

Extracts from the Professional Accountants Ordinance (Cap. 50)

Section 2 Interpretation

(1) In this Ordinance, unless the context otherwise requires— (*Amended 10 of 2005 s. 48*)

“certified public accountant” (會計師) means a person registered as a certified public accountant by virtue of section 22; (*Replaced 23 of 2004 s. 3*)

“certified public accountant (practising)” (執業會計師) means a certified public accountant holding a practising certificate; (*Added 23 of 2004 s. 3*)

“corporate practice” (執業法團) means a company which is for the time being registered under section 28E; (*Added 85 of 1995 s. 2*)

“practice unit” (執業單位) means—

(a) a firm of certified public accountants (practising) practising accountancy pursuant to this Ordinance; (*Replaced 23 of 2004 s. 3*)

(b) a certified public accountant (practising) practising accountancy on his own account pursuant to this Ordinance; or (*Added 14 of 1992 s. 2. Amended 85 of 1995 s. 2; 23 of 2004 s. 3*)

(c) a corporate practice; (*Added 85 of 1995 s. 2*)

“professional accountant” (專業會計師) means a person registered as a professional accountant before the relevant day; (*Replaced 23 of 2004 s. 3*)

“public accountant” (註冊核數師) means a person registered as a professional accountant by virtue of the repealed section 24(2) before the relevant day; (*Replaced 23 of 2004 s. 3*)

“relevant day” (有關日期) means the day on which the Professional Accountants (Amendment) Ordinance 2004 (23 of 2004) comes into operation* under section 1(2) of that Ordinance; (*Added 23 of 2004 s. 3*)

* *The Professional Accountants (Amendment) Ordinance 2004 (23 of 2004) comes into operation on 8 September 2004.*

Section 22 Register of certified public accountants

(1) The Registrar shall keep a register for the purposes of this Ordinance and shall be responsible for the custody thereof. (*Replaced 85 of 1995 s. 5*)

(1A) The register shall be divided into 2 parts as follows—

(a) Part I which shall contain the following—

(i) all the entries and other particulars or matter which comprised the register immediately before the commencement of this subsection; and

- (ii) any particulars to be entered in the register pursuant to subsection (2) or section 28C; and
 - (b) Part II which shall contain such particulars as are required to be entered in that Part by section 28D(8)(a) or 28E(1). (*Added 85 of 1995 s. 5*)
- (1B) Subject to subsection (1A), the register shall be in such form as may be specified by the Council. (*Added 85 of 1995 s. 5*)
- (1C) The register may be maintained—
 - (a) in a documentary form; or
 - (b) by recording the information required under subsection (1A) otherwise than in a documentary form, so long as the information is capable of being reproduced in a legible form. (*Added 23 of 2004 s. 17*)
- (2) Upon the making of an order for the registration of an applicant under section 26(1), the Registrar shall enter in the register the following particulars of the person to be registered—
 - (a) his name;
 - (b) his residential address and any business address or, if he holds a practising certificate, his residential address and his registered office under section 31; (*Amended 85 of 1995 s. 5*)
 - (c) the qualification by virtue of which he is registered; and
 - (d) such other particulars as the Council may direct.
- (3) For the purposes of enabling any member of the public to ascertain whether he is dealing with a certified public accountant, a certified public accountant (practising), a firm of certified public accountants (practising) or a corporate practice and to ascertain the particulars of registration of such person, the register or (where the register is maintained otherwise than in a documentary form) a reproduction of the information or the relevant part of it in a legible form shall at all reasonable times be made available for public inspection without charge. (*Replaced 23 of 2004 s. 17*)
- (4) Any person registered as a professional accountant immediately before the relevant day shall be deemed to be registered as a certified public accountant. (*Added 23 of 2004 s. 17*)

Section 28A Registration of firm name

- (1) A certified public accountant (practising) practising on his own account under a firm name shall apply to the Council for registration of the firm name under this Ordinance.
- (2) A firm of certified public accountants (practising) shall apply to the Council for registration of a firm name under this Ordinance. (*Amended 23 of 2004 s. 22*)

- (3) No person shall practise—
- (a) on his own account as a certified public accountant (practising) under a firm name; or
 - (b) in partnership as a firm of certified public accountants (practising),
- unless his firm name or, as the case may be, the firm in which he is a partner is registered under this Ordinance.
- (4) The Council may reject an application under subsection (1) or (2) if the firm name proposed to be registered—
- (a) is the same as a firm name already registered;
 - (b) so nearly resembles a firm name already registered as to be likely to cause confusion; or
 - (c) is, in the opinion of the Council, misleading, offensive or otherwise contrary to the public interest.
- (5) A firm of certified public accountants (practising) shall not be qualified to be registered under subsection (2) unless all partners of the firm are certified public accountants and at least such proportion as the Council may from time to time prescribe of its partners is or are certified public accountant (practising) or certified public accountants (practising).
- (6) For the avoidance of doubt, it is hereby declared that a person other than the holder of a current practising certificate shall not be entitled to sign an audit report on behalf of a firm of certified public accountants (practising). (*Added 23 of 2004 s. 22*)

(Replaced 96 of 1994 s. 12. Amended 23 of 2004 s. 22)

Section 29 Requirements to practise as certified public accountant (practising)

- (1) No person, other than a corporate practice, shall practise as a certified public accountant (practising) unless he is registered as a certified public accountant and holds a practising certificate. (*Amended 85 of 1995 s. 9; 23 of 2004 s. 27*)
- (2) Unless he is either the holder of a practising certificate or a corporate practice, a person shall not hold any appointment or render any services, whether unpaid or otherwise— (*Amended 5 of 1995 s. 9*)
- (a) as an auditor of a company within the meaning of the Companies Ordinance (Cap. 622); or (*Amended 28 of 2012 ss. 912 & 920*)
 - (b) as an auditor of accounts for the purpose of any other Ordinance.
- (3) Nothing in this Ordinance shall prevent—
- (a) a person from—

- (i) practising publicly and describing himself as an accountant, secretary, book-keeper, tax-agent, tax-consultant or cost-consultant; or
 - (ii) describing himself by any other designation, initials or characters not conveying the impression that he is entitled to practise as a certified public accountant (practising); or
 - (iii) acting as an auditor of a registered trade union with the approval of the Registrar of Trade Unions; or
- (b) a member of a club, institution or association, which is not carried on with a view to profit, from acting as auditor of the club, institution or association; or
 - (c) the Council, upon application, from exempting any person from the provisions of subsection (2)(b).

(Amended 23 of 2004 s. 27)

Section 42 Offences and penalties

- (1) Subject to this section, any person who—
 - (a) being summoned to attend as a witness or to produce a document or other thing under section 36(1)(b), refuses or fails to do so or to answer any question put to him by the Disciplinary Committee; *(Amended 14 of 1985 s. 13)*
 - (b) fraudulently procures himself or any other person to be registered by means of any misleading, false or fraudulent representation or statement, either oral or in writing;
 - (c) makes or causes to be made any falsification in the register or in any matter relating to the register;
 - (d) personates or represents himself as being the person referred to in any certificate or document presented to the Council or the Disciplinary Committee;
 - (e) falsely pretends to be qualified to practise as a certified public accountant (practising); *(Amended 23 of 2004 s. 49)*
 - (f) falsely takes or uses any name, initials, title, addition or description implying that he is qualified to be registered as a certified public accountant or to practise as a certified public accountant (practising); *(Amended 23 of 2004 ss. 49 & 54)*
 - (g) not being a certified public accountant, either directly or indirectly, practises as a certified public accountant (practising); *(Amended 23 of 2004 ss. 49 & 54)*
 - (h) not being a certified public accountant—
 - (i) knowingly permits the use of or uses in connection with his business, trade, calling or profession the description “professional accountant”, “certified public accountant” or “certified accountant”, or the characters “專業會計

師”, “會計師” or “註冊會計師”, or any written words, initials or abbreviations of words intended to cause, or which may reasonably cause, any person to believe that the person using the same is a certified public accountant; or

- (ii) uses after or in conjunction with his name the initials “CPA”; (*Replaced 23 of 2004 s. 49*)
- (ha) being a body corporate which is not a corporate practice— (*Amended 15 of 2013 s. 4*)
 - (i) provides, offers to provide or holds itself out as providing any professional service which only a practice unit may lawfully provide; or (*Amended 23 of 2004 s. 49*)
 - (ii) advertises or represents itself as qualified to practise as a practice unit or permits itself to be so advertised or represented; or (*Amended 23 of 2004 s. 49*)
 - (iii) uses in conjunction with its name the description “certified public accountant (practising)” or “public accountant”, or uses after or otherwise in conjunction with its name the initials “CPA (practising)” or “PA” or the characters “執業會計師”, “註冊核數師”, “核數師” or “審計師”, or permits the use of or uses such description, initials or characters in connection with its business; or (*Added 85 of 1995 s. 20. Amended 80 of 1997 s. 108; 23 of 2004 s. 49; 15 of 2013 s. 4*)
 - (iv) includes in, or uses in conjunction with, its name the description “certified public accountant”, the initials “CPA” or the characters “會計師” (in each case other than as part of the description, initials or characters referred to in subparagraph (iii)) with the intention of causing, or in a way which may reasonably cause, a person to believe that it is a practice unit; (*Added 15 of 2013 s. 4*)
- (i) not being a certified public accountant holding a practising certificate or not being a practice unit the firm name of which is registered under section 28A— (*Amended 23 of 2004 ss. 49 & 54*)
 - (i) advertises, publishes or represents himself as qualified to practise as a certified public accountant (practising) or knowingly permits himself to be so advertised, published or represented; or
 - (ii) takes or uses in conjunction with his name, or any name which he may have assumed or by which he may describe himself, the description “certified public accountant (practising)” or “public accountant” or uses after or in conjunction with his name the initials “CPA (practising)” or “PA” or the characters “執業會計師”, “註冊核數師”, “核數師” or “審計師”, or knowingly permits the use of or uses such description, initials or characters in connection with his business, trade, calling or profession; (*Amended 14 of 1985 s. 13; 85 of 1995 s. 20, 80 of 1997 s. 108; 23 of 2004 s. 49*)

- (ia) being a certified public accountant who does not hold a practising certificate, carries on a business, trade or profession in a name or style—
 - (i) otherwise than his own name without any addition as registered under section 22(2); and
 - (ii) which includes the description “certified public accountant”, the initials “CPA” or the characters “會計師”; (*Added 23 of 2004 s. 49*)
- (j) being a corporate practice, fails to comply with any condition attached to the practice’s registration by virtue of section 28D(6)(c) or (9)(c)(i); (*Added 85 of 1995 s. 20*)
- (k) signs a client’s audit report which he is not qualified to sign at the time of signing or signs in the manner described in section 28D(11)(b)(iii); (*Added 85 of 1995 s. 20*)
- (l) being a certified public accountant (practising), a firm of certified public accountants (practising) or a corporate practice, fails to notify the Registrar of a change of location of its registered office as required by section 31(3), (*Added 85 of 1995 s. 20. Amended 23 of 2004 s. 49*)

shall be guilty of an offence and shall be liable on conviction as follows—

- (i) in the case of an individual, to a fine at level 4 and to imprisonment for 12 months, except where the offence is a failure described in paragraph (l) in which case he shall be liable to a fine at level 2; and
 - (ii) in the case of a firm of certified public accountants (practising) or in the case of a body corporate (including a corporate practice) registered or formerly or never registered in the register, to a fine at level 4 except where the offence is a failure described in paragraph (l) in which case it shall be liable to a fine at level 2. (*Amended 22 of 1977 s. 13; 85 of 1995 s. 20; 23 of 2004 s. 49; 15 of 2013 s. 4*)
- (2) Subsection (1) shall not apply in relation to the use by any member of any body or institute of accountants outside Hong Kong, not being a certified public accountant, of any description or initials which he is entitled to use under the constitution of that body or institute if by such use he does not represent that he is a certified public accountant or is entitled to practise as a certified public accountant (practising). (*Amended 23 of 1998 s. 2; 23 of 2004 ss. 49 & 54*)
 - (3) No person shall be required to answer any question or produce any document or other thing which, in the opinion of the Disciplinary Committee, may tend to incriminate him; and a witness shall, in respect of any evidence given by him before the Disciplinary Committee, be entitled to the same privileges to which he would be entitled if he were giving evidence before a court.
 - (4) (a) Where an offence under this section or section 31(4) has been committed by a corporate practice or other body corporate and it is proved that the act or omission comprising the offence was that of a director or other officer concerned in the management of the practice or other body corporate, the director or other officer shall be guilty of the like offence. (*Amended 15 of 2013 s. 4*)

(b) In proceedings for an offence described in paragraph (a) it shall be a defence to satisfy the court that as regards a relevant act or omission the defendant acted in a manner which, having regard to the particular circumstances, was not unreasonable.
(Added 85 of 1995 s. 20)

(5) *(Repealed 15 of 2013 s. 4)*

(Amended E.R. 1 of 2013)