

Institute of Certified Public Accountants of Singapore (Amendment) Rules 1996

Table of Contents

Enacting Formula

1

2

No. S 281

ACCOUNTANTS ACT (CHAPTER 2A)

INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF SINGAPORE (AMENDMENT) RULES 1996

In exercise of the powers conferred by section 47 of the Accountants Act, the Council of the Institute of Certified Public Accountants of Singapore, with the approval of the Minister for Finance, hereby makes the following Rules:

1. These Rules may be cited as the Institute of Certified Public Accountants of Singapore (Amendment) Rules 1996 and shall come into operation on 28th June 1996.

2. Paragraph 5 of the Third Schedule to the Institute of Certified Public Accountants of Singapore Rules is deleted and the following paragraph substituted therefor:

“ADVERTISING, PUBLICITY AND SOLICITATION

5.—(1) In this paragraph —

“advertising” means the communication to the public of information as to the services or skills provided by a member or firm of members with a view to procuring professional business;

“publicity” means the communication to the public of facts about a member or firm of members which is not designed to promote the professional

business of the member or the firm of members;

“solicitation” means the approaching of a potential client for the purpose of offering professional accountancy services.

(2) All publicity shall conform to the following principles (referred to in this paragraph as the Basic Principles):

- (a) publicity must be conducted in a manner consistent with the good standing and reputation of the accountancy profession and not contain anything as is likely to bring discredit to the member or to the profession of accountancy;
- (b) publicity must contain only matters of fact which are true, and the manner of notification must not be misleading or deceptive;
- (c) publicity must be in good taste and professionally dignified;
- (d) publicity must avoid belittling, or claiming superiority over, others;
- (e) publicity must in any announcement —
 - (i) avoid presenting the name of the member or that of his firm in a manner that is out of proportion with the nature or size of the announcement; and
 - (ii) avoid undue repetition of the member’s name or that of his firm; and
- (f) publicity must avoid any inference of direct or indirect solicitation.

(3) No member or his firm may seek professional work by means of advertising.

(4) Subject to the Basic Principles, a member may publish his name, the designation “Certified Public Accountant” or the initials “CPA” and his address, and the name and address of his firm, in a newspaper, journal or the *Gazette* for the following purposes:

- (a) an advertisement giving notice that there is a vacancy in the member’s practice or that of his firm;
- (b) an advertisement on behalf of a client who requires staff or who wishes to acquire or dispose of business or property;
- (c) an advertisement for the sale of a business, or property, by a member acting in a professional capacity as trustee, liquidator, receiver or in

any other professional capacity;

- (d) a publication of a report, notice, statement or certificate required under the provisions of any written law (including notices of meetings, auditor's reports on financial statements and notices of appointment of liquidator, under the Companies Act) but the publication must be confined to what is required for the purposes of the written law; and
- (e) an announcement of a change of address and telecommunication numbers.

(5) Subject to the Basic Principles, a member and his firm holding a seminar or conference for the public may advertise the seminar or conference if each member of the public attending the seminar or conference is required to pay a reasonable fee for the attendance.

(6) An announcement of —

- (a) an admission to, or a retirement from, the practice of a partner;
- (b) a change of name of the practice;
- (c) a merger of one or more firms of members; and
- (d) the commencement or resumption of public practice,

may be made in newspapers, and in other publications, if the announcement adheres to the Basic Principles and contains a bare statement of the facts.

(7) The announcements referred to in sub-paragraph (6) may also be made by means of a letter or circular, but only to —

- (a) clients of the member and his firm; and
- (b) persons with whom the member and his firm has business contacts,

but the letter or circular must adhere to the Basic Principles and contain only a bare statement of the facts.

(8) A member must not send greetings or condolences in any form or for any occasion by publication in a newspaper, periodical or other publication.

(9) A member may send greeting cards on the occasion of any special observance if the cards contain only one or more of the following:

- (a) the message of his greetings;

- (b) his name or his name in conjunction with those of his partners; or
 - (c) the name and address of the firm in which he practises and the firm's logo.
- (10) In relation to audit, accountancy and taxation work, a member —
- (a) may issue cards, promotional or technical material to a client with whom a professional connection has already been established;
 - (b) must not send an unsolicited letter or a circular, or make an unsolicited personal visit or a telephone call, to a person who is not a client with a view to obtaining professional work from that person;
 - (c) must not give any commission, fee or reward to any person, other than an employee of the member's firm, another member or an overseas firm or company that is affiliated to the member or his firm, in return for the introduction of a client;
 - (d) must not send promotional or technical material to a non-client, including a former employee, unless specifically requested for by that person; and
 - (e) must not instigate any person to do the acts referred to in sub-paragraph (a), (b), (c) or (d) on his behalf.

(11) Any form of event organised for non-clients, including former employees, with a view to giving publicity to the member, or to the range of services or technical materials of his firm, is prohibited.

(12) A member must not use to his or his firm's professional advantage his appointment to public office, his involvement in any matter of public importance or the award of any distinction to himself or his firm.

(13) Notwithstanding sub-paragraph (12), where a member receives an appointment to public office, engages in an activity that has national or local importance or receives an award of any distinction, he may, in connection with that appointment, activity or award, give —

- (a) his name and address;
- (b) the designation "Certified Public Accountant" or the initials "CPA";
- (c) his postgraduate accountancy degrees and non-accountancy qualifications;

- (d) the name of his firm; and
- (e) his position in the firm.

(14) Where a member or his firm contributes to good causes (including registered charities and other causes concerned with the promotion of education, sports or the arts), whether by way of donation, sponsorship or subscription, the member or his firm may allow the recipient to acknowledge the contribution publicly if the reference to the member in the acknowledgment —

- (a) is limited to the name of the member and his firm, the designation “Certified Public Accountant” or the initials “CPA”, and the member’s position in the firm; and
- (b) does not bring the member or the accounting profession into disrepute.

(15) A member may —

- (a) endow any educational institution with prizes and scholarships;
- (b) be identified in the name of the prizes and scholarships as the endower; and
- (c) use his or the firm’s logo and the designation “Certified Public Accountant” or the initials “CPA” in connection with the prizes and scholarships.

(16) A member in public practice must use stationery of good form which must conform with the requirements of the Institute as to the use and presentation on the stationery of —

- (a) the names of partners and others who participate in the practice;
- (b) designations and designatory letters;
- (c) addresses;
- (d) telecommunication numbers;
- (e) the names of cities or countries where the practice is represented; and
- (f) logo types.

(17) A member may use business cards but —

- (a) the distribution by him of his business cards must be discreet and be confined to the occasions on which it is proper for him to establish