

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
AFRC	AFRC means the Accounting and Financial Reporting Council
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 authorised 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 PA Ordinance.
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">• 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• a firm of CPAs (practising) that practises accountancy in partnership and is registered under Division 2 of Part 2A of the AFRCO.
firm name	A firm name means: <ul style="list-style-type: none">• 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 PA Ordinance; or• in relation to a firm of CPAs (practising) that practises accountancy in partnership, the name or style under which the firm practises.
HKICPA	HKICPA means the Hong Kong Institute of Certified Public Accountants incorporated by section 3 of the PA Ordinance.
Online Registration System	Online Registration System means the registration system maintained by the Accounting and Financial Reporting Council.
PA Ordinance	PA Ordinance means the Professional Accountants Ordinance (Cap. 50).

2.1 Introduction

2.1.1 The 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 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, all documents:

- (a) must be submitted to the AFRC through the Online Registration System; and
- (b) are originals or copies certified by any of the following persons (a self-certification will not be accepted):
 - (i) a CPA (full name with HKICPA membership number and contact details must be provided);
 - (ii) a legal practitioner (full name with contact details must 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 must be sent by email to registration@afrc.org.hk, or any other ways specified by the AFRC.

2.1.5 To access the Online Registration System, the applicant needs to log in with the appropriate login ID and password. as shown below. The appropriate login IDs are as follows:

- (a) a CPA (practising) – the applicant’s individual login ID;
- (b) a CPA firm – the firm’s login ID; and
- (c) a corporate practice – the corporate practice’s login ID.

2.1.6 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 may be made by emailing to registration@afrc.org.hk.

2.2 Disclaimer

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

Chapter 3 Application for registration of a firm name and firm

3.1 Introduction

- 3.1.1 A CPA (practising) who intends to practise accountancy on the accountant's own account under a firm name must 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 must 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. Onus is placed on the applicant to satisfy the AFRC that the application should be granted.

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

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

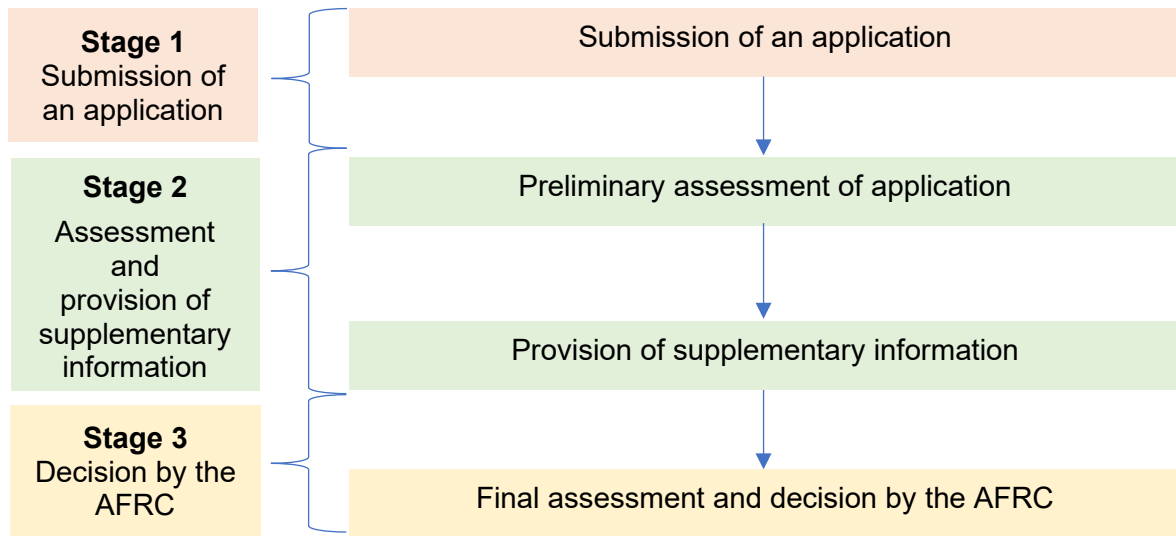
3.2.4 For categories referred to in paragraphs 3.2.3(a) and (b) above, the AFRC will expect that the firm name satisfies the following additional criteria:

- (a) where the firm name is a personalised 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 authorised 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. a member of the International Federation of Accountants (**IFAC**)).

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 must not exceed three.

3.3 Application process

3.3.1 The application process can be summarised as follows:



Stage 1 – Submission of an application

3.3.2 The applicant must apply to be a CPA firm by submitting a completed “Application for Registration of a Firm Name and Firm” (**Form FIRM-1**) online.

Supporting documents

3.3.3 The application must include the following supporting documents, which are to be submitted online:

- (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 authorisation 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-personalised (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 authorising the use of his or her or its premises as the applicant's registered office.

Application fee

- 3.3.4 The applicant must pay an application fee in the amount and way specified in the fee schedule published on the AFRC website. The fee is non-refundable.
- 3.3.5 The AFRC will send an acknowledgement to the applicant, upon receipt of the application form and payment of application fee.

Stage 2 – Assessment and provision of supplementary information

Preliminary assessment of application

- 3.3.6 The AFRC will check whether the application form and supporting documents are complete and appropriate for its assessment.

Provision of supplementary information

- 3.3.7 The AFRC may require the provision of supplementary information which it considers relevant to the application.
- 3.3.8 The applicant is ordinarily required to respond within 10 business days of the request. Where necessary, the AFRC may invite the applicant to a meeting to obtain clarification. Applicants are encouraged to prepare well for the meeting.

3.3.9 If the applicant fails to submit the requested information to the AFRC within the stipulated deadline, the AFRC will send the first reminder. If there is still no reply after another 10 business days, a second reminder will be issued. Should the applicant continue not to respond after two reminders, the AFRC may proceed to assess the registration application based on the available information. In such cases, the application will likely be refused on the basis that there is insufficient information to satisfy the AFRC that the registration criteria have been met.

Processing time

3.3.10 The AFRC will typically make a decision within 60 business days from the receipt of all necessary information.

3.3.11 While the AFRC will strive to adhere to this timetable, the time taken may be extended due to 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) the 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 – Final assessment and decision by the AFRC

3.3.12 The AFRC will consider all information in its possession (whether provided by the applicant or not) to decide on the registration application.

3.3.13 The AFRC will inform the applicant of its decision by written notice sent to the applicant's registered e-mail address, except when the registration application is refused. In the case of refusal, the decision notice, including a statement of reasons for the decision will be sent by both e-mail and post.

3.3.14 For applications granted, the AFRC will issue an electronic registration certificate and provide the login details of a user account to the applicant.

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

3.3.16 An applicant who is aggrieved by the AFRC's decision may apply to the Accounting and Financial Reporting Review Tribunal for a review of that decision within 21 days after the AFRC issued the written notice to the applicant. The application for review must state the grounds for the application.

3.4 Post-registration filing requirements

- 3.4.1 The applicant, upon being registered as a CPA firm, must provide the AFRC with a copy of its Business Registration Certificate within six months from the effective date of the registration.

4.1 Introduction

- 4.1.1 To renew registration of its firm name, a CPA firm must apply to the AFRC between 1 November and 15 December (both dates inclusive) of the year in which the current registration expires.

4.2 Renewal criteria

- 4.2.1 The AFRC will not grant a renewal application unless the criteria set out in paragraph 3.2.1 above are met. Onus is placed on the applicant to satisfy the AFRC that the application should be granted.

4.3 Application process

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

Stage 1 – Submission of an application

- 4.3.2 A CPA firm must apply to renew its registration as a CPA firm by submitting a completed “Renewal Application for a CPA Firm” (**Form FIRM-2**) online.

Application Fee

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

Stage 2 – Assessment and provision of supplementary information

- 4.3.4 The AFRC will first check whether the application form and supporting documents are complete and appropriate for its assessment. The AFRC may require the provision of supplementary information as described in paragraphs 3.3.7 to 3.3.9 above.

Processing time

- 4.3.5 The AFRC will typically make a decision within 30 business days from the receipt of all necessary information. While the AFRC will strive to adhere to this timeline, the time taken may be extended due to factors set out in paragraph 3.3.11 above.
- 4.3.6 For the CPA firm that has submitted a renewal application within the timeline but the application is not finally determined before the expiry of the current registration, its current registration will remain in force until the day on which:
- (a) the renewal takes effect if the renewal application is granted; or
 - (b) the refusal takes effect if the renewal application is refused.

Stage 3 – Decision by the AFRC

- 4.3.7 The AFRC will consider all information in its possession (whether provided by the applicant or not) to decide on the renewal application. The AFRC will inform the applicant of its decision in the manner described in paragraph 3.3.13 above.
- 4.3.8 The renewal of registration of a CPA firm will take effect on the day specified in the written notice and expire on 31 December of the year in which the renewal takes effect.
- 4.3.9 An applicant who is aggrieved by the AFRC's decision may apply to the Accounting and Financial Reporting Review Tribunal for a review of that decision within 21 days after the AFRC issued the written notice to the applicant. The application for review must state the grounds for the application.

5.1 Introduction

5.1.1 A CPA firm must observe the following 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 must obtain the AFRC's approval on the proposed name before making the change.

5.2.2 The CPA firm must apply for a change in name by submitting a completed "Notification for Change in Particulars of a CPA Firm" (**Form FIRM-3**) online, together with the supporting documents specified in paragraph 3.3.3(a) above.

5.2.3 The AFRC will consider all available information in its possession (whether provided by the CPA firm or not) to decide on the application 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 must notify the AFRC of the change by submitting the following documents online within 14 days of the change:

- (a) a copy of the Business Registration Certificate bearing the new name of the CPA firm; and
- (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.

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 must be made by submitting a completed "Notification for Change in Particulars of a CPA Firm" (**Form FIRM-3**) online. A person who fails to notify the AFRC 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 authorising the use of his or her or its premises as the CPA firm's registered 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 must notify the AFRC of any change in its partners / authorized signatories composition within 14 days of the change. The notification should be made by submitting a completed "Notification for Change in Particulars of a CPA Firm" (**Form FIRM-3**) online.

5.3.2 The application must include the following supporting documents, which are to be submitted online:

- (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 must 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 must 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 submitting a completed "Notification for Change in Particulars of a CPA Firm" (**Form FIRM-3**) online.

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 must 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.

6.1 Mandatory revocation

6.1.1 The AFRC must revoke the registration of 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:

- (i) if the accountant dies; or
- (ii) if 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:

- (i) if the CPA firm ceases to operate and the partnership is dissolved; or
- (ii) if 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 via both email and post. 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 (for a period of time or until the occurrence of an event) 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 practice, the CPA firm must submit a completed "Application for De-registration of a CPA Firm" (**Form FIRM-4**) online.

6.2.3 The application must include a declaration signed by all partners (both practising and non-practising partners) of the CPA firm, or where applicable, the sole practitioner.

6.2.4 The AFRC will not process the application until declarations have been signed by all practising and non-practising partners. Meanwhile, a notation "under de-registration" will 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.

Chapter 7 Maintenance of public register

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 published on the AFRC website at www.afrc.org.hk.