

# **Guide for the Registration of Firm Names and Firms**

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## Chapter 1 Definitions

### 1.1 Definitions

1.1.1 Unless the context otherwise requires, the following terms shall have the meanings set out below.

Terms	Meanings
AFRCO	AFRCO means the Accounting and Financial Reporting Council Ordinance (Cap. 588).
authorized signatory	An authorized signatory means a CPA (practising) other than the sole practitioner / practising partner of a CPA firm, who is authorized to sign on behalf of the CPA firm.
certified public accountant (“CPA”)	A CPA means a person registered as a certified public accountant by virtue of section 22 of the Professional Accountants Ordinance (Cap. 50).
CPA (practising)	A CPA (practising) means a CPA holding a practising certificate issued under section 20AAD or 20AAI of the AFRCO.
corporate practice	A corporate practice means a company registered as a corporate practice under Division 3 of Part 2A of the AFRCO.
CPA firm	A CPA firm means: <ul style="list-style-type: none"><li>• a CPA (practising) who practises accountancy on the accountant's own account under a firm name registered under Division 2 of Part 2A of the AFRCO; or</li><li>• a firm of CPAs (practising) that practises accountancy in partnership and is registered under Division 2 of Part 2A of the AFRCO.</li></ul>
firm name	A firm name means: <ul style="list-style-type: none"><li>• in relation to a CPA (practising) who practises accountancy on the accountant's own account, the name or style under which the accountant practises if the name or style is otherwise than the accountant's own name as registered under section 22(2) of the Professional Accountants Ordinance (Cap. 50); or</li><li>• in relation to a firm of CPAs (practising) that practises accountancy in partnership, the name or style under which the firm practises.</li></ul>
HKICPA	HKICPA means the Hong Kong Institute of Certified Public Accountants incorporated by section 3 of the Professional Accountants Ordinance (Cap. 50).
Online Application System	Online Application System means the registration system maintained by the Accounting and Financial Reporting Council.

### 2.1 Introduction

2.1.1 The Accounting and Financial Reporting Council (“**AFRC**”) is empowered to register firm names and firms under Division 2 of Part 2A of the AFRCO. It is an offence for a person that is not a CPA firm to hold any appointment or render any services, whether paid or unpaid, as:

- (a) an auditor of a company within the meaning of the Companies Ordinance (Cap. 622); or
- (b) unless otherwise exempted by the AFRC, an auditor of accounts for the purposes of any other Ordinance.

2.1.2 This Guide provides practical guidance on the criteria and procedures for registration and renewal applications for CPA firms; and procedures for complying with notification requirements.

2.1.3 Unless otherwise specified in this Guide, all documents in relation to the applications to be submitted to the AFRC shall be:

- (a) sent by post to the following address:
  - Policy, Registration and Oversight Department
  - Accounting and Financial Reporting Council
  - 10/F, Two Taikoo Place
  - 979 King's Road, Quarry Bay
  - Hong Kong
- (b) originals or certified true copies of the originals certified by any of the following persons (self-certification will not be accepted):
  - (i) a CPA (full name with HKICPA membership number and contact details should be provided);
  - (ii) a legal practitioner (full name with contact details should be provided); and
  - (iii) a Government District Officer (through statutory declaration).

2.1.4 Apart from submission of documents under paragraph 2.1.3 above, communications with the AFRC in relation to the applications could be sent by email to [registration@afrc.org.hk](mailto:registration@afrc.org.hk), by post to the address specified in paragraph 2.1.3(a) above or any other ways specified by the AFRC.

2.1.5 This Guide is not intended to deal with all situations and, subject to compliance with the AFRCO, the AFRC may depart from this Guide where the circumstances of the case so require. Enquiries on registration related matters can also be made to the AFRC via e-mail to [registration@afrc.org.hk](mailto:registration@afrc.org.hk) or hotline at +852 3586 7800.

## **2.2 Disclaimer**

- 2.2.1 This Guide is for guidance, and does not constitute legal advice. You should seek your own legal advice where necessary. In the event of any inconsistency between this Guide and the AFRCO, the AFRCO shall prevail.

## Chapter 3 Registration application

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### 3.1 Introduction

3.1.1 A CPA (practising) who intends to practise accountancy on the accountant's own account under a firm name may apply to the AFRC for registration of the firm name.

3.1.2 A firm of CPAs (practising) that intends to practise accountancy in partnership may apply to the AFRC for registration of the firm (including the firm name).

### 3.2 Registration criteria

3.2.1 The AFRC will not grant a registration application unless the following registration criteria are met.

Registration criteria	
<i>Status of the applicant</i>	
(a)	The applicant is: <ul style="list-style-type: none"><li>(i) a CPA (practising) who intends to practise accountancy on the accountant's own account under a firm name; or</li><li>(ii) a firm of CPAs (practising) that intends to practise accountancy in partnership.</li></ul>
<i>Firm name</i>	
(b)	The firm name under which the applicant intends to practise: <ul style="list-style-type: none"><li>(i) is not the same as a firm name already registered under the AFRCO;</li><li>(ii) does not, in the opinion of the AFRC, so nearly resemble a firm name already registered under the AFRCO as to be likely to cause confusion; and</li><li>(iii) is not, in the opinion of the AFRC, misleading, offensive or otherwise contrary to the public interest.</li></ul> <p>See also paragraphs 3.2.2 to 3.2.4 below.</p>
<i>Firm composition</i>	
(c)	If the applicant is a firm of CPAs (practising) that intends to practise accountancy in partnership: <ul style="list-style-type: none"><li>(i) all the partners are CPAs; and</li><li>(ii) at least two-thirds of the partners are CPAs (practising) (i.e. practising partners).</li></ul> <p>See also paragraph 3.2.5 below.</p>

<b>Registration criteria</b>	
(d)	The sole practitioner or at least one practising partner should practise in the name of the firm on a full-time basis, i.e. not engaged in other full-time employment.
<i>Registered office</i>	
(e)	The applicant has a registered office in Hong Kong to which all communications and notices may be addressed.

3.2.2 A CPA firm should register its name in English as well as in Chinese, if it has or in fact uses both English and Chinese names.

3.2.3 A firm name can broadly be divided into three categories:

- (a) personalized name;
- (b) the name of an overseas / international accountancy practice registered outside Hong Kong; or
- (c) other non-personalized (trading) name.

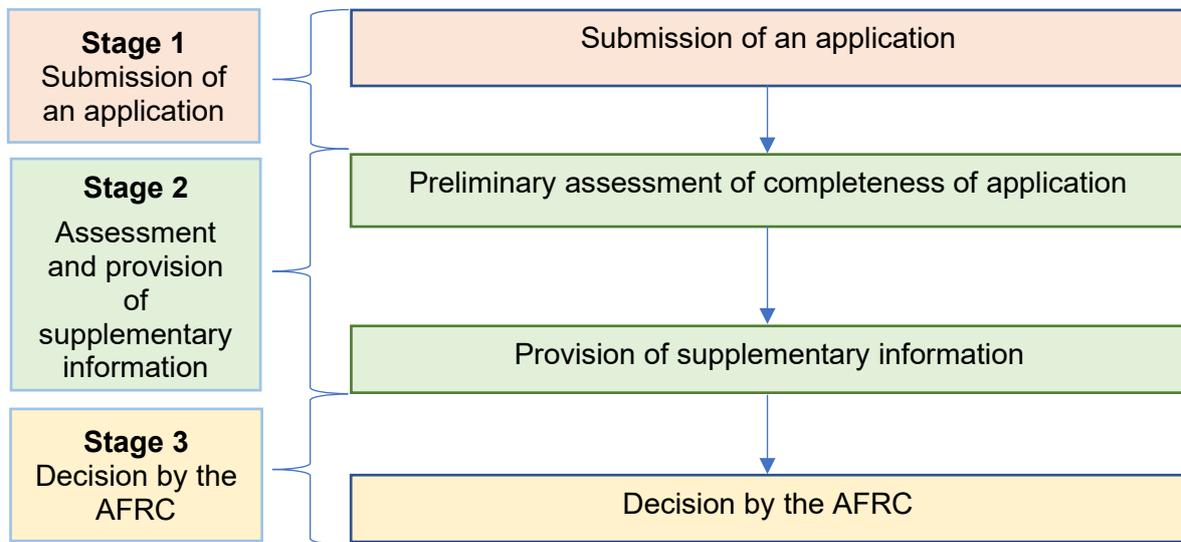
3.2.4 In the case of categories referred to in paragraphs 3.2.3(a) and (b) above, the AFRC will normally expect that the firm name satisfies the following additional criteria:

- (a) where the firm name is a personalized name:
  - (i) the name is sufficiently indicative of the names of the sole practitioner or full-time practising partner(s), but not any other persons; and
  - (ii) where the applicant is a sole practitioner, the name should include the initials or other names of the sole practitioner in addition to his or her surname (e.g. "A.B. Chan & Co." instead of "Chan & Co."); and
- (b) where the firm name is the name of an overseas / international accountancy practice registered outside Hong Kong:
  - (i) the applicant should be properly authorized by the overseas / international accountancy practice concerned to use the name; and
  - (ii) the overseas / international accountancy practice concerned should be duly registered under the jurisdiction of an accountancy body accepted by the AFRC (i.e. an International Federation of Accountants ("IFAC") member).

3.2.5 Where the sole practitioner / a practising partner / an authorized signatory of the proposed CPA firm has more than one mode of practice, the number of CPA firm / corporate practice names under which the sole practitioner / practising partner / authorized signatory is registered as a sole practitioner, a partner, a director or an authorized signatory of a CPA firm should in no case exceed three.

### 3.3 Application process

3.3.1 The application process can be summarized as follows:



3.3.2 The onus is on the applicant to satisfy the AFRC that the registration application should be granted.

#### Stage 1 – Submission of an application

3.3.3 The applicant applying to be registered as a CPA firm is required to complete and submit an application form “[Application for Registration of a Firm Name and Firm](#)” (Form FIRM-1) to the AFRC, together with all necessary supporting documents.

#### *Supporting documents*

3.3.4 The applicant has to provide the following supporting documents:

- (a) where the proposed name is:
  - (i) the name of an overseas / international accountancy practice registered outside Hong Kong:
    - (A) an official letter of consent from the overseas / international accountancy practice concerned giving its authorization for the applicant to register the name with the AFRC;
    - (B) documentary proof, e.g. practising certificate or license, that the overseas / international accountancy practice concerned is a registered practice under the jurisdiction of an accountancy body accepted by the AFRC (i.e. an IFAC member);
    - (C) background information of the overseas / international accountancy practice concerned, including the location of its head office, contact details and details regarding the structure and composition of the practice; and

- (D) arrangements, if any, between the overseas / international accountancy practice concerned and the applicant for the latter to act as their representative in Hong Kong; or
- (ii) a non-personalized (trading) name, a letter from the proposed sole practitioner / senior partner of the applicant providing the reasons for adopting such words or characters and/or the meaning of the words or characters to be used in the proposed English and/or Chinese name(s);
- (b) where the proposed sole practitioner / any of the proposed practising partner is currently practising on a part-time basis or will resign / has resigned from the present / last employment and intends to practise on a full-time basis in the name of the applicant, documentary evidence to prove the resignation of the proposed sole practitioner / practising partner from the present or last employment and that he or she will not engage in other full-time employment upon the registration of the CPA firm;
- (c) where the applicant has a proposed non-practising partner, copies of the proposed non-practising partner's identity document (for example, Hong Kong identity card or passport) and the certificate of registration as a CPA issued by the HKICPA;
- (d) where the applicant is the landlord of the registered office, documentary evidence to prove the ownership of the property such as land search results; and
- (e) where the applicant is not the landlord of the registered office, a letter of consent from the landlord or leaseholder authorizing the use of his or her or its premises as the applicant's registered office and the erection of a signboard at the entrance to the office.

*Application fee*

- 3.3.5 The applicant has to pay an application fee in the amount and way specified in the fee schedule published on the AFRC website. The application fee is non-refundable.

Stage 2 – Assessment and provision of supplementary information

*Preliminary assessment of completeness of the application*

- 3.3.6 The AFRC will first conduct a preliminary assessment on the application to check whether the information received is complete and the application fee is paid.
- 3.3.7 The AFRC will ordinarily provide an acknowledgement of receipt to the applicant within 10 business days upon being satisfied with the results of the preliminary assessment.

### *Provision of supplementary information*

- 3.3.8 The AFRC will conduct an assessment on the application and may, where appropriate, require the applicant to provide supplementary information which the AFRC considers relevant to the application. Unless otherwise specified, the applicant is required to respond in writing by ways specified in paragraph 2.1.4 above within 10 business days of the date of the request.
- 3.3.9 If the applicant does not provide the required information to the AFRC within the stipulated deadline (i.e. 6 months after the receipt of the application), the AFRC may proceed to make a decision on the registration application based on the evidence before it, and will likely refuse the application on the basis that there is insufficient information available for the AFRC to satisfy itself that the registration criteria have been met.

### *Processing time*

- 3.3.10 The AFRC will outline in its website the submission deadlines for which registration applications will be processed by a given point of time. Results will usually be available 10 weeks after the submission deadline, if the AFRC is satisfied that no supplementary information is required for the application.
- 3.3.11 Although the AFRC will strive to adhere to this timetable, the time it takes to process a registration application may vary depending on a number of factors such as:
- (a) the quality and completeness of the application;
  - (b) the quality of the supporting documents;
  - (c) the complexity of the application;
  - (d) subsequent changes made to the application;
  - (e) the time taken for other regulatory bodies to respond to vetting requests, where applicable; and
  - (f) the number of applications the AFRC is processing at any particular time.

### Stage 3 – Decision by the AFRC

- 3.3.12 The AFRC will consider all available information in its possession (whether or not provided by the applicant) and then make a decision on the registration application.
- 3.3.13 The AFRC will inform the applicant of its decision by written notice. In this respect:
- (a) if the registration application is granted – the AFRC will issue an electronic certificate of registration and provide a login of a user account of the Online Application System to the applicant; or
  - (b) if the registration application is refused – the AFRC will provide a statement of reasons for the decision in the written notice.

3.3.14 The registration of a CPA firm will take effect on the day specified by the AFRC in the written notice and expire on 31 December of the year in which the registration takes effect.

3.3.15 An applicant who is aggrieved by a decision of the AFRC to refuse the registration application may apply to the Accounting and Financial Reporting Review Tribunal for a review of that decision. The relevant procedures are set out in paragraphs 17 to 18 of the AFRC's "[Outline of the AFRC's Process for the Registration of Firm Names and Firms](#)".

### **3.4 Post-registration filing requirements**

3.4.1 The applicant, upon being registered as a CPA firm, is required to provide the AFRC:

*Within three months from the effective date of the registration*

- (a) a signed "[Confirmation of Erection of a Signboard](#)" (Form FIRM-SB) confirming the erection of a signboard at the entrance to the registered office;
  - (b) a specimen letterhead bearing the name and registered office of the applicant;
- and

*Within six months from the effective date of the registration*

- (c) a copy of the Business Registration Certificate of the applicant.

## Chapter 4 Renewal application

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### 4.1 Introduction

- 4.1.1 A CPA firm may apply to the AFRC for renewal of its registration no later than 15 December of the year in which the current registration expires, unless the AFRC approves a later day. The AFRC will generally accept renewal applications from 1 November of each year.

### 4.2 Renewal criteria

- 4.2.1 The AFRC will not grant a renewal application unless the criteria and requirements set out in paragraph 3.2.1 above are met.

### 4.3 Application process

- 4.3.1 The application process described in paragraph 3.3.1 above applies equally to a renewal application.

#### Stage 1 – Submission of an application

- 4.3.2 A CPA firm applying to renew its registration as a CPA firm is required to complete and submit the online application form "[Renewal Application for a CPA Firm](#)" (Form FIRM-2) through the AFRC's Online Application System.
- 4.3.3 Any matter which needs to be notified to the AFRC under Chapter 5 below should be made to the AFRC before the submission of the renewal application.
- 4.3.4 The onus is on the applicant to satisfy the AFRC that the renewal application should be granted.

#### *Application Fee*

- 4.3.5 The applicant has to pay a renewal application fee in the amount and way specified in the fee schedule published on the AFRC website. The renewal application fee is non-refundable.

#### Stage 2 – Assessment and provision of supplementary information

- 4.3.6 The AFRC will first conduct a preliminary assessment on the renewal application and may require the provision of supplementary information in the manner described in paragraphs 3.3.6 to 3.3.8 above.
- 4.3.7 If the applicant does not provide the required information to the AFRC within the stipulated deadline (i.e. 30 business days from the date of the information request), the AFRC may proceed to make a decision on the renewal application based on the evidence before it, and will likely refuse the renewal application on the basis that there

is insufficient information available for the AFRC to satisfy itself that the registration criteria have been met.

*Processing time*

- 4.3.8 Results will usually be available within 30 business days of the date of renewal application, if the AFRC is satisfied that no supplementary information is required for the renewal application. Although the AFRC will strive to adhere to this timetable, the time it takes to process a renewal application may vary depending on a number of factors, including those set out in paragraph 3.3.11 above.
- 4.3.9 The current registration of a CPA firm will be extended if the CPA firm has made a renewal application but the application is not finally determined before the expiry of the current registration. The current registration will remain in force until:
- (a) if the renewal application is granted – the day on which the renewal takes effect; or
  - (b) if the renewal application is refused – the day on which the refusal takes effect.

Stage 3 – Decision by the AFRC

- 4.3.10 The AFRC will consider all available information in its possession (whether or not provided by the applicant) and then make a decision on the renewal application.
- 4.3.11 The AFRC will inform the applicant of its decision by written notice. In this respect:
- (a) if the renewal application is granted – the AFRC will issue a renewed electronic certificate of registration to the applicant; or
  - (b) if the renewal application is refused – the AFRC will provide a statement of reasons for the decision in the written notice.
- 4.3.12 The renewal of registration of a CPA firm will take effect on the day specified by the AFRC in the written notice and expire on 31 December of the year in which the renewal takes effect.
- 4.3.13 An applicant who is aggrieved by a decision of the AFRC to refuse the renewal application may apply to the Accounting and Financial Reporting Review Tribunal for a review of that decision. The relevant procedures are set out in paragraphs 17 to 18 of the AFRC's ["Outline of the AFRC's Process for the Registration of Firm Names and Firms"](#).

## Chapter 5 Notification requirements

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### 5.1 Introduction

5.1.1 A CPA firm is required to observe the following ongoing notification requirements.

### 5.2 Change in particulars of a CPA firm

#### *Change in name*

5.2.1 A CPA firm intending to change its name has to obtain the AFRC's approval on the proposed name before making the change.

5.2.2 The CPA firm has to complete and submit the notification form "[Notification for Change in Particulars of a CPA Firm](#)" (Form FIRM-3) to the AFRC, together with the supporting documents specified in paragraph 3.3.4(a) above where applicable.

5.2.3 The AFRC will consider all available information in its possession (whether or not provided by the CPA firm) and inform the CPA firm of its decision by written notice.

5.2.4 If the AFRC approves the proposed name, the CPA firm may proceed to change its name. The CPA firm is required to notify the AFRC in writing by ways specified in paragraph 2.1.4 above within 14 days of the change, which should be accompanied by:

- (a) a copy of the Business Registration Certificate bearing the new name of the CPA firm;
- (b) specimen signatures of the new name of the CPA firm signed by the sole practitioner / all practising partners and authorized signatories on a separate sheet; and
- (c) a specimen letterhead bearing the new name of the CPA firm.

5.2.5 A person who fails to notify the AFRC as required in paragraph 5.2.4 above without reasonable excuse commits an offence.

#### *Change in address of registered office, telephone number or electronic mail address*

5.2.6 A CPA firm must notify the AFRC of any change in its address of registered office, telephone number or electronic mail address within 14 days of the change. The notification should be made by completing and submitting the notification form "[Notification for Change in Particulars of a CPA Firm](#)" (Form FIRM-3) to the AFRC. A person who fails to notify the AFRC as required without reasonable excuse commits an offence.

5.2.7 Where a CPA firm changes its address of registered office, the notification form should be accompanied by:

- (a) documentary evidence to prove the ownership of the property such as land search results, if the CPA firm is the landlord of the registered office;
- (b) a letter of consent from the landlord or leaseholder authorizing the use of his or her or its premises as the CPA firm's registered office and the erection of a signboard at the entrance to the office, if the CPA firm is not the landlord of the registered office; and
- (c) a copy of the Business Registration Certificate bearing the new address of registered office.

### **5.3 Change in composition of a CPA firm**

5.3.1 A CPA firm is required to notify the AFRC of any change in its partners / authorized signatories composition within 14 days of the change. The notification should be made by completing and submitting the notification form "[Notification for Change in Particulars of a CPA Firm](#)" (Form FIRM-3) to the AFRC.

5.3.2 The CPA firm is required to provide the following supporting documents regarding the notification:

- (a) where the change is related to an appointment of a practising partner who is currently practising on a part-time basis or will resign / has resigned from the present / last employment and intends to practise on a full-time basis in the name of the CPA firm, documentary evidence to prove the resignation of the practising partner from the present / last employment and that he or she will not engage in other full-time employment;
- (b) where the change is related to an appointment of a non-practising partner, copies of the non-practising partner's identity document (for example, Hong Kong identity card or passport) and the certificate of registration as a CPA issued by the HKICPA; or
- (c) where the change is related to the death of the sole practitioner or a partner of a CPA firm, a copy of the death certificate of the sole practitioner or a partner of the CPA firm.

5.3.3 The CPA firm should ensure that its partners composition complies with the requirements set out in paragraph 3.2.1(c) above. The AFRC must revoke the registration of the CPA firm if the CPA firm ceases to be a firm of CPAs (practising) according to paragraph 6.1.1(b) below.

### **5.4 Change in particulars of any non-practising partner**

5.4.1 A CPA firm is required to notify the AFRC of any changes in the full name, business address, telephone number or electronic mail address of its non-practising partners within 14 days of the change. The notification should be made by completing and submitting the notification form "[Notification for Change in Particulars of a CPA Firm](#)" (Form FIRM-3) to the AFRC.

5.4.2 Where the non-practising partner changes his or her name, the notification form should be accompanied by:

- (a) a copy of the non-practising partner's new identity document and
- (b) a copy the certificate of registration as a CPA issued by the HKICPA bearing the new name of the non-practising partner.

## **5.5 Incapacity, disqualification or involuntary absence of the sole practitioner or any partners**

5.5.1 A CPA firm is required to notify the AFRC, in writing by ways specified in paragraph 2.1.4 above, of the incapacity, disqualification or involuntary absence of the sole practitioner or any partners within 14 days of its occurrence.

## **5.6 Offence of fraudulent procurement of registration of firm name or firm**

5.6.1 According to section 20AAZG of the AFRCO, a person commits an offence and is liable on conviction to a fine of HK\$25,000 and to imprisonment for 12 months if the person fraudulently procures the registration of a firm name or firm by means of any misleading, false or fraudulent representation or statement, whether made orally or in writing.

5.6.2 The AFRC may verify or audit any of the information provided in the application form, whether before or after a decision on the application is made.

## Chapter 6    Revocation or suspension of registration on non-disciplinary grounds

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### 6.1    Mandatory revocation

- 6.1.1 The AFRC must revoke the registration as a CPA firm (including the firm name under which the CPA firm practises):
- (a) where the CPA firm is a CPA (practising) who practises accountancy on his or her own account under a firm name, if:
    - (i) the accountant dies; or
    - (ii) the accountant ceases to be a CPA (practising); or
  - (b) where the CPA firm is a firm of CPAs (practising) that practises accountancy in partnership, if:
    - (i) the CPA firm ceases to operate and the partnership is dissolved; or
    - (ii) the CPA firm ceases to be a firm of CPAs (practising).
- 6.1.2 If the AFRC decides to revoke the registration of the CPA firm, the AFRC will inform the CPA firm of its decision by written notice. The written notice will include a statement of reasons for the decision.
- 6.1.3 The certificate of registration issued to the CPA firm is cancelled with effect from the date on which the revocation takes effect.

### 6.2    Discretionary revocation or suspension

- 6.2.1 The AFRC may revoke or suspend the registration of a CPA firm if:
- (a) the CPA firm requests the AFRC to do so; or
  - (b) the AFRC is satisfied that the CPA firm has been registered by mistake; or in consequence of any misleading, false or fraudulent statement, declaration or representation, whether made orally or in writing.
- 6.2.2 Where the CPA firm intends to cease to practise, the CPA firm has to complete and submit the application form "[Application for De-registration of a CPA Firm](#)" (Form FIRM-4) to the AFRC.
- 6.2.3 The application form needs to be signed by the sole practitioner / all partners (including both practising and non-practising partners) of the CPA firm.
- 6.2.4 The AFRC will not process the application which does not bear the signatures of all partners, but will notify the rest of the partnership about the application. Meanwhile, a notation "in dissolution" may be added after the firm name in the register of CPA firms specified in Chapter 7 below.
- 6.2.5 If the AFRC decides to revoke or suspend the registration of the CPA firm, the procedures set out in paragraphs 6.1.2 to 6.1.3 above apply.

**7.1 Introduction**

7.1.1 The AFRC must establish and maintain the register of CPA firms ("**Register**") which contains, in relation to each CPA firm:

- (a) the full name of the CPA firm;
- (b) the address of the registered office of the CPA firm; and
- (c) any other particulars that the AFRC considers appropriate.

**7.2 Inspection of the Register**

7.2.1 A person may inspect free of charge:

- (a) the documentary form of the Register at the AFRC office at office hours; and
- (b) the Register made available on the AFRC website.