

KEY AMENDMENTS TO THE ACCOUNTANTS ACT 2004 (“AA”) IN THE CORPORATE AND ACCOUNTING LAWS (AMENDMENT) ACT 2025 (“ACT 2025”)

The following will commence on **6 May 2026 (Tranche 1)**:

S/N	Current requirement (prior to the commencement of the Act 2025)	Amendment	Reason for amendment
1.	The existing anti-money laundering and countering the financing of terrorism (“ AML/CFT ”) definition and obligations applicable to public accountants (“ PAs ”) and accounting entities in the AA and subsidiary legislation only refer to money laundering and the financing of terrorism.	Amend the definition and obligations relating to AML/CFT to explicitly include countering the financing of proliferation of weapons of mass destruction (“ proliferation financing ”). ¹	The proposed amendment is in line with the Financial Action Task Force’s requirements for countries to explicitly assess and address risks related to proliferation financing.
2.	There are currently no provisions on the sharing of information between ACRA and foreign audit regulators.	Allow ACRA to share information from its audit oversight functions with foreign audit regulators.	The proposed amendment will enable ACRA to enter into information sharing arrangements with foreign audit regulators and assist in the performance of its audit regulatory functions.
3.	A PAs must notify the Registrar of a change in the particulars of the PA or accounting entity (“ AE ”) within 30 days of the change. ² A public accounting corporation must provide the Registrar	Amend the notification period for PAs and AEs to update particulars from 30 days to 14 days.	The proposed amendment will align the number of days given to PAs and AEs for the updating of changes in particulars with those in the other ACRA-administered legislation.

¹ Currently, proliferation financing is embedded as among the range of predicate offences to money laundering, and is not explicitly singled out.

² Sections 14(1) and 22(2) of the AA.

S/N	Current requirement (prior to the commencement of the Act 2025)	Amendment	Reason for amendment
	with the particulars on changes in matters relating to memorandum and articles of association, corporate practitioners and composition of its board of directors who are PAs within 30 days of the change. ³		
4.	There is currently no time bar for when a complaint against PAs or AEs has to be made. ⁴	<p>a. Introduce a six-year time bar on the lodging of complaints from the date of conduct or act of the PA or AE.</p> <p>b. Empower the Oversight Committee to decide whether to accept or reject a complaint that is made after the time bar.</p>	The proposed amendment will ensure that complaints are submitted promptly, thereby providing legal certainty and ensuring the availability of evidence for complaints to be resolved fairly. The six-year time bar is aligned with the time bar for complaints against lawyers (under the Legal Profession Act 1966) and for any person who wishes to advance a civil action in contract or tort (under the Limitation Act 1963).
5.	<p>ACRA reviews all complaints against PAs and AEs, and recommends that the Oversight Committee refer valid complaints to the Complaints Committee or Disciplinary Committee for further inquiries.</p> <p>The AA provides that the Complaints Committee may look into new acts of</p>	Empower the Disciplinary Committee to look into new acts of misconduct uncovered in the course of its own inquiry without having to commence a new or separate complaints and disciplinary process.	The proposed amendment will align the powers of the Disciplinary Committee with those of the Complaints Committee.

³ Section 26(2) of the AA.

⁴ Section 40 of the AA.

S/N	Current requirement (prior to the commencement of the Act 2025)	Amendment	Reason for amendment
	misconduct uncovered in the course of its inquiry ⁵ but is silent on whether the Disciplinary Committee may do the same.		
6.	All information used by a Complaints Committee shall be confidential and shall not be disclosed to any person (including the PA and/or AE concerned), unless the Complaints Committee decides otherwise. ⁶ However, there is no similar provision applicable to information used by the Disciplinary Committee.	Introduce a provision indicating the confidentiality of the information used by the Disciplinary Committee, similar to the existing provision for information used by the Complaints Committee.	The proposed amendment will align the protection of confidentiality of information used by the Disciplinary Committee, with that used by the Complaints Committee.
7.	All members of the Disciplinary Committee shall be personally present to constitute a quorum for a meeting of the Disciplinary Committee. ⁷	Allow a majority of the Disciplinary Committee, including the Chairperson, to constitute a quorum for sessions dealing with administrative matters during or at the start of an inquiry.	The proposed amendment will enhance the efficiency of the Disciplinary Committee's inquiry process. For administrative matters, such as sorting out pre-hearing matters, it will suffice for a majority of the Disciplinary Committee members to be present.
8.	There is no requirement to provide the identity of the PA who is primarily	Require the PA who is primarily responsible for an audit engagement to be identified in the audit opinion.	The proposed amendment provides clarity on the identity of the PA for an audit engagement and promotes

⁵ Section 46(3) of the AA.

⁶ Section 45(10) of the AA.

⁷ Section 51(2) of the AA.

S/N	Current requirement (prior to the commencement of the Act 2025)	Amendment	Reason for amendment
	responsible for an audit engagement in the audit opinion.		greater personal accountability by PAs and greater transparency for the sector.

The following will commence in **2H 2026 (Tranche 2)**:

S/N	Current requirement (prior to the commencement of the Act 2025)	Amendment	Reason for amendment
1.	<p>The Oversight Committee decides on applications for registration, renewal of registration, removal from the register and cancellation of registration of PAs.⁸</p> <p>The Authority decides on applications for exemption from registration requirements for PAs.</p>	<p>a. Empower the Registrar to decide on PAs' registration and renewal applications that meet the prescribed requirements, and to approve PAs' applications for cancellation of registration.</p> <p>b. Empower the Oversight Committee to decide on exemptions from registration requirements.</p>	<p>The proposed amendment will streamline the registration, renewal and cancellation process of a PA for straightforward cases that meet the prescribed requirements.</p> <p>For complex cases where subjective judgment is required (e.g. exemptions from registration requirements), the Oversight Committee (chaired by an ACRA Board member and comprising industry representatives) will be the decision-making authority.</p>
2.	<p>The Oversight Committee is allowed to impose conditions on a PA's registration or renewal. However, the Act is silent on the consequence of non-compliance with these conditions.</p>	<p>Allow the Oversight Committee to cancel the registration of a PA if he fails to comply with the conditions imposed upon his registration or renewal.</p>	<p>The proposed amendment will spell out the consequences for non-compliance with the conditions imposed on a PA's registration or renewal.</p>
3.	<p>Every certificate of registration shall be in force from the date of its issue or renewal to 31st December of the year in</p>	<p>Allow PAs to renew their registration for longer renewal periods (i.e. beyond annual renewals).</p>	<p>The proposed amendment will reduce regulatory burden by providing PAs with the flexibility to renew their registration for longer periods. The</p>

⁸ Sections 11, 13, 15(1)(f) and 15(4) of the AA.

S/N	Current requirement (prior to the commencement of the Act 2025)	Amendment	Reason for amendment
	respect of which the certificate is issued or renewed. ⁹		relevant periods will be prescribed in subsidiary legislation.
4.	Accounting corporations and accounting limited liability partnerships (“LLPs”) are subject to professional indemnity insurance (“PII”) requirements. However, the AA is silent on whether a firm or proposed firm applying to be approved as an accounting firm in the form of sole-proprietorships or partnerships must be covered by PII.	<p>a. Extend the PII requirements to accounting firms set up in the form of sole-proprietorships or partnerships to safeguard the interests of PAs’ audit clients and those that rely on audit reports by ensuring that all PAs have sufficient PII to cover the PAs for claims made against them.</p> <p>b. The quantum of the PII is based on the highest of:</p> <ul style="list-style-type: none"> i. \$1 million; ii. a sum equal to the total of \$500,000 for every PA in the accounting firm; or iii. a sum equal to two and a half times the gross income of the accounting firm in the last completed financial year, subject to a maximum sum of \$50 million. 	The proposed amendment will clarify that accounting firms set up in the form of sole-proprietorships or partnerships have to meet PII requirements, similar to the existing requirements for accounting corporations and accounting LLPs to hold PII of a sufficient quantum.

⁹ Section 12(3) of the AA.

S/N	Current requirement (prior to the commencement of the Act 2025)	Amendment	Reason for amendment
5.	When a PA is pending disciplinary proceedings, he/she will be kept on the register as a matter of administration until the disciplinary proceedings conclude. During this period, the PA can continue to practise, as he/she remains on the register, regardless of whether he/she renews his/her registration.	Clarify that a PA who is pending disciplinary proceedings and fails to renew his registration cannot practise.	The proposed amendment will make clear that a PA facing disciplinary proceedings cannot practise, unless he renews his registration.