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**ACCOUNTANTS ACT
(CHAPTER 2)**

**ACCOUNTANTS
(PUBLIC ACCOUNTANTS)
(AMENDMENT NO. 3) RULES 2020**

In exercise of the powers conferred by section 64 of the Accountants Act, the Accounting and Corporate Regulatory Authority, with the approval of the Minister for Finance, makes the following Rules:

Citation and commencement

1. These Rules are the Accountants (Public Accountants) (Amendment No. 3) Rules 2020 and come into operation on 21 August 2020.

Amendment of rule 2

2. Rule 2 of the Accountants (Public Accountants) Rules (R 1) (called in these Rules the principal Rules) is amended —

(a) by inserting, immediately after the definitions of “engagement partner” and “engagement team”, the following definitions:

““foreign audit entity” means a body that —

(a) is incorporated, formed or established in a country or territory outside Singapore; and

(b) is licensed or registered in a country or territory outside Singapore to audit financial statements;

“foreign auditor” means an individual who is licensed or registered to audit financial statements in a country or territory outside Singapore by or on behalf of the regulator of the audit profession in that country or territory;”;

- (b) by inserting, immediately after the words “section 38(1)(a)(iii)” in the definition of “hot review order”, the words “or 52(2)(f) or (g)”;
- (c) by inserting, immediately after the words “section 38(1)(a)(i)” in the definition of “restriction order”, the words “or 52(2)(c)”;
- (d) by inserting, immediately after the words “section 38(1)(b)(ii)” in the definition of “suspension order”, the words “or 52(2)(b)”.

Amendment of rule 6A

3. Rule 6A of the principal Rules is amended —

- (a) by inserting, immediately after the words “section 38(1)(a)(iv)” in paragraph (2)(b)(i), the words “or 52(2)(g)”;
- (b) by inserting, immediately after paragraph (2), the following paragraphs:

“(2A) For the purposes of paragraph (2)(a), but subject to paragraphs (2C) and (2D), “experience in public practice” includes experience in foreign audit practice (called in these Rules foreign public practice experience).

(2B) For the purposes of paragraph (2A), “foreign public practice experience” means practical experience acquired by a foreign auditor in the course of auditing any financial statements in a foreign audit entity.

(2C) Any period of foreign public practice experience only qualifies as experience in public practice if —

- (a) the country or territory in which the foreign audit entity mentioned in paragraph (2B) is licensed or registered adheres to auditing standards which the Oversight Committee considers to be equivalent to the standards applicable in Singapore; and
- (b) the Oversight Committee is satisfied with the quality of the foreign public practice experience having regard to one or more of the following:
 - (i) whether the foreign audit entity mentioned in paragraph (2B) has implemented, or has taken steps to implement, quality controls in accordance with standards which the Oversight Committee considers to be equivalent to the standards applicable in Singapore (including the Singapore Standard on Quality Control 1);
 - (ii) whether the foreign audit entity or the foreign auditor mentioned in paragraph (2B) has been subject to any audit inspection carried out by or on behalf of the regulator of the audit profession in the country or territory in which the foreign audit entity or the foreign auditor is licensed or registered, and whether that regulator is satisfied with the findings or results of such audit inspection;

- (iii) whether the Oversight Committee is of the opinion that the foreign audit entity mentioned in paragraph (2B) is of good standing in the country or territory of its licensing or registration;
- (iv) any other factor that the Oversight Committee considers to be relevant.

(2D) Foreign public practice experience does not include any period during which the foreign auditor's licence or registration to audit financial statements in a country or territory outside Singapore has been withdrawn, suspended, cancelled or revoked.”.

Amendment of Second Schedule

4. Paragraph 3A of the Second Schedule to the principal Rules is amended by deleting sub-paragraph (2).

*[G.N. Nos. S 615/2007; S 251/2009; S 383/2010;
S 211/2012; S 395/2013; S 25/2015; S 51/2015;
S 840/2015; S 443/2016; S 118/2017; S 332/2017;
S 680/2017; S 789/2018; S 901/2018; S 62/2020;
S 172/2020]*

Made on 4 August 2020.

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*Chairman,
Accounting and Corporate
Regulatory Authority,
Singapore.*