

بِسْمِ اللّٰهِ الرَّحْمٰنِ الرَّحِیْمِ



REGULATION FOR REGISTRATION OF ACCOUNTANTS IN BUSINESS

This regulation is made pursuant to the authority granted to the Institute of Chartered Accountants of the Maldives by the Maldives Chartered Accountants Act 2020 (Law no. 13/2020)

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1. Short title and authority

- 1.1 This regulation is the *Regulation for Registration of Accountants in Business*.
- 1.2 This regulation shall come into force six months following the date of publication in the Government Gazette.
- 1.3 This regulation is made in exercise of the powers conferred by section 38(a)(4) of the Maldives Chartered Accountants Act 2020.
- 1.4 Except under the circumstance specified in rule 5.3 of this regulation, no individual shall work as an accountant in business in the Maldives without registering with the Institute.

2. Interpretation

- 2.1 In this regulation, unless the context otherwise requires:

Accountants in Business means persons: (a) involved in the preparation of accounting records and financial statements; and (b) carrying out any other finance related jobs in private sector businesses in the Maldives.

Admissions and Licensing Committee (ALC) means a committee of individuals appointed pursuant to section 30 of the Law No 13/2020 (The Maldives Chartered Accountants Act) having the constitution, powers and responsibilities set by the Council of the Institute to determine the eligibility criteria for membership of the Institute and to plan and carry out the process of issuing licences for conducting statutory audit in the Maldives and to carry out any other work conducive to issuing such licenses

Private sector businesses means sole proprietorships, and businesses registered under the Companies Act 1996 and any other Act of Parliament and not-for-profit entities.

The Institute means Institute of Chartered Accountants of the Maldives established under the Law No 13/2020 (The Maldives Chartered Accountants Act)

3. Scope

- 3.1 Under this regulation, individuals holding leadership positions in financial reporting, financial management, and cost and management accounting shall be registered with the Institute *as Accountants in Business* by their respective employers that comprise any of the following:
- (a) The employer is a business that does not meet the definition of a Small and Medium Enterprise under Small and Medium Enterprises Act; or
 - (b) The employer is a State-owned Enterprise; or
 - (c) The employer is a separate business, a joint venture, a holding company or a subsidiary company that meets the definition of a Public Interest Entity under Regulation No: 2021/R-152 (Regulation for Registration of Public Interest Entity Auditors); or
 - (d) The employer is a business established by a local council through the powers granted under Law no: 7/2010 (Decentralisation Act).
- 3.2 Notwithstanding rule 3.1 above, individuals carrying out similar responsibilities in businesses other than those specified in 3.1(a), (b), (c) and (d) above, may opt to register with CA Maldives as Accountants in Business.

4. Objectives of Registration as Accountants in Business

- 4.1 The objectives of registering Accountants in Business are:
- (a) to ensure that individuals working in key positions in accounting and finance in businesses maintain professional knowledge and skill at a level required to protect the interest of their employers and uphold the integrity of the profession at large; and
 - (b) to ensure that accountants subject to this regulation discharge their responsibilities while having to regard to the principles of ethical conduct needed to maintain the trust and confidence in the profession.

5. Obligations of the employers

- 5.1 The employers shall register with the Institute their employees that hold leadership positions such as chief operating decision makers within financial reporting, financial management, and cost and management accounting functions.
- 5.2 Where a business specified in rule 3.1(a), (b), (c) and (d) has outsourced any of the functions stipulated in rule 5.1, the service provider shall ensure a person or persons making key decisions with regard to the execution of relevant service agreement are registered as Accountants in Business with CA Maldives.
- 5.3 Where a business specified in rule 3.1(a), (b), (c) and (d) employs an individual in a leadership position within the areas specified in 3.1 after the lapse of the registration period specified in this regulation, the employer shall be given a period of one month to register the individual with CA Maldives.
- 5.4 The individual mentioned in rule 5.3 shall be allowed to perform their job during the period in which an application specified in rule 5.3 is being processed.
- 5.5 The employers shall ensure that their employees registered as Accountants in Business under this regulation comply with the following requirements relating to Continuing Professional Development (CPD):
 - (a) Five hours of verifiable CPD per year; and
 - (b) Five hours of non-verifiable CPD per year
- 5.6 For the purpose of complying with the requirement stipulated in rule 5.2 above, the Accountants in Business registered under this regulation shall only complete CPD activities approved by the Institute.

6. Obligations of the Accountants in Business

- 6.1 The Accountants in Business registered shall:
 - (a) comply with the CPD requirement stipulated in rule 5.5;
 - (b) comply with Code of Professional Conduct and Ethics prescribed by the Institute for Accountants in Business; and

- (c) complete such training or certification programmes as may be required by the Institute

7. Application procedures for registration as Accountants in Business

7.1 Registration of Accountants in Business shall be open for application with effect from the date on which this regulation becomes effective. All applicants are required to submit completed application forms to CA Maldives along with the documents as may be prescribed by the Institute.

7.2 The ALC of CA Maldives shall evaluate the applications for registration and submit its recommendations to the Council for approval.

7.3 The result of an application shall be available within a period of five weeks after the relevant submission deadline posted on the website of CA Maldives.

8. Provision of false or misleading information

8.1 It is an offence for any person to provide false or misleading information in connection with application for registration of Accountants in Business. Any person carrying out such an act shall be subject to disciplinary action by CA Maldives in accordance with applicable laws, including Law no: 13/2020 (The Maldives Chartered Accountants Act 2020) and regulations.

9. Validity of registration

9.1 Registration of an Accountant in Business shall remain valid throughout their employment in a relevant role.

10. Cancellation of registration

10.1 The registration of an Accountant in Business shall be cancelled under the following circumstances:

- (a) Submission of a request by the employer for cancellation of registration;
- (b) Termination of employment;
- (c) Engaging in behaviour that brings the profession into disrepute;
- (d) Death of the registered Accountant in Business

11. Register of Accountants in Business

- 11.1 CA Maldives shall keep a register of Accountants in Business for public inspection without charge.