

HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

(Incorporated by the Professional Accountants Ordinance, Cap. 50)



APPLICATION FOR REGISTRATION OF A CORPORATE PRACTICE (For initial approval of the name of the proposed corporate practice and Articles of Association)

IMPORTANT

Applicant should read carefully the Corporate Practices (Registration) Rules,
Corporate Practices (Professional Indemnity) Rules and Notes to
Forms RCP-1A and RCP-1B before completing this Form.

For Office Use Only

Name of Corporate Practice: _____

Name in Chinese, if any: _____

Reference no.: _____

Initial approval given on: _____

IMPORTANT:

- Please read Notes carefully before completing this Form.
- Please complete all sections in BLOCK LETTERS and in BLACK.
- **Personal Data (Privacy) Ordinance:** All information provided in this form will be used by the Hong Kong Institute of Certified Public Accountants ("the Institute") for the purpose of exercising its powers under the Professional Accountants Ordinance ("PAO") and its subsidiary legislation (Cap 50) and administering or enforcing the relevant provision of the PAO and its subsidiary legislation, and for any other legitimate purposes as may be required, authorized or permitted by law. The Institute will also use the collected data in this form for statistical research and analysis, and for other uses internally.

The provision of personal data by means of this form is voluntary. However, insufficient information may result in rejection of an application. Data collected is accessible by the Institute's officers, persons or committees processing registration and related matters. Please refer to the Institute's privacy policy and personal information collection statement on its website at: www.hkicpa.org.hk.

Unless otherwise agreed, hard copies of any documents containing your personal data that you provide to the Institute will become the property of the Institute and will not be returned to you. The Institute will destroy any documents it holds in accordance with its internal policy and applicable laws.

Under the Personal Data (Privacy) Ordinance, applicants have a right to request access to and correction of their personal data kept by the Institute. If you wish to exercise these rights, please email admission@hkicpa.org.hk or contact the Membership and Admission Department at (852) 2287-7228.

Section 1 – Proposed practice name: (see Notes 2, 6.1 and 6.2)

_____ (in English)

_____ (in Chinese, if any)

Section 2 – Details of all proposed shareholders/directors: (see Notes 3, 5.5, 6.3, 6.4 and 7)

<u>Full name in BLOCK letters</u>	<u>Membership no.</u>	<u>P.C. no.</u> <small>(if any)</small>	<u>Full/Part-time practice</u> <small>(see Note 3.2)</small>	<u>Personal signature</u> <small>(see Note 3.3)</small>
Managing Director:				
_____	_____	_____	_____	_____
Other Director(s):				
1 _____	_____	_____	_____	_____
2 _____	_____	_____	_____	_____
3 _____	_____	_____	_____	_____
4 _____	_____	_____	_____	_____
5 _____	_____	_____	_____	_____

(Please use separate sheet, if necessary, duly signed by the proposed managing director, with the proposed practice name on each of the sheet(s) attached. Total no. of sheet(s) attached _____.)

Section 3 – Contact details of a proposed practising member director handling this application for and on behalf of the corporate applicant: (see Note 3.5)

Full name in BLOCK letters: _____

Correspondence address: _____

Telephone no.: _____ **Fax no.:** _____ **Email address:** _____

Section 4 – Others

As it normally takes one to two months for a corporate applicant to complete the registration procedures after the Institute's initial approval of the proposed name and Articles of Association ("AA") provided in this RCP-1A application, the registration of the proposed practice (i.e. the respective RCP-1B application) considered by the Council in or after November each year will normally take effect in the next calendar year. Applicants who wish to have the registration take effect in the current calendar year, please indicate so by putting a "✓" in the following box: *(see note 7.3)* #

Current calendar year

Section 5 – Declaration: *(see Note 5.6)* #

- I declare that the above information is true and complete to the best of my knowledge and belief.
- We declare that the enclosed draft Articles of Association ("AA") of the corporate applicant: *(see Notes 4 and 6.5)*
- is identical to the latest version of the model AA that is published in the Institute's website at: www.hkicpa.org.hk.
- is **NOT** identical to the latest version of the model AA that is published in the Institute's website at: www.hkicpa.org.hk and that all modifications have been clearly marked in RED.
- We waive all claims against the Hong Kong Institute of Certified Public Accountants for any loss or damage we may suffer arising from this application.

**Signature of the Proposed Managing Director
for and on behalf of the Corporate Applicant**

Date *(dd/mm/yyyy)*

Please put a "✓" in the appropriate box.

The completed application form should be returned with appropriate fees and relevant supporting documents by registered mail to:
The Registrar, Hong Kong Institute of Certified Public Accountants, 27th Floor, Wu Chung House, 213 Queen's Road East, Wan Chai,
Hong Kong.

P.S. Applicants may also submit their applications by hand to the Institute's office at the above address during office hours.

HONG KONG INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

RCP-1A application for registration of a corporate practice

Checklist for applicants

Processing of an application may be delayed/ rejected if it is not submitted together with the required payment/ supporting document(s) as detailed below. Incomplete application will be pending in this office for at most six months from the date of first receipt of the application by the Institute. It will be rejected for failure to provide appropriate payment and/or sufficient information for processing after the lapse of the six month grace period. An administration charge, as announced in the latest Fee Schedule posted in the Institute's website at www.hkicpa.org.hk, will be deducted from the refund in case an application is rejected by the Institute or is withdrawn by the applicant.

Please indicate items you have attached to your completed application Form RCP-1A by putting a "✓" in the appropriate boxes below:

1. **Payment and documents to be submitted by ALL applicants**
 - A crossed cheque/ completed credit card authorization form* for the appropriate application and annual fees payable to the "Hong Kong Institute of Certified Public Accountants".
 - A draft Articles of Association.

2. Additional documents to be submitted under the following situations
 - a. If the proposed sole practitioner/ practising member director(s) is/ are not a practising certificate holder:
 - Application for the issue of a practising certificate (Form R-4) along with appropriate payment and relevant supporting documents.

 - b. For registration of the name of an overseas/international accountancy practice registered outside Hong Kong as your proposed practice name:
 - Official letter of consent from the overseas/international accountancy practice giving its authorisation for you to register the practice name with the Institute.
 - Documentary proof, e.g. practising certificate/license, that the overseas/international accountancy practice is a registered practice under the jurisdiction of an accountancy body currently accepted by the Council. Note ①
 - Background information of the overseas/international accountancy practice concerned, including the latest contact details and partner/director composition.
 - Arrangements, if any, for you to act as the representatives of the overseas/international accountancy practice concerned in Hong Kong.

 - c. For registration of a non-personalised (trading) name:
 - A letter from the proposed sole practitioner/ managing director providing the reason(s) for adopting such words/ characters and/or the meaning of the words/ characters to be used in the proposed English and/or Chinese practice name(s)

 - d. For the proposed sole practitioner/ director(s) who will resign/ have resigned from the present/ last employment to practise on full time basis under the proposed firm name:
 - Documentary evidence to prove the effective date of your resignation from your current/ last employment and your written confirmation for not engaging in other full-time employment.

 - e. For a proposed shareholder/director who was adjudicated bankrupt but has been granted leave by the court to act as a director:
 - A certified copy of the document issued by the court on such permission.

 - f. For registration of a non-practising member director
 - A letter from the proposed sole practitioner/ managing director applying for exemption from Professional Accountants By-law 28(c) to practise with a person who is a non-practising member of the Institute, i.e. not a CPA (practising).

Signature: _____

Date: _____
(dd/mm/yyyy)

Name of the signer: _____
(Full name in BLOCK letters)

Note ①

Certification of documents – Applications should be supported by originals. If photocopy is provided, it must be certified as true copy by any of the following persons:

- a. A certified public accountant, i.e. HKICPA member. Full name with HKICPA membership no. should be provided on each of the document he/ she has certified for verification purpose.
- b. A legal practitioner. Full name with contact details should be provided for future communication.
- c. Government District Officer (through statutory declaration)
- d. Authorised staff of the Institute (only if originals are presented with photocopies for certification)

NOTES

PLEASE READ THESE NOTES CAREFULLY BEFORE COMPLETING **FORM RCP-1A**
(The Institute reserves the right to change, modify, add or remove any part of this application form without prior notice. Please check the Institute's website from time to time for the latest version.)

Note 1 – Registration of a corporate practice

1.1 The registration of a corporate practice is governed by sections 28D to 28H of the Professional Accountants Ordinance ("PAO"), the Corporate Practices (Registration) Rules, the Corporate Practices (Model Articles of Association), the Corporate Practices (Professional Indemnity) Rules (the "PI Rules"), and Professional Accountants By-laws 28 and 29 as contained in Volume I of the HKICPA Members' Handbook.

1.2 Eligibility for registration as a corporate practice

Extract from Rule 4 of the Corporate Practices (Registration) Rules:

A corporate applicant may be granted registration only if:

- (a) it is a company limited by shares and formed and registered under the Companies Ordinance;
- (b) in the case of a corporate applicant other than a sole practising member corporate practice:
 - (i) all the shareholders are directors and all the directors are shareholders of the corporate applicant;
 - (ii) every shareholder and every director of the corporate applicant is a certified public accountant;
 - (iii) all the shareholders are the ultimate beneficial owners of shares that they hold in the corporate applicant;
 - (iv) not less than two-thirds of the total number of directors are practising members;
 - (v) not less than two-thirds of the voting shares in the corporate applicant are beneficially owned by practising members; and
 - (vi) every non-practising member director satisfies the requirements from time to time laid down by the Council;
- (c) in the case of a sole practising member corporate practice:
 - (i) there is only one shareholder and the shareholder is a director of the corporate applicant;
 - (ii) the shareholder is a practising member;
 - (iii) the shareholder is the ultimate beneficial owner of all the share or shares held in the corporate applicant;
 - (iv) save and except where a dispensation is granted under Rule 25:
 - (A) there is only one director and the director is the shareholder of the corporate applicant;
 - (B) the director is a practising member.
- (d) the corporate applicant complies with the PI Rules issued by the Council; and
- (e) the Articles of Association ("AA") of the corporate applicant follow substantially and do not contradict or operate inconsistently with the provisions of the applicable Model AA in the Schedule, as shall be appropriate.

1.3 Procedures for registration of a corporate practice

Phase One -

- ▶ **Submit Form RCP-1A** for the initial approval of the practice name and AA by the Registration and Practising Committee ("R&PC") and Council of the Institute.
- ▶ Upon approval of the practice name and AA, the Institute will issue a letter ("Approval Letter") to the corporate applicant. The name approved will be held for the corporate applicant by the Institute for up to three months from the date of approval.

Phase Two -

- ▶ **Register the proposed corporate practice with the Companies Registry** – corporate applicants are required to produce a copy of the Approval Letter issued by the Institute when they apply to the Companies Registry for registration of the company;
- ▶ **Obtain Professional Indemnity Insurance ("PII")** – it is advisable for a corporate applicant to take steps to secure insurance terms and coverage for PII applicable to the corporate applicant at an early stage when registration of a corporate practice is contemplated; and
- ▶ **Submit Form RCP-1B** that is downloadable at:
<https://www.hkicpa.org.hk/en/Membership/Registration-and-licensing/Forms-and-Downloads/Practice-Units/Corporate-Practices> and all supporting documents (quoting the Reference Number given by the Institute in the Approval Letter) within three months from the date of approval of the name and AA for formal approval by the Council.

Corporate applicants are reminded that they should not carry out any business in the name of the proposed corporate practice until the registration of the proposed corporate practice has been approved by the Council.

Note 2 – Name of a corporate practice

2.1 The description "Certified Public Accountants" or "Certified Public Accountants (Practising)" may appear as part of the name of a corporate practice or after the name of a corporate practice.

However, section 102 of the Companies Ordinance (Cap. 622) stipulates that the English name of a limited company will only be registered if it has "Limited" as the last word of the name. The same also applies to the Chinese name of a limited company such that it must end with "有限公司".

Therefore, while corporate applicants may use the description "Certified Public Accountants" or "Certified Public Accountants (Practising)" after the word "Limited", they should note that such description will not appear in their Certificate of Incorporation nor in the Institute's register of corporate practices. This does not preclude the use of such description in the letterhead and business cards, etc., of a corporate practice.

2.2 The word "Co." may or may not be included in the name of a corporate practice.

2.3 Use of personalised name

- (a) The name of a corporate practice must be sufficiently indicative of the name(s) of the sole practitioner/ full-time practising member directors ("PMD") but not the part-time PMD(s).
- (b) The name of a corporate practice not sufficiently indicative of the sole practitioner/ full-time PMD(s) is not acceptable unless it is a registered practice name under an overseas accountancy body or a non-personalised practice name (i.e. trading name) that is acceptable to the Institute's Council.
- (c) The name of a sole practising member corporate practice must include the initials or other names of the sole practising member in addition to his/her surname, e.g. "A.B. Chan Certified Public Accountants (Practising) Co. Ltd.". The registration of a corporate practice under the style of, say "Chan Certified Public Accountants (Practising) Co. Ltd." is therefore not permissible.
- (d) Names of directors who are not practising certificate ("PC") holders, i.e. non-PMD, should not be included in the name of the corporate practice.

2.4 Use of non-personalised (trading) name

The proposed name should not be approved if, in the opinion of the Council:

- (a) it is misleading; or
- (b) it is unlawful; or
- (c) it is not of professional good taste and is inconsistent with the image of the profession; or
- (d) it is in conflict with the ethical rules of the Institute, in particular Section 450 – Practice promotion of the Code of Ethics for Professional Accountants as contained in Volume I of the HKICPA Members' Handbook.

2.5 A corporate practice is required to register its name in English as well as in Chinese, if it has or in fact uses a Chinese name.

2.6 Application for the use of a practice name that is the same as or so nearly resembles a practice name already registered will not be considered.

Note 3 – Director composition

3.1 Rule 4 of the Corporate Practices (Registration) Rules specifies that:

- ▶ the sole director of a sole practising member corporate practice is the sole shareholder who is a practising member and is the ultimate beneficial owner of all the share or shares in the corporate practice; and
- ▶ other than the sole practising member corporate practices, not less than two-thirds of the total number of directors shall be practising members and not less than two-thirds of the voting shares of the corporate practice are beneficially owned by practising members.

3.2 Mode of practice

For registration of a corporate practice, at least one of the PMDs or the sole practitioner must practise on a full time basis, i.e. not engaged in other full-time employment.

3.3 Bankruptcy

- ▶ Section 30(7) of the PAO stipulates that: -
"A practising certificate shall not be issued to, and the Council may cancel the practising certificate of, a certified public accountant who is or has become bankrupt or has entered into a voluntary arrangement with his creditors within the meaning of the Bankruptcy Ordinance (Cap. 6)."
- ▶ Section 480 of the Companies Ordinance (Cap. 622) provides that if any person being an undischarged bankrupt acts as director of, or directly or indirectly takes part in or is concerned in the management of any company, he/she shall be guilty of an offence and is liable to imprisonment and a fine. However, he/she may act as a director with the leave of the court by which he/she was adjudicated bankrupt.

- ▶ The personal signature of the proposed shareholders/directors serves as a declaration by the signer that he/she is not or has not become bankrupt or has not entered into a voluntary arrangement with his/her creditors within the meaning of the Bankruptcy Ordinance.
- ▶ For a proposed shareholder/director who was adjudicated bankrupt but has been granted leave by the court to act as a director, he/she should provide a certified copy of the document issued by the court on such permission together with this application for the Institute's consideration.

3.4 **Maximum number of firm/corporate practice names under which a PC holder may practise**

The Council rules that the number of firm/corporate practice names under which a PC holder may register as a sole proprietor, a partner, a director, an authorised signatory or an authorised person (as the case may be) should in no case exceed three.

- 3.5 Contact details provided, if different from those registered in the Institute's database, will not be updated to your membership record. Please check and update, if necessary, your contact details in "Profile" under [MyCPA of the Members' area](#) in the Institute's website at www.hkicpa.org.hk or complete and return the Membership Record Amendment Coupon which is downloadable at: www.hkicpa.org.hk/mrac to the Membership and Admission Department for processing. Notification sent via email is not accepted for the purpose.

Note 4 – Articles of association

- 4.1 Soft copy of the latest version of Model AA (pdf/word version) is downloadable from the Institute's website at <https://www.hkicpa.org.hk/en/Membership/Registration-and-licensing/Forms-and-Downloads/Practice-Units/Corporate-Practices>.
- 4.2 The Model AA has been carefully drawn up to satisfy the requirements of HKICPA and it is recommended that it be followed exactly as any variations requiring review and consideration by the Registration and Practising Committee may lead to longer processing time for the application.

Any substantial modifications may result in the R&PC seeking the advice of the Institute's solicitors. In the event that this is deemed necessary, any related cost would be payable by the corporate applicant. However, the corporate applicant will be consulted before any decision is taken to refer such modifications to the Institute's solicitors.

The onus is on the corporate applicant or corporate practice rather than the Institute to ensure that the AA complies with the requirements of the PAO.

- 4.3 Article for appointment of "First Secretary":
Corporate applicants may consider adding an article for appointment of "*First Secretary*" to facilitate registration with the Companies Registry.

Note 5 – Processing of application

- 5.1 The R&PC will examine an application made on this Form and submit its recommendations to the Council for approval.
- 5.2 The result of an application will normally be available 10 weeks after the relevant submission deadline. Please refer to the Submission Deadline announced by the Institute from time to time.
- 5.3 Failure to provide full information and evidence may cause delay in the processing of an application.
- 5.4 The Institute reserves the right to verify where necessary the information furnished by the applicant with any third parties concerned.
- 5.5 Initial approval of the name of the corporate practice may be withdrawn by the Institute if there is any subsequent change in the proposed director composition.
- 5.6 Any false information/ declaration provided in this application form may result in application not being processed. The matter may also be referred to the relevant committee(s) or Council for disciplinary action as the Institute sees fit under section 34 of the PAO. Please review your application carefully before submission of your application to the Institute.

Note 6 – Supporting documents

Unless otherwise specified, all documents submitted, if they are photocopies, must be certified by a HKICPA member or a legal practitioner.

- 6.1 Registration of the name of an overseas/international accountancy practice registered outside Hong Kong**
- (a) Official letter of consent from the overseas/international accountancy practice giving its authorisation for the applicant to register the practice name with the Institute.
 - (b) Documentary proof, e.g. practising certificate/ license, that the overseas/international accountancy practice is a registered practice under the jurisdiction of an accountancy body currently accepted by the Council.
 - (c) Background information of the overseas/international accountancy practice concerned, including the latest contact details and partner/ director composition.
 - (d) Arrangements, if any, between the overseas/international accountancy practice and the corporate applicant for the latter to act as their representatives in Hong Kong.
- 6.2 Non-personalised (trading) name registration**
- Where an application for the use of a trading name is submitted, the applicant is required to submit a letter providing the reason(s) for adopting such words/characters and/or the meaning of the words/characters to be used in the proposed English and/or Chinese practice name(s) to facilitate the R&PC's consideration.
- 6.3 Change of mode of practice of proposed sole practitioner/ PMD**
- If the proposed sole practitioner/ PMD of the practice under application is currently practising on part-time basis and intends to practise on full-time basis in the proposed practice name, he/she should provide documentary proof to prove that s/he has resigned from his/her current employment and has not engaged in other full-time employment.
- 6.4 Registration of a non-practising member director ("non-PMD")**
- For registration of a non-PMD, a letter applying for exemption from Professional Accountants By-law 28(c) to practise through a corporate practice with a person who is not entitled to practise as a certified public accountant (practising) is required.
- 6.5 Articles of association ("AA")**
- ▶ A copy of the draft AA of the corporate applicant must be submitted together with this Form.
 - ▶ Any modifications to the Model AA must be clearly marked in RED in the draft AA.

Note 7 – Fee

- 7.1** An application must be accompanied by the appropriate application and annual fees. Please refer to the Fee Schedule announced by the Institute from time to time.
- 7.2** Upon completion of the registration process, a flat corporate practice annual fee equivalent to the annual fee for registration of one practising member director is charged for each additional corporate practice registered with the Institute under the same directorship for annual renewal purpose.
- 7.3** Corporate practice annual fees are calculated on per director basis and are paid in respect of each calendar year. As it normally takes one to two months for a corporate applicant to complete the registration procedures after the Institute's initial approval of the proposed practice name and AA, the registration of the proposed corporate practice considered by the Council in or after November each year will normally take effect in the next calendar year. If a corporate applicant wishes to have the registration to take effect in the current calendar year, the annual fees for **both** the current and the next calendar year have to be paid.
- 7.4** A \$500 administration charge will be deducted from the refund in case an application is rejected by the Institute or is withdrawn by the applicant.

Note 8 – Enquiries

For enquiries in relation to the application, please contact the Membership and Admission Department of the Institute via email: admission@hkicpa.org.hk; telephone: (852) 2287-7228; or fax: (852) 2575-6852.

Last update on 1 Oct 2020