

## **FIRM NAME REGISTRATION/USE OF CPA POLICY**

### **Purpose**

This policy applies to all registered firm names and is to be used by the Registrar and the Membership and Licensing Committee for the pre-approval and approval of firm names and practice names. It should be interpreted in conjunction with CPA NL By-laws and CPA NL Rules of Professional Conduct, including but not limited to the General Rules of Descriptive Style and Firm Association of the CPA Rules of Professional Conduct 401-403.

A Firm is defined in the CPA NL By-laws as a sole proprietorship, partnership or professional corporation. A member or professional corporation, or group of members or professional corporations, are required to register a Firm prior to engaging in the practice of public accounting.

### **Firm Name**

A registered firm may operate under a firm name that has been approved by the Membership and Licensing Committee. The Membership and Licensing Committee may delegate approval of firm names to the Registrar, as it may deem appropriate.

Personal firm names, where a member(s) use(s) their own name(s) and the CPA designation, will generally be approved. Note: A legacy designation is not permitted in the firm name or practice name.

Non-personal firm names can be requested, with a description/reason for the proposed name. Non-personal firm name requests shall be filed with the Registrar and will be subject to review and approval by the Membership and Licensing Committee.

### **Registered Firm Name versus Practice Name**

All sole practitioners, partnerships, limited liability partnerships and professional corporations may wish to operate under a "practice name" which is different than the registered firm name. A proposed practice name must have some similarity and association to the firm name.

All proposed practice names must be approved by the Membership and Licensing Committee.

Example:

- "Smith, Doe, Jones Professional Corporation" is a registered professional corporation. The professional corporation consists of three partners/owners, which are all CPAs. They may use the practice name "Smith and Company" subject to approval of the Membership and Licensing Committee.



If a professional corporation is practicing under a name that is not the name of the professional corporation, the name of the professional corporation must be indicated on all written materials, including the firm's letterhead, invoices and website.

### **Guiding Principles**

A firm name cannot be misleading, self-laudatory, or contravene the high level of professionalism associated with the CPA brand.

The majority of registered firm names are personal (i.e. they use member(s) name(s)) and use the CPA designation in the firm name). Generally speaking, these firm names receive approval without issue.

Approval may be given to non-personal firm names that are not misleading, self laudatory or contravene professional good taste.

### ***Guidance for Firm Names:***

The below guidance is intended to provide further clarification regarding acceptable firm names:

1. Sole Proprietorships using only a personal name for the firm name must include the CPA designation in the firm name. For example: "Jane Smith, CPA"
2. Firm names that cause confusion will not be allowed. For example, a practice name that is so similar to that of another firm registered in the same area that would cause confusion to the public.
3. Self-laudatory firm names which are considered to be a non-personal firm name containing praise or claiming superiority over any other member or firm, will not be permitted. Care should be taken with the use of adjectives. For example: Superior Professional Services, Premier Accounting, Ultimate Accounting Tax Services.
4. A firm name containing only numbers, such as a numbered company, will not be permitted. For example: 12345 CPA Professional Corporation
5. A firm name or style that implies the practising unit is larger than it is will not be permitted. This means the use of "and Company", "and Associates" and "and Co." or similar wording is permitted only where it appropriately reflects the number of accounting staff working for the firm. Accounting staff would include any CPA NL members and/or accounting technicians (i.e. non-CPA staff who provide services to the public, which could include bookkeeping).



Examples include:

- Sole Practitioner Jane Smith could only use Smith and Associates if she had 2 or more accounting staff working on accounting engagements.
- Two partner firm, Jane Smith and John Doe could only use Smith, Doe and Associates if they had two or more accounting staff working on accounting engagements.

6. A firm name which references a particular service provided, which the firm is not currently able to provide, is misleading. For example, a firm practicing accounting only could not use tax in the firm name, such as Smith and Doe Accounting and Tax Services.
7. When the partners or owners of a firm change, the members must consider the implications on the firm name. A firm cannot use the names of predecessor partners unless it is expressly allowed by the predecessor partner and does not mislead the public.

For example:

- If Ms. Smith is no longer a partner and has left the firm, but has expressly granted permission of the use of her name, the firm can continue to exist as “Smith, Doe and Jones”, provided that the continued use of the name does not imply the firm is larger than it is.

8. The use of Chartered Professional Accountants in the plural is only permitted where there is more than one CPA working in the firm.

For example:

- A sole practitioner with one CPA staff member could use “Chartered Professional Accountants” in the firm’s descriptive style. Note: if the CPA staff member resigned, the firm would be required to change the description within a reasonable period of time to be determined by the Membership and Licensing Committee on a case-by-case basis, taking into consideration the firm’s circumstances.

### **Use of CPA and Descriptive Style**

Firms shall carry on the practice of public accounting under the descriptive style of “Chartered Professional Accountant(s)” unless it forms part of the firm name. This means that, even if the firm name includes “CPA”, the descriptive style “Chartered Professional Accountant(s)” must still be shown.

- For example, a sole proprietorship called “Jane Smith, CPA” will sign off reports as:  
Jane Smith, CPA  
Chartered Professional Accountant



Firms are required to use “CPA” or “Chartered Professional Accountant(s)”, with no legacy reference on all audit reports, review engagement reports, compilation engagement reports, and other material and correspondence that relates to the provision of public accounting services (such as engagement letters, invoices, management letters, and responses to requests for proposals).

### **Personal versus Firm Use of CPA**

As per above, while firms are required to use “Chartered Professional Accountant(s)” with no legacy reference, individual members are required to “tag” their names (until January 2025) if they have a legacy designation.

For example, Jane Doe, CPA, CGA, sole practitioner, would generally use the firm name Jane Doe, CPA or Jane Doe, Chartered Professional Accountant. Any report issued by the firm, and other material and correspondence that related to public accounting services, would be issued by Jane Doe, Chartered Professional Accountant.

However, where Jane Doe is using her personal name, on letters, correspondence and email, she would show Jane Doe, CPA, CGA.

Similar to a sole practitioner, in a partnership situation, the registered firm must use the firm name with the descriptive style “Chartered Professional Accountants”. However, each partner of the firm who is a legacy member must show, as an individual, the CPA designation tagged with the member’s legacy designation.