

SECTION 7

Public Notices, Announcements and Communications¹

Undue publicity be avoided²

- 7.1 In any communications, announcements and public notices³, chartered accountants should: -
- (a) not use means, which bring the profession into disrepute;
 - (b) not make exaggerated claims for the services they are able to offer, the qualifications they possess, or experience they have gained; and
 - (c) not denigrate the work of other accountants.

A member preparing or authorizing the issue of matter falling within this Section should do so with a due sense of responsibility to the profession and to the public as a whole. In particular such material should be in good taste both as to content and presentation and should not belittle services offered by others, whether members or not, either by claiming superiority for the services of a particular member or otherwise. The same attitude should be adopted towards activities mentioned in subsequent paragraphs.

Advertising for solicitation be avoided⁴

- 7.2 All communications, announcements and public notices be issued in such manner and within the limits prescribed in the following paragraphs so that the provisions of Clauses (5) and (6) of Part 1 and Clauses (1) and (2) of Part 2 of Schedule-I of the Chartered Accountants Ordinance, 1961, are not violated:-
- (a) All announcements, communications and public notices should:-⁵
 - (i) be aimed at informing the recipients or the public in an objective manner;
 - (ii) conform to the basic principles of legality, decency, clarity, honesty and truthfulness; and
 - (iii) not project an image, which is inconsistent with that of a professional person bound to high ethical and technical standards.

The following changes were approved by the Council of the Institute in its 162nd meeting held on January 23-24, 2004: -

1. Change of heading from "Publicity and Advertising by Chartered Accountants" to " Public Notices, Announcements and Communications ".
2. The word "Publicity" replaced with the words " Undue publicity be avoided ".
3. Replacement of the words " In the marketing and promotion of themselves and their work " by " In any communications, announcements and public notices ".
4. The words " Advertising and Solicitation " replaced with the words " Advertising for solicitation be avoided "
5. Replacement of opening of paragraph 7.2 and its sub-clause (a).
Original paragraph 7.2 and sub-clause (a) were as follows: -

" Notwithstanding the provisions of clause (5) and (6) of Part 1 and clause (1) and (2) of Part 2 of Schedule I to the Chartered Accountants Ordinance, 1961 publicity, advertising or other forms of practice promotion are allowed to be undertaken within the limits prescribed in the following paragraphs: -

- (a) where publicity, advertising or other forms of practice promotion are carried out, such activities "

- (b) Activities which may expressly be considered not to meet the above criteria and are therefore prohibited include those that:
- (i) create false, deceptive or unjustified expectations of favourable results;
 - (ii) imply the ability to influence any court, tribunal, regulatory agency or similar body or official;
 - (iii) consist of self-laudatory statements that are not based on verifiable facts;
 - (iv) make comparisons with other professional accountants in public practice;
 - (v) contain testimonials or endorsements;
 - (vi) contain any other representations that would be likely to cause a reasonable person to misunderstand or be deceived; and
 - (vii) make unjustified claims to be an expert or specialist in a particular field of accountancy.
- (c) Deleted¹
- (d) The examples which follow are illustrative of circumstances in which communications, announcements, public notices, etc., are² acceptable and the matters to be considered in connection therewith subject always to the overriding requirements mentioned in the preceding paragraphs:-
- (i) *Appointments and Awards*

It is in the interests of the public and the profession that any appointment or other activity of a member in a matter of national or local importance, or the award of any distinction to a member, should receive publicity and that membership of the Institute should be mentioned. However, the member should not make use of any of the aforementioned appointments or activities for personal professional advantage.

The following changes were approved by the Council of the Institute in its 162nd meeting held on January 23-24, 2004: -

1. Deletion of sub-clause (c), as reproduced below: -

- (c) The advertisements in newspapers should not exceed a quarter of a page nor should advertisements by associated firms appearing in the same edition of a newspaper exceed in total that limit. (This clause has been shifted from 7.2 (d) (vii)).

2. Replacement of the words “ publicity is” in sub-clause (d) by the words “communications, announcements, public notices, etc., are”

(ii) *Chartered Accountants Seeking Employment or Professional Business*

A Chartered Accountant may inform interested parties through any medium that a partnership or salaried employment of an accountancy nature is being sought. The Chartered Accountants should not, however, publicize for subcontract work in a manner, which could be interpreted as seeking to procure professional business. Public announcements or public notices¹ seeking subcontract work may be acceptable if placed only in the professional press and provided that neither the Chartered Accountant's name, address or telephone number appears in the public announcements or public notices¹. A Chartered Accountant may write a letter or make a direct approach to another Chartered Accountant when seeking employment or professional business.

(iii) *Directories & Internet*

A member and his firm may be listed in the directories both alphabetically and in lead type and in classified list under "Chartered Accountants" in the directories. He can however, use the classification "Accountants and Auditors" when the directories do not have specific classification for "Chartered Accountants". Entries should be limited to name, address, telephone numbers, internet address, e-mail address, professional description and any other information necessary to enable the users of the directories to make contact with the member or firm to which the entry relates.

A member and his firm may also develop and maintain a web site on the Internet provided the contents comply with the requirements of paragraphs 7.1, (a) and (b) of 7.2 and (ix) of 7.2(d).

(iv) *Books, Articles, Interviews, Lectures, and Electronic Media*

A member who is author of a book or articles on a professional subject, may state his name and professional qualifications and give the name of his firm but shall not give any information as to the services that the firm provides.

Similar provisions are applicable to participation by a practicing member in a lecture, interview or a radio or television program on a professional subject. What practicing member write or say, however, should not be promotional of themselves or their firm but should be an objective professional view of the topic under consideration. Practicing members are responsible for using their best endeavours to ensure that what ultimately goes before the public complies with these requirements.

When interviewed by a writer or reporter, the member should observe the limitations imposed on him by this Section. The member may not provide the press with any information for publication that he could not publish himself.

* In the third sentence of sub-clause (d)(ii), replacement of the words " publicity " appearing twice with the words " public

announcements or public notices " was approved by the Council in its 162nd meeting held on January 23-24, 2004.

(v) *Training Courses, Seminars, etc.*

A chartered accountant may invite clients, their staff and the general public to attend training courses or seminars conducted for imparting professional education. However, undue prominence should not be given to the name of a chartered accountant in any booklets or documents issued in connection therewith.

(vi) *Professional Literature and Publications*

Any professional literature bearing the name of a member or his firm giving technical information for the assistance of staff and clients may be issued to any other firm or persons.

A publication developed / authored by a firm may be published in the firm's name but it shall not give any information as to the services that the firm provides.

Such professional literature and publications can also be placed on the website of the firm.

(vii) *Staff Recruitment*

Genuine vacancies for staff may be communicated to the public through any medium in which comparable staff vacancies normally appear. The fact that a job specification necessarily gives some detail as to one or more of the services provided by the member or his firm is acceptable but it should not contain any promotional element. There should not be any suggestion that the services offered are superior to those offered by other members as a consequence of size, associations, or for any other reason.

In publications such as those specifically directed to schools and other places of education to inform students and graduates of career opportunities in the profession, services offered to the public may be described in a businesslike way.

More latitude may also be permissible in a section of a newspaper devoted to staff vacancies than would be allowed if the vacancy appears in a prominent position elsewhere in a newspaper on the grounds that it

would be most unlikely that a potential client would use such media to select his professional adviser.

(viii) *Recruitment on Behalf of Clients*

A member may advertise on behalf of clients. However, he should ensure that the emphasis in the advertisement is directed towards the objectives to be achieved for the client. The designation of any services provided by the practice as being of specialist nature is not permitted.

(ix) *Brochures and Firm Directories*

A practicing member may issue:-

- (a) A factual and objectively worded account of the services provided, the firm's resources (human and other, specifying qualifications and experience of personnel where appropriate), existing clients (unless this breaches client confidentiality) and of professional assignments undertaken and;
- (b) A directory setting out names of partners, office addresses and names and addresses of associated firms and correspondents.

(x) *Stationery and Nameplates*

Stationery of chartered accountants in public practice should be of an acceptable professional standard and comply with the requirements of the directives issued by the Council of the Institute from time to time as to names of partners, principals and others who participate in the practice, use of professional descriptions and designatory letters, cities or countries where the practice is represented, logotypes, etc. The designation of any services provided by the practice as being of specialist nature is not permitted. Similar provisions apply to nameplates.

(xi) *Newspaper Announcements*

Appropriate newspapers or magazines may be used to inform the public of the establishment of a new practice, of changes in the composition of a partnership, or of any alteration in the address and telephone number of a practice.

Such announcements should be limited to a bare statement of facts and consideration given to the appropriateness of the area of distribution of the newspaper or magazine and number of insertions.

(xii) *Inclusion of the Name of a Practicing Member in a Document Issued by a Client*

When a client proposes to publish a report by a practicing member dealing with the client's existing business affairs or in connection with the establishment of a new business venture, practicing member should take steps to ensure that the context in which the report is published is not

such as might result in the public being misled as to the nature and meaning of the report. In these circumstances, practicing member should advise the client that permission should first be obtained before publication of the document.

Similar consideration should be given to other documents proposed to be issued by a client containing the name of a practicing member

acting in an independent professional capacity.

This does not preclude the inclusion of the name of a practicing member in public practice in the annual report of a client.

When practicing member in their private capacity are associated with, or hold office in, an organization, the organization may use their name and professional status on stationery and other documents. The practicing member should ensure that this information is not used in such a way as might lead the public to believe that there is a connection with the organization in an independent professional capacity.

(xiii) *Advertising Material Used to Promote a Course, Which He Has Been Asked to Conduct*

It is of value to prospective students and course participants to know the instructor's background - such as degrees he holds, professional body affiliations, and the name of his firm. The member has the responsibility to ascertain that all promotional efforts are within the bounds of this Section.

(xiv) *The Use of the CA title on an Employer's Stationery*

The use of the CA title on an employer's stationery by a member not in public practice is proper. It would also be proper for the CA title of the member to appear in paid advertisements of the employer that list the officers and directors.

(xv) *Greeting and Invitation Cards*

Greeting and invitation cards may be sent in the name of a member or his firm. Professional qualifications may be indicated but no information shall be given regarding the services that the member or the firm provides.