

THE ACCOUNTANTS (AMENDMENT) BILL, 2025

A Bill for

AN ACT of Parliament to amend the Accountants Act

ENACTED by the Parliament of Kenya, as follows —

Short title.

1. This Act may be cited as the Accountants (Amendment) Act, 2025.

Amendment of
section 2 of No. 15
of 2008.

2. The Accountants Act, 2008, hereinafter referred to as the principal Act is amended in section 2 by —

(a) deleting the definition of —

(i) “Certified Public Secretary” and substituting therefor the following new definition —

“Certified Public Secretary” has the meaning assigned to it under the Certified Public Secretaries of Kenya Act;

(ii) ‘colleges of technology’; and

(iii) "trainee accountant" and substituting therefor the following new definition —

‘trainee accountant' means a person registered under section 17(2A).

(b) inserting the following new definitions in proper alphabetical sequence—

“accountants in business” means accountants employed or contracted in an executive or non-executive capacity by an entity in the public sector, private sector, not for profit sector, professional bodies or any other sector;

‘accreditation’ means the formal recognition and confirmation by certification that an institution has met and continues to meet the quality standards of, training and competence set by the Examinations Board in liaison with the Ministry of Education in accordance with prescribed Guidelines;

“accredited institutions” means institutions licensed to offer training in subjects examinable by the Examinations Board;

The Accountants (Amendment) Bill, 2025

“agent” means a person duly appointed by a candidate for the purposes of an election under this Act;

“Code of Ethics” means the prescribed standards of conduct that guide the practice of accountancy;

“financial year” with respect to the Examinations Board means the period of twelve months ending on the thirtieth day of June;

‘financial year’ with respect to the Institute means the period of twelve months ending on the thirty first day of December;

“foreign accountancy qualifications” means qualifications attained after passing examinations offered by a foreign professional accountancy body recognized by the Institute;

‘institutions accredited to offer training in subjects examinable by the Examinations Board’ means institutions involved in the training of accountants, secretaries and other related areas;

‘President’ means the President of the Institute and includes a person appointed under paragraph 2 of the First Schedule to act as President;

“professionals’ examination” means any examination offered by the Examinations Board which is classified under category seven of qualification pathways issued by the Kenya National Qualifications Authority in accordance with the Kenya National Qualifications Framework Act or any other qualification set out by the International Federation of Accountants or any other regulatory body, locally or internationally;

“professional misconduct” means the activities set out in section 30;

“reciprocal member agreements” means mutual recognition or member pathway agreements that the Institute has with other professional accountancy institutions that provide for alternative pathways through which experienced professionals, who hold equivalent foreign professional accounting credentials, may obtain recognition;

“sectoral representation” means such sectors or constituencies as shall be determined by the Council including the public sector, private sector, not for profit and others;

“technicians’ examination” means any examination offered by the Examinations Board which is below the professionals’ examination and includes but is not limited to vocational, certificate or diploma examinations; and

“Vice President” means the Vice President of the Institute and includes a person elected under paragraph 20 of the Second Schedule to act as Vice President.

Amendment of section 4 of No. 15 of 2008. **3.** Section 4(2) of the principal Act is amended by deleting paragraph (ca) and substituting therefor the following new paragraph —
(ca) trainee accountant members being persons registered under section 17(2A).

Amendment of section 5 of No. 15 of 2008. **4.** Section 5 of the principal Act is amended in subsection (2) by deleting the words ‘student or a person required by the Institute to be registered as a member prior to attaining the qualifications under section 26’.

Amendment of section 7 of No. 15 of 2008. **5.** Section 7(2) of the principal Act is amended —
(a) in paragraph (a) by deleting the word ‘seven’ and substituting therefor the word ‘ten’;
(b) by deleting paragraph (b) and substituting therefor the following new paragraph “have served on the Council or its Committees; or Boards or Committees of a registered company for three years” ;
(c) in paragraph (c) by deleting the word “be” and substituting therefor the word “been”.

Amendment of section 8 of No. 15 of 2008. **6.** Section 8 of the principal Act is amended —
(a) in paragraph (a) by inserting the words “and regulate” immediately after the word promote;
(b) by inserting the following new paragraphs immediately after paragraph (a) —
(aa) regulate the affairs and conduct of members of the Institute;
(ab) represent, protect and assist members of the accountancy profession in respect of conditions of practice or

- employment and otherwise;
- (ac) safeguard the public in all matters touching, ancillary or incidental to accountancy;
- (ad) prescribe standards of professional practice which shall form the basis of accountancy practice for its members;
- (af) prescribe Regulations and issue Guidelines to govern matters affecting the operations of the Institute and practice by members of the Institute.

Amendment of
section 9 of No. 15
of 2008.

7. Section 9 of the principal Act is amended —

- (a) by deleting subsection (3);
- (b) by deleting subsection (4).

Amendment of
section 10 of No. 15
of 2008.

8. The principal Act is amended by deleting the marginal note to section 10 and substituting therefor the following new marginal note —

“Committees of the Council.”

Amendment of
section 11 of No. 15
of 2008.

9. Section 11 of the principal act is amended —

- (a) by renumbering the existing provision as subsection (1);
- (b) in paragraph (a) by deleting the word ‘chairman’ and substituting therefor the word ‘President’;
- (c) in paragraph (f) by deleting the word “six” and substituting therefor the word “five”;
- (d) by inserting the following new paragraph immediately after paragraph (f) —
 - (g) one member nominated by the College of Fellows from the general membership of the Institute as provided in the Second Schedule;
- (e) by inserting the following new subsection immediately after subsection (1) —
 - (2) The members set out in paragraphs (a), (f) and (g) shall have—
 - (a) proven leadership ability and integrity and satisfy the requirements of Article 10 and Chapter Six of the

Constitution; and

(b) adequate knowledge of the Institute and its mandate.

Amendment of
section 12 of No.
15 of 2008.

10. The principal Act is amended by repealing section 12 and substituting therefor the following new section —

Chief Executive
Officer.

12. (1) There shall be a Chief Executive Officer of the Institute who shall be appointed by the Council through a competitive recruitment process.

(2) The Chief Executive Officer of the Institute shall hold office for a period of four years on such terms and conditions of employment as the Council may determine and shall be eligible for re-appointment for one term subject to satisfactory performance.

(3) The Chief Executive Officer of the Institute shall be an ex-officio member of the Council and shall have no right to vote at any meeting of the Council.

(4) The Chief Executive Officer of the Institute shall —

(a) be the head of the Secretariat and shall be responsible for the day to day management of the Institute;

(b) be responsible for the general administration of the Institute, the exercise, discharge and performance of its objectives and functions; and

(c) perform such other functions as the Council may, from time to time, determine.

11. The principal Act is amended by inserting the following new section immediately after section 12—

Qualifications for
Chief Executive
Officer.

12A. A person shall be appointed the Chief Executive Officer of the Institute if that person —

(a) has a master's degree in a business-related field from a recognized university;

(b) has a bachelor's degree from a recognized university;

(c) has at least fifteen years working experience in accounting, finance or a business-related field, with seven years of experience in a senior

management position;

- (d) is a full member registered with the Institute and in good standing for the last seven consecutive years;
- (e) has knowledge of the accountancy profession, policy formulation and understanding of government procedures; and
- (f) has proven leadership ability and integrity and satisfies the requirements of Article 10 and Chapter Six of the Constitution.

Amendment of
section 13 of No.
15 of 2008.

12. Section 13 of the Principal Act is amended —

- (a) in subsection (1) by deleting the word “seven” and substituting therefor the word “nine”;
- (b) in paragraph (a) by inserting the words “ who is a retired practitioner with not less than twenty years experience in accountancy” immediately after the word “chairperson”;
- (c) by deleting paragraph (d) and substituting therefor the following new paragraph —
 - (d) one person nominated by the Financial Reporting Centre;
- (d) by inserting the following new paragraph immediately after paragraph (e) —
 - (ea) one member nominated by the Sacco Societies Regulatory Authority;
- (e) in paragraph (f) by deleting the word “one ” and substituting therefor the word “two ”;
- (f) in subsection (2)(b) by deleting the word “published” and substituting therefor the word “prescribed”;
- (g) in subsection (2)(c) by deleting the word “published by the Council” and substituting therefor the words “prescribed by the Institute”;
- (h) in subsection (8) by deleting the words “Secretary to the

Council” and substituting therefor the words “Chief Executive Officer of the Institute”.

13. Section 14 of the principal Act is amended in subsection 2(b) by inserting the words “and used’ immediately after the word “kept”.

Amendment of
section 15 of No. 15
of 2008

14. Section 15 of the Principal Act is amended —

- (a) in subsection (1) by deleting the word “or” and substituting therefor the word “of”;
- (b) in subsection (1) (b) by deleting the words “technical and business training” and substituting therefor the words “higher education”;
- (c) in subsection (1) (d) by deleting the words “Director of Personnel Management” and substituting therefor the words “Cabinet Secretary for Public Service”;
- (d) in subsection (1) (f) by inserting the words “, one of whom shall be the Chief Executive Officer of the Institute” immediately the word “ Council”;
- (e) in subsection (1) (g) by deleting the word “two” and substituting the word “one”;
- (f) in subsection (1), by inserting the following new paragraph immediately after paragraph (g)—
 - (ga) one shall be nominated by the Institute of Certified Investment and Financial Analysts;
- (g) in subsection (1) (h) by inserting a comma immediately after the word “accountancy”.

Amendment of
section 16 of No. 15
of 2008.

15. Section 16 of the Principal Act is amended —

- (a) by deleting the marginal note and substituting therefor the following marginal note—

“Chief Executive Officer”;
- (b) by deleting subsection (1) and substituting therefor the following new subsection —

(1) There shall be a Chief Executive Officer of the Examinations Board appointed by the Cabinet Secretary on the recommendation of the Board following a competitive process of recruitment.

(c) by deleting subsection (2) and substituting therefor the following new paragraph —

(2) The Chief Executive Officer of the Examinations Board shall hold office for a period of four years on such terms and conditions of employment as the Examinations Board on the advice of the Salaries and Remuneration Commission, may determine and shall be eligible for re-appointment for one term.

(d) in subsection (3) by deleting the words “Secretary to the Examinations Board” and substituting therefor the words “Chief Executive Officer of the Examinations Board”.

(e) by deleting subsection (4) and substituting therefor the following new sub-section —

(4) The Chief Executive Officer of the Examinations Board shall —

- (a) be the accounting officer of the Examinations Board;
- (b) be the head of secretariat and responsible for the day to day management of the affairs of the Examinations Board;
- (c) be responsible for the general administration of the Examinations Board and the exercise, discharge and performance of its objectives, functions and duties; and
- (d) perform such other functions as the Examinations Board may direct.

(e) by inserting the following subsection immediately after sub-section (4) —

(5) A person shall not be appointed the Chief Executive Officer of the Examinations Board unless that person —

- (a) holds a masters and bachelors degree from a recognized university;

- (b) has at least fifteen years experience in accounting, finance or a business related-field, seven of which should be in a senior management position;
- (c) is a member of the Institute in good standing for the past seven years;
- (d) has good knowledge of the accountancy profession, investments, finance, corporate governance, policy formulation and understands government procedures; and
- (e) has proven leadership ability and integrity and satisfies the requirements of Article 10 and Chapter Six of the Constitution.

Amendment of
section 17 of No. 15
of 2008

16. Section 17 of the Accountants Act is amended —

- (a) in subsection (1) by inserting deleting the words “and technicians’ and substituting therefor the words ‘, diploma, certificate and post graduate specialization.
- (b) in subsection (2A) by deleting the proviso;
- (c) by inserting the following new subsection immediately after subsection (7)
 - (8) The Examinations Board may, by resolution generally or in any particular case, delegate to the Chief Executive Officer, an officer, employee or agent of the Examinations Board, the exercise of any of the powers or the performance of any of its functions under this Act or under any other written law.

Amendment of No.
15 of 2008.

17. The principal Act is amended by deleting the title to Part III of the Act and substituting therefor the following new title —

PART III—REGISTRATION AND PRACTICE OF ACCOUNTANTS

Amendment of
section 18 of No. 15
of 200

18. Section 18 of the principal Act is amended —

- (a) in the marginal note by deleting the word ‘certificate’;
- (b) by deleting subsection (2) and substituting therefor the following new subsection —
 - (2) Any person who is not a member and practices accountancy commits an offence and is liable on conviction to a fine not exceeding ten million shillings or to imprisonment for a period of three years or to both.

The Accountants (Amendment) Bill, 2025

Amendment of
section 19 of No. 15
of 2008.

19. Section 19 of the principal Act is amended —

(a) in subsection (1) by deleting paragraph (a) and substituting therefor the following new paragraph —

(a) engages in the practice of accountancy as defined under section 2;

(b) by deleting subsection (2);

(c) by deleting subsection (3).

Amendment of
section 21 of No. 15
of 2008.

20. Section 21 is amended in subsection (3) by deleting the word ‘practisng’ and substituting therefor the word ‘practising’.

Amendment of
section 24 of No. 15
of 2008

21. Section 24 of the Principal Act is amended—

(a) in subsection (3) by deleting paragraph (a) and substituting therefor the following new paragraph —

(a) is of or above the age of eighteen years;

(b) by deleting subsection (4).

Amendment of
Section 25 of No. 15
of 2008

22. The Principal Act is amended by deleting section 25.

Amendment of
section 26 of No. 15
of 2008
No. 12 of 2011

23. Section 26 of the principal Act is amended—

(a) in subsection (1) by —

(i) deleting paragraph (b) and substituting therefor the following new paragraph —

(b) holds foreign accountancy qualifications recognized by the Institute in consultation with the Examinations Board through reciprocal member agreements; and

(ii) inserting the following new paragraph immediately after paragraph (b)—

(c) satisfies the Registration Committee that his conduct complies with the Code of Ethics.

(b) by deleting subsection (2);

(c) by deleting subsection (3) and substituting therefor the following new subsection —

(3) Notwithstanding subsection (1), a person with foreign accountancy qualifications shall be required to satisfy the Registration Committee, in such manner as it may direct, that the person has—

(a) adequate knowledge of local law and practice examinable by the Examinations Board;

(b) adequate experience in accounting as may be prescribed in Regulations;

(c) by deleting subsection (3) and substituting therefor the following new subsection —

(3) A foreigner who holds foreign accountancy qualifications and intends to engage in accountancy in Kenya, whether practicing or in employment, shall be required to—

(a) register with the Institute before applying for a permit to work as an accountant; and

(b) apply for and receive a work permit in accordance with the Kenya Citizenship and Immigration Act, before undertaking any assignment.

Amendment of
section 28 of No. 15
of 2008.

24. Section 28 of the principal Act is amended —

(a) in subsection (3)(a) by deleting subparagraph (i) and substituting therefor the following new subparagraph —

(i) a public officer pursuant to a court order’;

(b) in subsection (3)(a)(ii) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of the Institute”;

(c) in subsection (5) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of the Institute”.

Amendment of
section 30 of No. 15
of 2008.

25. Section 30 of the principal Act is amended —

(a) by inserting the following new paragraph immediately after paragraph (a) —

(aa) is a holder of a practicing certificate and practices without a valid licence;

(ab) practices accountancy without a practicing certificate and valid licence;

(b) in paragraph (b) by deleting the words “professional” and substituting therefor the words “accountancy”;

(c) by deleting paragraph (c) and substituting therefor the following new paragraph —

(c) fails to act or engages in actions likely to bring the accountancy profession into disrepute;

(d) by deleting paragraph (d);

(e) in paragraph (i) by deleting the word ‘connexion’ and substituting therefor the word ‘connection’;

(f) by inserting the following new paragraph immediately after paragraph (j);

(ja) signs financial statements and is not in good standing;

(g) in paragraph (k) by deleting the words ‘professional employment’ and substituting therefor the words ‘accountancy engagement’.

(h) by inserting the following new subsection immediately after subsection (2C) —

(2D) Where an accountant in business has contravened any relevant laws or breached the Code of Conduct, that accountant shall be dealt with in accordance with the applicable laws and the relevant disciplinary processes of the Institute.

Amendment of
section 31 of No. 15

26. Section 31 of the principal Act is amended —

of 2008.

- (a) by deleting the marginal note and substituting therefor the following new marginal note—

“Investigations and Disciplinary Committee”;

- (b) by deleting subsection (1) and substituting therefor the following new subsection —

(1) There is established an Investigations and Disciplinary Committee hereinafter known as the Disciplinary Committee. “

- (c) in subsection (2) by deleting the word ‘seven’ and substituting therefor the word ‘nine’;

- (d) by deleting subsection (3) and substituting therefor the following new subsection —

(3) The members of the Disciplinary Committee shall be appointed by the Cabinet Secretary and consist of the following—

- (a) a chairman who is a retired practitioner with not less than twenty years’ experience in practice ;
- (b) one person to represent the Ministry responsible for finance;
- (c) one person nominated by the Attorney General;
- (d) one person nominated by the Capital Markets Authority;
- (e) four persons nominated by the Council, one of whom shall be the Vice-Chairman; and
- (f) a member of the Institute in good standing who is an advocate with not less than ten years post admission experience.

- (e) by inserting the following new subsection immediately after subsection (4) —

(4A) The Disciplinary Committee shall appoint the Vice-Chairman from their number during the first meeting.

- (f) by inserting the following new subsection immediately after

subsection (5) —

(5A) The Chairperson shall preside at all meetings of the Disciplinary Committee at which the Chairperson shall be present and in the absence of the Chairperson, the Vice-Chairperson shall preside and in the absence of the Vice-Chairperson, the members shall nominate one of their own to preside. ;

(e) in subsection (8) by deleting the word ‘Council’ and substituting therefor the word ‘Institute’;

(f) by deleting sub subsection (9) and substituting therefor the following new subsection—

(9) In the exercise of its functions under this Act, the Disciplinary Committee shall regulate its own procedure and shall not work under the direction of any person.

Amendment of
section 33 of No. 15
of 2008.

27. Section 33 of the principal Act is amended —

(a) in subsection (1)(d) by deleting the words “one hundred thousand” and substituting therefor the words “ten million”;

(b) in subsection (1)(f) by deleting the word “fifty thousand” and substituting therefor the words “ten million”;

(c) in subsection (1) by inserting the following new paragraph immediately after paragraph (h) —

(ha) that a member who practises without a valid licence pays to the Institute a fine not exceeding ten million shillings.

(d) by deleting subsection (3);

(e) by deleting subsection (4);

(f) by deleting subsection (5);

(g) in subsection (6) by deleting the expression “subsection (3)” and substituting therefor the expression “section 34(1).

Amendment of No.
15 of 2008.

28. The principal act is amended by inserting the following new section immediately after section 33—

Appeals
Committee.

33A. (1) There is established a committee to be known as the Appeals Committee.

(2) The Appeals Committee shall consist of five members who shall be appointed in accordance with subsection (3).

(3) The members of the Appeals Committee shall be appointed by the Cabinet Secretary by Gazette Notice from amongst persons nominated in the following manner—

- (a) three nominated by the Council from amongst the members of the Institute, of whom one shall be designated as the chairman;
- (b) one nominated by the Council from another profession other than accountancy; and
- (c) one nominated by the Attorney-General.

(4) The quorum of a meeting of the Appeals Committee shall be three members.

(5) The Chairperson shall preside at all meetings of the Appeals Committee at which the Chairperson shall be present and in the absence of the Chairperson, the Vice-Chairperson shall preside and in the absence of the Vice-Chairperson, the members shall nominate one of their own to preside.

(6) A member of the Appeals Committee shall hold office for three years and shall be eligible for re-appointment for one term.

(7) The Council shall provide the Appeals Committee with such facilities and resources as are necessary to enable it to competently discharge its functions.

(8) The procedure for filing appeals before the Appeals Committee shall be as prescribed in the Seventh Schedule.

Amendment of
section 34 of No. 15
of 2008.

29. Section 34 of the principal Act is amended —

(a) in subsection (1) by —

- (i) deleting the words “High Court” and substituting therefor the words “Appeals Committee”;
- (ii) deleting the words “sixty” and substituting therefor the words

The Accountants (Amendment) Bill, 2025

“thirty”;

(iii) inserting the words “and provide the grounds upon which the appeal is lodged.” immediately after the words “the determination”;

(b) in subsection (2) by deleting the words “High Court” and substituting therefor the words “Appeals Committee”;

(c) by inserting the following new subsection immediately after subsection (2) —

(2A) A person aggrieved by a determination of the Appeals Committee under subsection (2) may appeal to the High Court against such determination within sixty days of being notified of the determination.

(d) in subsection (3) by inserting the words “the Appeals Committee allows the appeal and a further appeal is not lodged in the High Court or that” immediately after the words “event that”.

Amendment of
section 36 of No. 15
of 2008.

30. The principal Act is amended by deleting section 36.

Amendment of
section 39 of No. 15
of 2008.

31. The principal Act is amended by deleting section 39 and substituting therefor the following new section —

Funds of the
Institute and the
Examinations
Board.

39. (1) The funds of the Institute and the Examinations Board shall consist of—

- (a) such monies as may be appropriated by Parliament;
- (b) such monies as may accrue or vest in the Institute and the Examinations Board in the course of the exercise of their powers or the performance of their functions;
- (c) grants, donations or gifts to the Institute and the Examinations Board; and
- (d) any monies accruing to the Institute and the Examinations Board from any other source.

Amendment to the
principal Act.

32. The principal Act is amended by inserting the following new sections immediately after section 40 —

40A. Subject to Article 35 of the Constitution and section 6 of the Access to Information Act, the Examinations Board shall not provide such information as would, in the opinion of the Examinations Board—

(compromise the integrity of any examination administered by the Board;

(compromise the examination process; or

b

)

(affect the right to privacy of any individual.

c

)

40B. The Institute shall conduct elections for members of the Council in accordance with Regulations made under this Act.

Election
misconduct.

40 C.(1) A candidate, proposer, seconder, supporter or agent commits election misconduct where such candidate or agent—

- (a) makes derogatory, false or misleading statements about other candidates or the Institute;
- (b) distributes or promises gifts to members of the Institute to induce members to vote for the candidate;
- (c) distributes offensive campaign materials against any other candidate;
- (d) distributes unsolicited short message service, social media platforms, campaign material or any other media before the campaign period commences or after the closure of the campaign period;

(2)Where a member who is not in good standing proposes, seconds or supports a candidate, such a member commits election misconduct.

(3) A statement shall be deemed to be derogatory, false or misleading under subsection (4A) where—

- (a) the Scrutineers Panel determines that a candidate has used a derogatory, false or misleading statement;
- (b) a complaint accompanied by evidence is formally lodged with the Scrutineers Panel by a candidate and the Scrutineers Panel determines that a candidate has made a derogatory, false or misleading statement;

- (c) a complaint accompanied by evidence is formally lodged with the Chief Executive Officer of the Institute by a member of the Institute and the Scrutineers Panel determines that a candidate has made a derogatory, false or misleading statement;
- (d) a complaint accompanied by evidence is formally lodged with the Council by a member of the Institute and the Scrutineers Panel determines that a candidate has made a derogatory, false or misleading statement, or
- (e) a complaint accompanied by evidence is formally lodged with the Scrutineers Panel by the Council or a member of the Institute's secretariat and the Scrutineers Panel determines that a candidate has made a derogatory, false or misleading statement.

(4) Where in the opinion of the Scrutineers Panel and on sufficient presentation of evidence, a candidate, proposer, seconder, supporter or agent has contravened subsections (4A) and (4B), such person shall be liable to the following penalties—

- (a) with respect to the position of chairman, a fine not exceeding five hundred thousand shillings;
- (b) with respect to the position of Council member, a fine not exceeding three hundred thousand shillings; and
- (c) for repeat offences, a fine not exceeding seven hundred thousand shillings;
- (d) be barred from making any derogatory, false or misleading statements or actions during the election period; and
- (e) be barred from participating in the current or future elections.

(5) The Scrutineers Panel shall make a determination under this section and inform the person concerned of the action to be taken and effect its determination.

(6) A person aggrieved by a determination of the Scrutineers Panel under subsection (4E) may appeal to the Appeals Committee against such determination within seven days of being notified of the determination.

(7) The decision of the Appeals Committee shall be final.

of 2008

- (a) in the marginal note by deleting the word “offences” and substituting therefor the words “and accreditation offences”;
- (b) by inserting the following new paragraphs immediately after paragraph (e) —
 - (f) breaches the oath of secrecy as set out in Regulations;
 - (g) fraudulently replaces the original answer script or template of a candidate;
 - (h) fraudulently alters the results, work or marks of a candidate;
 - (i) fraudulently alters the examination number, photograph or other identification of a candidate;
 - (j) without lawful authority, accesses or alters the records of the Examinations Board with regard to an examination or examination results in relation to a candidate or candidates or database;
 - (k) enters into an examination room while armed without authorization;
 - (l) establishes, manages, maintains a firm or institution or offering training in any other way for courses examinable by the Examinations Board without a valid accreditation certificate or any other written interim authority issued by the Examinations Board for a period not exceeding six months;
 - (m) wilfully conceals or provides wrong or misleading information to officers or agents of the Examinations Board for purposes of obtaining accreditation; or
 - (n) hinders or obstructs duly authorized officers of the Examinations Board acting in the course of their accreditation mandate;
 - (o) commits any other offence prescribed by Regulations.

Amendment of
No.15 of 2008.

34. The principal Act is amended by deleting section 43.

Amendment of No.
15 of 2008.

35. The principal Act is amended by deleting section 47.

36. The principal Act is amended by inserting the following new

section—

Savings and transition. **48.** The savings and transitional provisions set out in the Eighth Schedule shall apply after the commencement date.

Amendment of the First Schedule to No. 15 of 2008.

37. The First Schedule to the principal Act is amended —

(a) in the title by deleting the word “Chairman” and substituting therefor the words President;

(b) by deleting paragraph 1(1) and substituting therefor the following new paragraph—

1. (1) The President shall be elected at least two months before the Annual General Meeting of the Institute and shall be inaugurated at the Annual General Meeting.”

(c) by inserting the following new paragraph immediately after paragraph 1(1) —

1 (1A) A person who is aggrieved by the results of an election under this paragraph, may, within seven days after the declaration of provisional results, lodge a written complaint with the Appeals Committee for determination.

(d) in paragraph 1(2) by deleting the word “Chairperson” wherever it appears and substituting therefor the word “President”;

(e) in paragraph 1(3) by deleting the word “Chairperson” and substituting therefor the word “President”;

(f) in paragraph 1(4) by deleting the word “Chairperson” and substituting therefor the word “President”;

(g) in paragraph 2(1) by deleting the word “Chairperson” and substituting therefor the word “President”;

(h) in paragraph 2(1)(a) by deleting the word “Chairperson” and substituting therefor the word “President”;

(i) in paragraph 2(1)(b) by deleting the word “Chairperson” and substituting therefor the word “President”;

(j) in paragraph 2(2) by deleting the word “Chairperson” and substituting therefor the word “President”;

- (k) in paragraph 2(3) by deleting the word “Chairperson” and substituting therefor the word “President”;
- (l) in paragraph 2(3)(a) by deleting the word “Chairperson” and substituting therefor the word “President”;
- (m) in paragraph 5(1)(b)(iii) by deleting the word “Chairperson” and substituting therefor the word “President”;
- (n) in paragraph 6(1) by deleting the word “Chairperson” and substituting therefor the word “President”;
- (o) in paragraph 6(2) —
 - (i) by deleting the word “Chairperson” and substituting therefor the word “President”;
 - (ii) by deleting the word “vice-Chairperson” and substituting therefor the word “Vice President”;
- (p) in paragraph 6(3) —
 - (i) by deleting the word “Chairperson” and substituting therefor the word “President”;
 - (ii) by deleting the word “vice-Chairperson” and substituting therefor the word “Vice President”;
- (q) in paragraph 8(2) by deleting the word “Chairperson” and substituting therefor the word “President”;
- (r) in paragraph 11(4) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of the Institute”.

- (a) by deleting paragraph 1(1) and substituting therefor the following new paragraph—

2. 1. (1) Each of the five members of the Council (one of whom shall be the Vice President), referred to in section 11(f) of this Act, shall be elected at least two months before the Annual General Meeting of the Institute and shall be inaugurated at the Annual General Meeting.”

- (b) by inserting the following new paragraphs immediately after paragraph 1. (1) —

1. (1A) A member who is eligible to be elected as a Council member under section 11 (f) or nominated under section 11(g) must have been a member of the Institute for a continuous period of not less than seven years.

1. (1B) The College of Fellows shall nominate a member under section 11(g) after the elections for other Council members have been held and the nomination shall ensure that the composition of the Council is inclusive in terms of skills, gender, persons with disabilities, sectoral and regional representation.

1. (1C) A person who is aggrieved by the results of an election under this paragraph, may, within seven days after the declaration of provisional results,, lodge a written complaint with the Appeals Committee for determination.

- (c) in paragraph 1(3) by inserting the words “or nomination by the College of Fellows” immediately after the word “Council”;

- (d) in paragraph 2 by deleting the word “six” and substituting therefor the word “five”

- (e) in paragraph 3 by inserting the following new paragraph immediately after paragraph (h) —

(i) dies.

- (f) by inserting the following new paragraph immediately after paragraph 5(3) —

5(4) Where the President or the Vice-President are incapacitated, the Council shall select a member of the Council to act in the position of the President or the Vice-President until a subsequent election is held.

(g) in paragraph 6 inserting the words ““shall be two thirds of the members” immediately after the words “at meetings of the Council”.

Amendment of the
Third Schedule to
No.15 of 2008.

39. The Third Schedule to the Act is amended —

(a) in paragraph 1(3) by inserting the words “for one term” immediately after the word “re-appointment”;

(b) in paragraph (1) by inserting the following new subparagraph immediately after subparagraph (3) —

(4) Despite subparagraph (1), the Cabinet Secretary, after consultation with the Council, may revoke the appointment of a member of the Registration Committee where —

- (a) the performance of the member is unsatisfactory;
- (b) the member for any reason is unable to discharge the functions of the Committee effectively;
- (c) the member is convicted of professional misconduct whilst in office.

(c) by inserting the following new paragraph immediately after paragraph 6—

6A. The Chairperson shall preside at all meetings of the Registration Committee at which the Chairperson shall be present and in the absence of the Chairperson, the Vice-Chairperson shall preside and in the absence of the Vice-Chairperson, the members shall nominate one of their own to preside.

40. The Fourth Schedule to the Act is amended —

(a) in paragraph 1 by inserting the following new subparagraphs immediately after subparagraph (2) (b) —

(c) is adjudged bankrupt or enters into a composition or scheme of arrangement with his creditors;

- (d) is absent without the permission of the Chairperson and in the case of the Chairperson without the permission of the Cabinet Secretary, from three or more consecutive meetings of the Examinations Board;
 - (e) is convicted of an offence and sentenced to imprisonment for a term of six months or more without the option of a fine;
 - (f) becomes for any reason, including infirmity of body or mind, incompetent or incapable of performing the functions of his office; or
 - (g) dies.
- (b) in paragraph 3(1) by inserting the words “shall be six members” immediately after the words “of the Examinations Board”—
- (c) by inserting the following new paragraph immediately after paragraph 3 (1) —

3 (1A). The Chairperson shall preside at all meetings of the Examinations Board at which the Chairperson shall be present and in the absence of the Chairperson, the Vice-Chairperson shall preside and in the absence of the Vice-Chairperson, the members shall nominate one of their own to preside.

- (d) by inserting the following new subparagraph immediately after subparagraph (3)—

(4) The Examinations Board shall meet not less than four times in every financial year and not more than three months shall lapse between the date of one meeting and the date of the next meeting.

41. The Fifth Schedule to the Act is amended in —

- (a) paragraph 1(2) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of the Institute”;
- (b) paragraph 2(1) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of the Institute”;
- (c) paragraph 4(2) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of the Institute”;
- (d) paragraph 4(3) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of

- the Institute”;
- (e) paragraph 5(3) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of the Institute”;
- (f) paragraph 5(4) by deleting the words “Secretary to the Council” and substituting therefor the words “Chief Executive Officer of the Institute”.

42. The principal Act is amended by inserting the following new Schedule immediately after the Sixth Schedule—

SEVENTH SCHEDULE

PROCEDURE FOR FILING APPEALS (s. 33A (8))

1. Filing an Appeal

An application for appeal under this Act shall be in the prescribed form and shall be accompanied by—

- (a) a copy of the original decision;
- (b) grounds for the appeal; and
- (c) supporting evidence;
- (d) application fees as may be prescribed in Regulations.

2. Preparation and Transmission of Appeal Documents

The Secretary to the Council shall, within seven days of receiving an application for appeal—

- (a) prepare a summary of the findings and decision of the Disciplinary Committee or Scrutineers Panel and the grounds of appeal submitted by the appellant; and
- (b) transmit the summary and supporting documents to every member of the Appeals Committee and the appellant.

3. Notice of Hearing

- (1) The Secretary to the Council shall notify the appellant of the date, time, and place of the appeal hearing.
- (2) The notice shall be provided at least fourteen days prior to the hearing date.
- (3) Where the appellant fails to appear at the hearing, the appeal may proceed in their absence unless otherwise directed by the Appeals Committee.
- (4) Where the Appeals Committee allows for an adjournment, the Committee shall issue a notice of adjournment may be issued in a manner determined by the Committee.

4. Grounds for Appeal

An appeal may be filed where—

- (a) there were procedural errors or irregularities in the disciplinary process;
- (b) the decision was unsupported by evidence presented during the initial hearing;
- (c) the Disciplinary Committee or Scrutineers Panel imposes a sanction or penalty which in the view of the appellant is disproportionate;
- (d) evidence has emerged that could not reasonably have been presented earlier.

5. Preliminary Review of Appeal

- (1) The Chairperson of the Appeals Committee shall cause the Committee to hold a meeting to conduct a preliminary review to ensure that the —
 - (a) appeal falls within the Committee’s jurisdiction;
 - (b) required documentation has been provided; and
 - (c) appeal is filed within the applicable timeframe.
- (2) An appeal that does not comply with the requirements under paragraph (1) may be dismissed with reasons provided in writing.

6. Conduct of Appeal Hearings

- (1) The procedure for the hearing shall be as determined by the Appeals Committee.
- (2) The Appeals Committee shall not be bound by formal rules of evidence.
- (3) Unless otherwise determined, hearings of the appeals Committee shall be held in camera.
- (4) The Secretary to the Council shall maintain a record of the proceedings.
- (5) The Secretary to the Council may attend the meetings and participate in discussions but shall not be entitled to vote.
- (6) The appellant and the respondent shall have the opportunity to present arguments, submit evidence and call witnesses.

7. Powers of the Appeals Committee

- (1) The Appeals Committee shall have the authority to—
 - (a) administer oaths;
 - (b) summon witnesses;
 - (c) require the production of relevant documents; and
 - (d) recover costs of the appeal not exceeding one million shillings from any or all parties involved.

(2) Pursuant to paragraph (1), the Secretary to the Council may under the direction of the Appeals Committee issue notices, orders, and summonses.

8. Decision-Making and Voting

- (1) A decision of the Appeals Committee shall be by a majority vote of the members present.
- (2) Each member shall have one vote, and in the event of a tie, the Chairperson shall have a casting vote.
- (3) The Committee may—
 - (a) affirm the original decision;
 - (b) overturn the decision;
 - (c) modify the sanctions or penalties; or
 - (d) refer the case back for further investigation or reconsideration.

9. Communication of Decisions

- (1) The Appeals Committee shall communicate its decision in writing to the appellant and other relevant parties within fourteen days of the hearing.
- (2) The notification shall include—
 - (a) a summary of the appeal;
 - (b) findings and reasons for the decision; and
 - (c) any modifications to sanctions or further actions required.

10. Confidentiality

All proceedings, records, and documents related to the appeal shall remain confidential except where disclosure is required by law.

11. Record-Keeping

The Secretary to the Council shall ensure that a complete record of the appeal process, including all submissions and decisions, is maintained for a minimum of five years.

12. Offences and Penalties

Any person summoned to appear or produce documents before the Committee who, without reasonable cause, fails to comply commits an offence and is liable on conviction to a fine not exceeding five hundred thousand shillings.

13. Validity of Proceedings

The validity of the proceedings shall not be affected by any vacancy in the membership of the Appeals Committee or any defect in the appointment of a member.

Amendment of the
Seventh Schedule to
No.15 of 2008.

40. The principal Act is amended by inserting the following new Schedule immediately after the Seventh Schedule—

EIGHTH SCHEDULE (s. 48)

TRANSITIONAL PROVISIONS

47. On the commencement date —

- (a) a member of the Council appointed pursuant to section 11(f) in office, shall continue to be a member of the Council as though appointed under this Act and shall serve the remainder of their term;
- (b) a member of the Examinations Board in office appointed pursuant to section 15(1)(b) and (g), shall continue to be a member of the Examinations Board as though appointed under this Act and shall serve the remainder of their term;
- (c) a member of the Registration Committee in office appointed pursuant to section 13(a) and (d), shall continue to be a member of the Registration Committee as though appointed under this Act and shall serve the remainder of their term;
- (d) a member of the Disciplinary Committee in office appointed pursuant to section 31(a), (e) and (f), shall continue to be a member of the Registration Committee as though appointed under this Act and shall serve the remainder of their term; and
- (e) all actions, appeals lodged at the Council shall be carried on or prosecuted before the Appeals Committee.

MEMORANDUM OF OBJECTS AND REASONS

Statement of the Objects and Reasons for the Bill

The principal object of this Bill is to amend the Accountants Act to provide clarity on the administration of this Act.

Clause 1 of the Bill sets out the short title of the proposed Act whilst **clause 2** of the Bill seeks to insert more definitions into the Act to provide clarity in the interpretation of the Act. **Clause 5** of the Bill seeks to amend section 7 of the Act to enhance the qualifications for election of the President of the Council from by requiring the candidate for this office to be a member of the Institute for ten years and to have served on the Council or its Committees; or Boards or Committees of a registered company for three years. **Clause 6** of the Bill proposes further functions for the Institute to include representing, protecting and assisting members of the accountancy profession in respect of conditions of practice or employment and otherwise and safeguarding the public in all matters touching, ancillary or incidental to accountancy.

Clause 10 proposes to amend section 12 by providing for the competitive recruitment for the Chief Executive Officer of the Institute. **Clause 11** of the Bill proposes to amend the Act by inserting a new section to provide for the qualifications for the appointment and tenure of office of the Chief Executive Officer. **Clause 12** of the Bill seeks to amend section 13 of the Act by reconstituting the composition of the Registration and Quality Assurance Committee by including a member of the Financial Reporting Centre and a member to represent the Sacco Societies Regulatory Authority. **Clause 1** proposes to amend the Act by including the Institute of Certified Investment and Financial Analysts to the composition of the Examinations Board. **Clause 15** proposes to amend section 16 by providing for the competitive recruitment for the Chief Executive Officer of the Examinations Board, qualifications for appointment and tenure of office.

Clause 36 sets out the transitional provisions.

Clause 37 seeks to amend the First Schedule to provide for the elections of the President at least two months before the Annual General Meeting of the Institute and to change the title of the Chairman of the Council to President. **Clause 38** proposes to amend the Second Schedule by providing more clarity on the elections of Council members and to provide for the elections of the President at least two months before the Annual General Meeting of the Institute. **Clause 39** of the Bill proposes to amend the Third Schedule by providing grounds for the revocation of the appointment of a member of the Registration Committee. **Clause 40** of the Bill proposes to amend the Fourth Schedule to provide for further instances that may result in a vacancy in the Board of the Examinations Board.

Statement of how the Bill concerns County governments

The Bill does not concern county governments in terms of Article 110 (a) of the Constitution.

Statement of delegation of legislative powers and limitation of fundamental rights and freedoms

Clause 32 of the Bill proposes to insert a new provision to limit the right of access to information

The Accountants (Amendment) Bill, 2025

where such information would in the opinion of the Examinations Board compromise the integrity of any examination administered by the Board, compromise the examination process or affect the right to privacy of any individual.

Statement that the Bill is a money Bill, within the meaning of Article 114 of the Constitution.
The enactment of this Bill shall not occasion additional expenditure of public funds.

Dated the

2025

**John Mbadi Ng'ong'o,
Cabinet Secretary for the National
Treasury and Economic Planning.**