have casting-vote.</p> <p>63. Council to convene meeting of members on requisition by twenty-one members.</p> <p>64. Rules as to fees and recovery thereof.</p> <p>65. Institute shall have registered office.</p> <p>66. Matter agreed to by President, Vice-president, and Treasurer, and majority of other members to have same force and effect as if passed by resolution of Council.</p> <p>Schedules.</p>
--	--

### A BILL INTITULED

**Title.** AN ACT to make Provision for the Registration of Accountants, and for ensuing that Accountancy and Auditing shall be performed only by Persons who have the Necessary Knowledge and Skill to do the same, and for regulating the Admission of Accountants to the Society to be incorporated as hereinafter provided. 5

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows :—

**Short Title.** 1. The Short Title of this Act is “ The Accountants Act, 1905.”

**Interpretation.** 2. In this Act, wherever the context permits or admits of such an interpretation,— 10

“ Registered accountant ” shall mean any person whose name is inscribed on the Register hereinafter provided for :

“ Public accountant ” shall mean a registered accountant who is in business upon his own account, in the course of which he is practising the profession of an accountant : 15

“ Examined accountant ” shall mean any person whose name is inscribed upon the Register, and who has sat for and passed the full examination prescribed by the Incorporated Institute of Accountants of New Zealand or by the New Zealand Accountants and Auditors’ Association respectively, or by the Institute in this Act mentioned, or the examinations prescribed by any other recognised accountants’ association in any part of the British dominions or elsewhere approved by the Council : 20

“ Registered Accountants of New Zealand ” shall mean the association incorporated as hereinafter provided, and referred to as “ the Institute ” : 25

“ The Council ” shall mean twenty members of the Institute, to be elected as hereinafter provided, to conduct and manage the business of the same : 30

“ The Register ” shall mean the Register of Accountants to be kept by the Council :

Pronouns importing the masculine gender shall, wherever used throughout this Act, be read as including the feminine gender. 35

### *The Register.*

**Who entitled to have name on Register.**

3. The following persons shall be entitled to have their names inserted on the Register :—

(a.) All persons over the age of twenty-one years who, from and since the first day of January, one thousand nine hundred 40

and three, to the date of the coming into operation of this Act, have been employed exclusively as accountants at a salary in any mercantile, banking, professional, or Government office within the colony or in any portion of the British dominions :

5

(b.) All persons over the said age who, since the above date, have been continuously engaged in business upon their own account within the colony, and have in such business or as a branch thereof held themselves out and practised as accountants :

10

(c.) All persons who, since the first day of January, one thousand nine hundred and three, and up to the coming into operation of this Act, have been employed for a portion of the said period exclusively as accountants at a salary in any mercantile, professional, banking, or Government office within the colony or in any part of the British dominions, and have for such other portion of the said period practised as accountants within the colony on their own account :

15

(d.) All persons who at any time have publicly practised and been in business as accountants in the colony, or in any part of the British dominions, for any continuous period of not less than four years :

20

(e.) All persons who are members of any accountancy association in this colony or in any portion of the British Empire.

25

(f.) All persons who are members of any recognised association of accountants of any foreign country upon such terms and conditions as the Council may prescribe :

Any of the persons mentioned in paragraphs (a) to (e) of this section who may, within six months of the coming into operation of this Act, or, in the case of persons arriving in the colony after this Act comes into operation, within six months of their arrival in the colony, apply to the Council, in the form in the *Second* Schedule hereto, to be registered shall, subject to section *four* hereof, be registered without undergoing any examination :

30

35

(g.) All *bonâ fide* students of accountancy who at the coming into operation of this Act are attending lectures, or are in any other way *bonâ fide* engaged in studying accountancy, shall, if they apply to be registered within two years from the coming into operation of this Act be registered upon the passing of the professional examination only hereinafter provided for :

40

(h.) All persons of twenty-one years of age or over who shall, after the coming into operation of this Act, pass the examination in general knowledge and the professional examination for accountants prescribed by the Council.

45

4. No persons, unless they are of good character and reputation, shall at any time be entitled to be registered.

Persons to be registered must be of good character.

#### *The Registered Accountants of New Zealand.*

5. Immediately upon the election of the Council the members of the Council and all other persons who may thereafter be registered shall become and they are hereby incorporated as a body corporate, possessing

50

The Institute.

a seal and a perpetual existence, under the name of the Registered Accountants of New Zealand (hereinafter referred to as "the Institute"). All registered accountants shall *ipso facto* be members of the Institute.

Advertisement for applications for registration to be published.

6. Within six weeks of the coming into operation of this Act the Registrar-General shall, by advertisement to be published in such newspapers as he may think fit, invite applications to be registered from persons who are qualified to be registered under section *three* of this Act, and may prescribe a time within which such applications will be received. Every application must be in the form or to the effect set out in the *Second* Schedule hereto, and must be accompanied by a remittance to the value of *twenty-one* shillings. The applicant must state in his application whether he is or is not prepared to act as a member of the Council should he be elected. 5 10

List of persons applying to be prepared and forwarded with ballot-papers to every person applying.

7. Upon the receipt of such application the Registrar-General shall within thirty days prepare a list of all who have applied for registration, and also a second list of all persons who have signified their willingness to become a member of the Council, and shall thereupon post such second list to every person who has applied to be registered, together with a voting-paper in the form in the *Fourth* Schedule hereto, and shall name a day, being not less than thirty days from the posting by him of such voting-paper, upon which the form shall be returned to him in an envelope, on the outside of which shall be written "Voting-paper for Election of Council of the Registered Accountants," or words to the like effect, and all persons who return such voting-papers shall be entitled to vote upon the election of members of the Council. 15 20 25

Members of Council deemed to have been nominated for towns in which they reside.

8. All persons who have signified their willingness to become members of the Council shall be deemed to have been nominated for the towns in which the said persons respectively reside; and all other persons residing outside of Auckland City, Wellington City, Christchurch City, or Dunedin City who have so signified their willingness shall be deemed nominated for the provincial towns. 30

Membership of Council.

9. The Council shall consist of twenty members, four of whom shall represent Auckland City, four shall represent Wellington City, four shall represent Christchurch City, and four shall represent Dunedin City, the remaining four shall represent all or any other portions of the colony (save and except the four cities mentioned), which shall be hereinafter referred to as the "provincial towns." 35

Ballot-papers to be opened and examined by Registrar-General in presence of three accountants.

10. Upon the day named by the Registrar-General for the return of the said ballot-papers, or as soon thereafter as he shall deem fit, he shall proceed to the election of the Council, and shall call in any three accountants practising in Wellington he may decide upon to act as scrutineers. The Registrar-General shall in their presence open the letters containing the said ballot-papers. 40

Ballot-papers must be witnessed.

11. No ballot-paper shall be received nor shall be used in the election unless the signature of the person signing the same shall have been witnessed by a Justice of the Peace, Postmaster, clergyman, solicitor, doctor, Mayor, or City Councillor. 45

Conduct of elections.

12. The election shall be conducted as follows: In all cases where four persons only have been nominated for each or any city or provincial towns the Chairman shall declare such persons to have been duly elected. 50

Order in which elections to be taken.

13. In all cases where more than the required number have been nominated the election of representatives for each city and for pro-

vincial towns shall be taken separately in the following order : Auckland, Wellington, Christchurch, Dunedin, and provincial towns. Voting shall be by ballot-papers only.

- 5 14. At the election the Registrar-General, or any one appointed by him, shall write down the name of each candidate for Auckland City and the number of votes he has received. The four candidates who have received the highest number of votes shall be declared by the Chairman to have been elected, and they shall be the members of the Council representing the City of Auckland. The election for the other cities and the provincial towns shall then be proceeded with in like manner until the full Council is elected.
- 10 15. There shall be no territorial restriction in voting, but every person shall be entitled to vote at the election for a member for each of the districts. In the event of a tie in any one or other of these elections the Registrar-General shall possess and shall exercise a casting-vote.
- 15 16. In the event of any dispute or difference as to the validity of ballot-papers the same shall be referred to the Registrar-General, whose decision shall be final and conclusive upon the matter.
- 20 17. The Registrar-General shall of his own motion supply any omission, defects, or errors in this Act relating to the election of the Council, or do anything not provided for by this Act which may, in his opinion, require to be altered or done in order to bring about the election of the Council, and any act or thing so done or omitted to be done by him which is necessary to bring about the election of the Council shall be deemed to be authorised under this Act.
- 25 18. The election of the Council shall be for four years, but subject to alterations as follows : At the end of the first year five of the Council shall retire—viz., Auckland one, Wellington one, Christchurch one, Dunedin one, provincial towns one. The same upon the second year, excluding the members who retired at the expiration of the first year, and thereafter yearly, and those shall retire who have been earliest elected.
- 30 19. During the first three years, if any difference shall arise as to which of the members shall retire, the same shall be decided by ballot, those who have previously retired being excluded therefrom.
- 35 20. Upon the election of the Council the Registrar-General shall give notice in writing to those who have been so elected to the Council, and shall convene a meeting of the Council to be held at Wellington at some place and date to be fixed by him, being not more than twenty-eight days from the date of the election.
- 40 21. At such first meeting of the Council ten shall form a quorum. The Registrar-General, or some person appointed by him, shall attend the said meeting, and shall hand over to the same all applications for registration received by him and the list of applications prepared by him, and shall present an account of all moneys received by him for application fees.
- 45 22. The Registrar-General shall deduct from such fees all expenses incurred by him in connection with any duties devolving upon him under this Act, and the balance of the moneys received by him shall be paid by the said Registrar-General or by the Colonial Treasurer unto the said Council, and thereupon the Registrar-General shall have no further duties under this Act.

Four candidates receiving highest number of votes represent Auckland.

All members may vote at each election.

Any disputes to be referred to Registrar-General.

Registrar-General to supply omissions and rectify defects in Act of his own motion.

Election of Council to be for four years, but one member from each centre to retire annually.

In the event of dispute, same to be decided by ballot.

On election of Council notice to be given to members elected and meeting convened.

Quorum at first meeting of Council and business thereof.

Registrar-General to deduct his expenses from money received and hand balance to Council. His duties under this Act then cease.

Election of officers.

23. At such first meeting the Council shall proceed to the election of three members of the Council as President, Vice-president, and Treasurer respectively; the Council shall also appoint a Secretary, who shall be a paid officer. The Secretary may be a member of the Council or any other person (providing he is a registered accountant) that the Council may choose.

5

Annual election of Council at any place as decided by members of Institute.

24. There shall be an annual election by members of the Institute of the Council, to be conducted in the manner which may be prescribed by, and at any town or place the Council may from time to time decide. Any casual vacancies shall be filled by the Council, but any person so appointed shall hold office only until the next annual election of the Council. Any member of the Council may retire at any time by giving one month's notice. A meeting of the Council shall take place immediately before each annual meeting, and fourteen days' notice of such Council meeting shall be given.

10

15

Members of Council may vote by proxy.

25. Members of the Council may vote at any Council meeting by proxy upon any question of which due notice has been given. Such proxy shall state upon which question or questions the holder is authorised to vote, and such vote can be given upon such question or questions but upon no other. The Council shall prescribe the form of proxy to be used.

20

Any member absent from three consecutive meetings of Council *ipso facto* ceases to be member.

26. Any member of the Council who is absent from three consecutive Council meetings, unless he has obtained leave from the President to so absent himself, shall *ipso facto* cease to be a member of the Council.

25

#### *Duties of Council.*

Persons who may have names inserted in Register.

27. The Council shall, upon payment of the prescribed fee, enter in the Register the names of any persons who may apply to the Council to be registered who in the opinion of the Council possess the qualification prescribed by this Act. The Council may at their option treat the applications made to the Registrar-General as if the same had been made to them.

30

Council to insert advertisements for applications for registration.

28. The Council shall, by advertisement inserted in any one or more newspapers and in the *New Zealand Gazette*, call for applications from persons desiring to be registered, and shall register the names of those persons applying who in their opinion possess the qualifications prescribed by this Act. No application shall be received unless it is in the form or to the effect of the *Fifth* Schedule hereto, accompanied by the prescribed fees.

35

If applicant does not possess qualifications, Council may decline to register; and if applicant feels aggrieved he may apply to Judge in Chambers.

29. If the Council shall be of opinion that any applicant for registration does not possess the prescribed qualifications, the Council may decline to register, and shall notify such applicant that they so decline, and shall give the reasons for so doing. Should any person feel aggrieved by the Council so determining, he may at any time within three months issue a summons in the Supreme Court calling upon the President of the Council to show cause before a Judge thereof in Chambers why such person should not be registered. Upon the hearing of such summons evidence may be given orally or by affidavit, or in any way the Court or Judge may order; and the Court or Judge may make an order dismissing the same, or may order that the name of such person shall be inserted upon the Register, and may order such costs to be paid to

40

45

50

or by the Council as the Court or Judge may think fit, without reference to the scale of costs provided by the Supreme Court Code, and may order such costs to be paid as between solicitor and client or otherwise.

30. All registered accountants shall be entitled to describe themselves as such by using the words "Reg. Acct." (Registered Accountant) after their names. A registered accountant may practise as a public accountant at any time by giving notice to the Council and paying the prescribed fees.

Privilege of registered accountants.

31. All registered accountants who take out a practising certificate, and who are carrying on business openly as accountants on their own account solely or in partnership with any other person, shall be public accountants, and shall be entitled to describe themselves as such by using the letters "P.A." (Registered Public Accountant) after their names.

Privilege of registered accountant who takes out practising certificate and who practises accountancy.

32. All registered accountants who have passed the examinations prescribed by the New Zealand Institute of Accountants or the Association of Accountants of this colony, or by any other recognised association of accountants in any other portion of the British Empire or elsewhere approved by the Council, shall have their names duplicated in a second Register to be called the "Roll of Examined Accountants," and shall be entitled to describe themselves as such by using the letter "E." after the words "Reg. Acct." if they are registered accountants only, or after the letters "P.A." if they are public accountants.

Roll of Examined Accountants, and who shall have their names thereon.

33. A person commits an offence if he at any time uses the words "Reg. Acct.," or the letters "P.A.," or the letter "E." after his name unless he is authorised by this Act to use the same :

Offence for person to use letters unless authorised.

Provided always that it shall be a complete defence in any proceedings if the defendant proves that he is a *bona fide* member of any society or body represented by the said letters or that he is entitled by any other reason to so use them. In all proceedings proof that the defendant used the said letters shall be *prima facie* evidence that he has unlawfully used them.

34. The Council may remove from the Register the name of any person who is in arrear for three months with the payment of any fees due or payable by such person under the Act or under any regulation made by the Council, and after posting notice of such removal to such person's registered address it shall be unlawful for him to use any letter or words indicating that he is a registered accountant under this Act ; and no member shall exercise his right to vote if he is in arrear with the payment of any such fees.

Non-payment of fees for three months ground of removal from Register.

35. The Council may at any time, pending inquiry into any charge or complaint against a member of the Institute and before a final decision thereon, require him by notice in writing, delivered to him personally or posted to his registered address, to deliver his diploma and any certificate of the Institute which may have been issued to him into the custody of the President or Vice-president of the Institute ; and such member shall be guilty of an offence under this Act if he fails, unless he can show good cause for such failure, for fourteen days after receipt of such notice or of such posting to deliver the same.

Pending inquiry into charges against member Council may require him to deliver up certificates.

36. The Council may remove the name of any member who has been convicted of any offence for which the penalty may be imprisonment for any term, or who has left the colony for over twelve months,

Council may remove name of any member from Register if guilty of certain offences.

or who is deceased, or who has been guilty of a wilful and continuous breach of any regulations made by the Council under the powers and authorities conferred by this Act, or who has been guilty of unprofessional conduct, or professional misconduct, or guilty of any offence under this Act.

Provision for reinstatement of members struck off Register.

37. Any person who has been removed from the Register may apply to be reinstated, and, unless he has been removed for any cause affecting his character or reputation, or for professional misconduct, or for want of professional conduct, or for wilful and continuous breach of any regulations made by the Council, he shall be entitled as of right to be reinstated upon payment of any fees which may be prescribed by the Council. In all other cases the Council shall have a discretionary right to reinstate such person; and if the Council shall refuse to reinstate the applicant he may petition a Judge in Chambers to grant such reinstatement; and the Court, in considering and deciding such petition, may, if such person has been removed for wilful and continuous breach of the said regulations, order such person to be reinstated upon payment of a penalty not exceeding *fifty* pounds to the Council, and in all other cases may act upon the same principles as are applied by the Court in considering applications by barristers or solicitors for reinstatement who have been removed from the rolls for any offence or for professional misconduct.

Persons resigning Institute may register again.

38. The Council shall remove from the Register the name of any person who has resigned his membership of the Institute, but such person shall, at the discretion of the Council, be entitled to be registered again at any time upon payment of the prescribed fees.

Legal process of Institute to be in name of President.

39. All proceedings against the Institute shall be in the name of or against the President, who shall appear and sue and be sued for and on behalf of the Institute. Service of any proceedings shall be good if made upon the President, Vice-president, or any other member of the Council of the Institute. Any judgment or order against the President under which money is to be paid shall bind and be enforceable against the property and assets of the Institute.

Institute to have power to erect chambers in any part of the colony.

40. It shall be lawful for the Institute to acquire sufficient freehold or leasehold land in any part of the colony upon which to erect chambers for the purpose of the Institute, and to let or sell such parts of same as shall not be required for their immediate occupation.

Borrowing-powers.

41. The Council shall have power to borrow any sum or sums of money for the purpose of erecting offices or buildings for the use of the Institute, and to give a mortgage over any freehold or leasehold property it may possess for the purpose of securing the repayment of such sum or sums so borrowed, or to issue debentures charged upon all the property of the Institute of whatsoever kind; and no mortgagee shall be called upon to inquire as to the object for which such moneys are borrowed or shall be affected by any defect or irregularity in any proceedings of the Council or Institute authorising such money to be borrowed; and the execution by the Council in the prescribed form of any such mortgage or debentures shall be conclusive evidence of the right of the Council or Institute to borrow the moneys purporting to be secured.

Power of Council to deal with funds.

42. The Council shall have full discretion to deal with the funds and property of the Institute, and to invest the same by deposit, or by the purchase of bonds or stock guaranteed by the New Zealand Govern-



ment or by any local body, or to lend the same upon the mortgage of freehold lands within the colony in such manner as they may consider advisable or as the members thereof may in general meeting determine.

*Powers of the Council.*

- 5 43. (1.) Without limiting any general authority to make such regulations as they may think necessary or advisable, the Council shall have full authority to make regulations as follows:—
- 10 (a.) Providing for the convening, conduct, and good order of the meetings of the Council and of members of the Institute, and of all things incidental thereto :
- 15 (b.) For holding such examinations of persons who wish to qualify for the insertion of their names upon the Register, and to fix the fees payable in respect of such examinations :
- 20 (c.) For appointing any person or persons honorary members of the Institute upon such terms, for such length of time, and upon such conditions as the Council may prescribe :
- (d.) To compile examination-papers for candidates for registration, to fix the subjects in which they are to be examined, and to decide what proportion of marks shall be obtained to enable the candidate to pass :
- 25 (e.) To fix the times and places at which such examinations shall take place :
- (f.) Providing when and at what date each person whose name is on the Register shall pay to the Council the annual fees prescribed by the schedule of fees set out in the *First* Schedule hereto, and for issuing annual certificates to such persons on payment of such fees, and for providing that each member shall have a registered postal address to which notices may be posted :
- 30 (g.) For striking off the Register the name of any person who has been persistently guilty of any breach of the regulations, or who has refused to comply with the same, and who has been cited to appear before the Council and has had an opportunity of defending himself :
- 35 (h.) Providing as to how any notices required under this Act shall be given :
- (i.) For defining professional misconduct, or what shall be a want of professional conduct, on the part of any member :
- 40 (j.) For dealing with the funds of the Institute as the members thereof may in general meeting determine, and, *inter alia*, to use such funds for the purpose of—
- (i.) Assisting any member of the Institute whose circumstances, in the opinion of the Council, may render assistance necessary ;
- (ii.) To pay the practising fee of any member ;
- 45 (iii.) To grant prizes for scholarships at any school or university, or to offer prizes to be competed for by members of any accountant students' society ;
- (iv.) To pay the fees of any member who is unable, in the opinion of the Council, through poverty to pay the same ;
- 50 (v.) To assist the widow, wife, or children of any deceased member ;

Regulations for  
conduct of meetings  
of Council.

- (vi.) To assist any district accountants' society ;
- (vii.) To assist in any manner in the advancement of the profession of accountancy ;
- (viii.) To publish any newspaper or magazine in the interests of accountancy, and to assist with funds any such paper published by any outside person ; 5
- (ix.) To provide and keep up any library for the use of the members :
- (k.) For the payment of travelling and other expenses of members of the Council or any delegates of members : 10
- (l.) For regulating inquiries into the professional conduct or misconduct of members :
- (m.) For suspending any member from practice during the hearing of any criminal charge brought against him in any Court of law possessing criminal jurisdiction : 15
- (n.) For renting offices, for engaging and paying clerks, retaining counsel, engaging a solicitor or solicitors or any other person or persons whose services they may require, and for dismissing any person :
- (o.) For the holding of inquiries into any charges brought against members of the association, and for the conduct of such inquiries : 20
- (p.) For the settlement of disputes and differences between members personally by referring the same to arbitration or in any other manner, and for the settlement of any disputes between the Council or the Institute and any person or persons : 25
- (q.) For promoting harmony and good will between the members personally :
- (r.) For promoting any act, matter, or thing which will tend to benefit the profession of accountancy, and in particular for drawing a scale of fees which the Institute may recommend as fair and reasonable for all classes of accountancy work : 30
- (s.) Providing for the doing of anything which will tend directly or indirectly to promote the objects of this Act :
- (t.) For the repeal, alteration, or variation from time to time of any regulation made under the powers herein conferred : 35
- (u.) Providing for the custody of the seal of the Institute, and the method in which instruments requiring to be executed by the Institute shall be executed, by whom the seal of the Institute is to be affixed to any document, and the number of witnesses to attest the sealing of any document on which the seal is used : 40
- (v.) For the issue of diplomas of membership to members, and for fixing the fee, being not more than *twenty-one* shillings in respect of the same. 45
- (2.) All regulations made by the Council shall, until submitted to the members of the Institute, have the same force and effect as if they had been duly passed by a meeting of the members :
- Provided always that all such regulations shall lapse unless they are laid before and are approved by a meeting of the members of the said Institute, which meeting shall be held within six months of such regulations being made. 50

44. In any legal proceedings the production of a copy of such regulations, purporting to bear the signature of the President or Vice-president and Secretary, or by two members of the Council, shall be, until the contrary is proved, conclusive evidence that such regulations have  
5 been duly and properly made, and that such regulations are valid and are in full force and effect.

Effect of production of regulations.

45. The Council may call upon a member to appear before it and answer any charge involving moral turpitude or professional misconduct or want of professional conduct, and may, if it finds the charge  
10 proved, suspend such member from practice or remove his name from the Register, subject to the right of appeal by such member to the Supreme Court or to a general meeting of the members, and no member shall resign his membership pending the hearing of any such charge.

Council may call upon members to appear before it to answer charges.

#### 15 *Offences.*

46. After six months from the time of the coming into operation of this Act no person other than a public accountant shall hold himself out to the public as a public accountant or auditor, or shall use the words "public accountant" or "auditor," or any letter or letters, after his name  
20 in connection with himself or his business, either alone or in combination with any other word or letter tending to suggest that he is a public accountant, or shall directly or indirectly do anything which, in the opinion of the Court, tends to convey to the public that such person is a public accountant under this Act.

Offence for person other than public accountant to hold himself out as such.

25 47. (1.) No person, unless he is a public accountant, shall perform for hire any accountancy work; but nothing in this section shall affect any clerk, manager, or other person who is paid a salary by the week or year, and whose whole time in business hours is at the disposal of his employer.

Not to apply to clerks or managers.

30 (2.) Any contracts for accountancy entered into by any person prior to the coming into operation of this Act may be completed at any time within one year from the coming into operation of this Act without committing an offence.

35 48. All registered accountants who take out a practising certificate shall, during the currency of such certificate, be entitled to perform any accountancy work save and except the auditing of public companies registered under the Companies Act, but shall not advertise themselves as accountants or hold themselves out as public accountants. "Public company" shall, for the purposes of this Act, be any  
40 company possessing more than fifteen shareholders.

What work registered accountants entitled to perform.

49. No public accountant shall allow his name to be used by any unqualified person.

No public accountant to allow his name to be used by unqualified person.

45 50. Any public accountant who practises for reward during such time as he may be suspended shall be guilty of an offence; and any registered accountant (not being a public accountant) who during the time he may be suspended shall be guilty of an offence if he performs accountancy for any person other than an employer by whom he is engaged as a clerk by the week or year and who is entitled to his whole time as set out in section forty-seven of this Act.

Offence to practise during suspension.

Offence to practise without taking out annual certificate.

51. Any public accountant who practises without taking out his annual certificate and paying the fee due thereunder, and any registered accountant who shall perform accountancy for any other person than an employer, as set out in section forty-seven, without taking out a practising certificate, shall be guilty of an offence; and neither a public accountant nor a registered accountant shall be entitled to recover payment for any services performed by him during the time such certificate is not taken out.

5

Offence not to preserve secrecy as to professional work.

52. Any public accountant who shall wrongfully impart any information which has come to him in the course of his professional work to a person to whom he is not authorised to disclose the same commits an offence.

10

#### Penalties.

Anything done which is prohibited is an offence.

53. Anything done which is prohibited under this Act shall be an offence.

15

Penalty for offence.

54. Every person who commits any offence under this Act shall be liable upon conviction to a penalty not exceeding *fifty* pounds. All offences under this Act shall be heard and determined summarily by and before a Stipendiary Magistrate.

#### Examinations.

20

Who must pass examinations.

55. Save and except the persons named in section *three*, paragraphs (a) to (g), hereof, from and after the coming into operation of this Act no person shall be entitled to have his name inserted in the Register unless he has complied with the regulations and passed the examinations herein prescribed.

25

Examinations in two sections.

56. The examination shall consist of two parts, one of which shall be the examination in general knowledge, the other in the theory and practice of accountancy, which shall be called "the professional examination."

General-knowledge examination.

57. The general knowledge shall be the Matriculation Examination of the University of New Zealand, or any other examination (not being of a higher standard than the matriculation) which the Council may prescribe.

30

Professional examinations.

58. The syllabus of the professional examination shall comprise questions in book-keeping, mercantile and partnership law, company law, accounts, auditing, the law relating to trustees and executors, bankruptcy, receivers, including, *inter alia*, the Acts of the General Assembly of New Zealand mentioned in the *Third* Schedule hereto, the preparation of balance-sheets, reports, and all other matters which, in the opinion of the Council, will fairly test a candidate's knowledge of mercantile accountancy in all its branches.

35

40

#### The Corporate Seal.

Seal.

59. The seal of the Institute shall be made of metal or of rubber, and shall have on its face "The Registered Accountants of N.Z." in a circle, and in the centre the word "Incorporated, 1903."

45

Contracts necessary to be under seal.

60. Any contract which if made between private persons does not require to be under seal may, if made between the Institute and any person or persons, be signed for and on behalf of the Institute by any two members of the Council duly authorised for that purpose by resolution.

50

*General.*

61. The President, and, in his absence, the Vice-president, or, in his absence, any member of the Council, shall take the chair at all meetings of the members or of the Council.

Chairman at meetings.

5 62. Upon all questions and at any meeting each member of the Institute or of the Council shall have one vote; the Chairman shall have a casting-vote as well as a deliberate vote.

Chairman to have casting-vote.

63. The President, or, in his absence, the Vice-president shall, upon requisition in writing signed by not less than twenty-one members, convene a general meeting to discuss any matters in connection with the Institute. Such requisition shall state the business for which the meeting shall be called, and upon the receipt of such requisition the President shall within thirty days convene a meeting of the members; but it shall not be obligatory upon the President or Vice-president to convene such meeting unless the requisitionists shall deposit with him a sum sufficient to cover the reasonable expenses of the members of the Council in coming to such meeting, not exceeding in all the sum of fifty pounds. At such meeting, except with the leave of the Chairman, no other business than that mentioned in the requisition shall be entered upon. If the President or Vice-president shall not, upon the receipt of such requisition, convene the said meeting of the Council within thirty days, it shall be lawful for the parties signing the said requisition or any one or more of them to convene a meeting of the members to discuss such business, and any resolution passed at such meeting shall have the same force and effect as if they had been passed at a meeting of the members of the Institute duly convened by the Council.

Council to convene meeting of members on requisition by twenty-one members.

64. The annual fees may, after the first year of the coming into operation of this Act, be made payable upon a specific date in each year, and such fees shall be payable by every member of the Institute upon the date so named, in advance; and all members upon the Register shall become indebted as upon that date to the Institute for the amount of such fees, and the same may be sued for and recovered by the Council in the Stipendiary Magistrate's Court at Wellington or Christchurch, and for the purposes of this Act no objection shall be valid that the cause of action arises out of the district in which those Courts are situated.

Rules as to fees and recovery thereof.

65. The Institute shall have a registered office, and shall file with the Registrar of Companies at Wellington the place and address where such registered office is situated, who shall cause the same to be advertised in the *New Zealand Gazette*.

Institute shall have registered office.

66. Any matter agreed to by the President, the Vice-president, the Treasurer, and a majority of the other members of the Council in writing shall have the same force and effect as if the same had been passed by a resolution of the Council duly and properly convened, although no meeting of the Council has been called.

Matter agreed to by President, Vice-president, and Treasurer, and majority of other members to have same force and effect as if passed by resolution of Council.

Schedules.

## SCHEDULES.

## FIRST SCHEDULE.

## SCHEDULE OF FEES.

	£	s.	d.
UPON any application to the Registrar-General to be registered .. .. .	1	1	0
UPON any application to the Council to be registered :—			
By persons who do not signify their intention to practise as public accountants .. .. .	1	1	0
By persons who signify their intention to practise as public accountants ..	3	3	0
By persons who are registered and who thereafter signify their intention to practise as public accountants .. .. .	2	2	0
Annual subscription of registered accountants who do not engage in accountancy work, or who act as accountants for an employer only as clerk, and at a salary paid by the week, month, or year .. .. .	1	1	0
Annual subscription by registered accountants who are in employment as clerks, and who engage in accountancy outside of the usual employment, but who are not public accountants .. .. .	3	3	0
Annual practising fee of public accountants .. .. .	3	3	0
Fee for issuing diploma of membership .. .. .	1	1	0
For examination of candidates for each examination when papers are set by the Institute—general knowledge and professional .. .. .	2	2	0
For reinstatement upon the Register .. .. .	2	2	0

All annual fees are payable in advance.

## SECOND SCHEDULE.

[Residence or place of business.]

[Date.]

The Registrar-General, Wellington.

SIR,—

I hereby apply to be registered under paragraph .. of section 3 of the Act.  
 I intend to practise as a public accountant.  
 I will accept office if I am elected to the Council.  
 I decline election to the Council.

Signature :

Occupation :

Residence or place of business :

My registered address is as follows :—

Name :

Residence :

Address :

## THIRD SCHEDULE.

LIST OF ACTS OF THE GENERAL ASSEMBLY OF NEW ZEALAND AS MENTIONED IN SECTION 58.

“The Companies Act, 1903.”

“The Bankruptcy Act, 1892.”

“The Chattels Transfer Acts of 1889, 1895, and 1896, and any other Acts which the Council may from time to time prescribe.”

FOURTH SCHEDULE.

REGISTERED ACCOUNTANTS OF NEW ZEALAND.

*Voting-paper.*

I, \_\_\_\_\_ of \_\_\_\_\_, being an accountant on the (Provisional) Register of Accountants, do hereby vote for the election of the accountants hereunder written to the Council of the Registered Accountants of New Zealand at the election to be held at Wellington, on \_\_\_\_\_, 19 \_\_\_\_\_.

*To represent Auckland City.*

, of .  
, of .  
, of .  
, of .

*To represent Christchurch City.*

, of .  
, of .  
, of .  
, of .

*To represent Wellington City.*

, of .  
, of .  
, of .  
, of .

*To represent Dunedin City.*

, of .  
, of .  
, of .  
, of .

*To represent Provincial Towns.*

, of .  
, of .  
, of .  
, of .

*Signature :*

*Address :*

*Date :*

Signed by the said \_\_\_\_\_, who is well known to me, in the presence of—

Justice of the Peace

[or Mayor, City Councillor, Postmaster, Member of Parliament, Clergyman, Solicitor, Doctor].

(Four) representatives to be elected for each city named above, and (four) to represent the provincial towns.

Accountants who have sent in their applications to the Registrar-General are entitled to vote for (twenty) different accountants, whose names must be on the list to be supplied by the Registrar-General herewith, and shall not give more than one vote to any one candidate. This voting-paper must be duly signed and returned to the Registrar-General by the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

This voting-paper is forwarded for the sole use of \_\_\_\_\_

*Signature :*

*Address :*

*Date :*

FIFTH SCHEDULE.

The President of the Council of Registered Accountants.

SIR,—

I hereby make application to be registered as a registered accountant [or as a public accountant].

I claim to be entitled to register under paragraph \_\_\_\_\_ of section 3 of the Act.

My qualifications to be registered are as follows : [State shortly facts showing applicant comes within the paragraph he names.]

I enclose my registration fee, £ \_\_\_\_\_

My registered address will be as under :—

*Signature :*

*Residence :*

*Occupation :*

£1 1s. fee for registration as registered accountant.

£3 3s. fee for registration as public accountant.