

# APPLICATION FOR A CPA FIRM PERMIT

STATE BOARD OF CPAs OF LOUISIANA

601 Poydras Street, Suite 1770  
New Orleans, Louisiana 70130

Firm No.	.....
Date Issued	.....
Reviewed	.....
Approved	.....

**Instructions:** A completed original application form with all applicable enclosures must be received in the Board's office for your application to be processed. See excerpts of Rules attached. Direct all inquiries to State Board of CPAs (504) 566-1244.

1. Firm name: \_\_\_\_\_
2. Name of Designated Licensee: \_\_\_\_\_ CPA Cert. No.: \_\_\_\_\_ - State: \_\_\_\_\_
3. Email Address of Licensee: \_\_\_\_\_

4. Addresses, phone and fax numbers (include street and post office box if applicable):

a. Mailing address:

b. Street/Physical address:

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\_\_\_\_\_  
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 \_\_\_\_\_  
 \_\_\_\_\_

Phone no. (\_\_\_\_) \_\_\_\_\_

Phone no. (\_\_\_\_) \_\_\_\_\_

5. Indicate the firm's form of legal entity (check only one):

- SOLE PRACTICE:     Unincorporated                       Solely owned Professional Corp.                       Single-member LLC
- PARTNERSHIP:     Louisiana partnership                       Out-of-state partnership
- L.L.P.:             Louisiana LLP                       Out-of-state LLP (Limited Liability Partnership)
- CORPORATION:     Professional Corporation - multi-owners
- L.L.C. (> 1 member):     Louisiana LLC                       Out-of-state LLC
- OTHER:             Incorporated CPA or LLC **whose firm is a partner/shareholder/member of another firm**

6.  YES  NO      Will the firm use the title "certified public accountant" or "CPA" in any context?
7.  YES  NO      Are all owners either (i) CPAs licensed by a state board of accountancy, or (ii) individuals who are actively employed in the firm or affiliated entities?
8.  YES  NO      Does the Firm have any affiliated entities that conduct business in Louisiana? If YES, attach a list, provide names and ownership percentages. Please refer to enclosed Instructions
9.  YES  NO      Is more than 50% of the financial interest in the firm and more than 50% of the voting rights in the firm owned and controlled by CPA(s) who are individually licensed by a board of accountancy?
10.  YES  NO      Has the firm ever applied for but been denied a permit to practice as a CPA firm in any state? If YES, attach explanation.
11.  YES  NO      Has the firm's registration, license, or permit to practice ever been suspended or revoked in any state? If YES, attach an explanation and a copy of the order or decision.

**APPLICATION FOR A CPA FIRM PERMIT** (continued):

12.  **YES**  **NO** Will the firm offer or perform engagements involving the issuance of an accountant, auditor, or other attest reports?\*

(a) If **NO**, practice will be limited to:

(b) If **YES**, provide name of individual licensee(s) qualified to supervise attest engagements and sign, or authorize the signing of, reports on financial statements on behalf of the firm (such licensees must comply with AICPA Quality Control Standards): \_\_\_\_\_

(c) If **YES**, provide estimates of the number of engagements for the first year of operation:

<u>Attest Service*</u>	<u>Total Engagements</u>	<u>Totals for LA clients (if different)</u>
<b>Compilations (SSARS):</b>	_____	_____
<b>Reviews (SSARS):</b>	_____	_____
<b>Audits (non-govt.) (SAS):</b>	_____	_____
<b>Govt. audits (GAS):</b>	_____	_____
<b>ERISA Audits (DOL)</b>	_____	_____
<b>SSAE engagements:</b>	_____	_____
<b>Other SAS reports or special reports, describe:</b>	_____	_____

\*Preparation of financial statements (SSARS) AR-C Section 70 is a non-attest service.

(d) If **YES**, your firm provides the above attest services, the firm must enroll in a Peer Review Program. Indicate which program will your firm participate in:

AICPA Peer Review Program administered by the Society of Louisiana CPAs

AICPA Peer Review Program administered by NPRC

AICPA Peer Review Program administered by another approved administering entity (AE) name of state society/AE \_\_\_\_\_

13. Items required to be submitted with application form as applicable, enclosed:

**YES**    **N/A**

(A) A sample of each and every letterhead that will be used in Louisiana, **if not enclosed, explain:**

(B) List of any other firm offices in Louisiana [not shown in item (3.)] with firm name, address, and resident licensee.

(C) List of **all** partners/shareholders/LLC members or managers (if firm is a partnership, corp., LLP, or LLC) and disclose on the list:

(1) for **each CPA owner**, indicate the state in which the CPA is licensed as a CPA

(2) for each **CPA and non-CPA owner**, disclose whether the individual is actively employed in the firm, and/or an affiliate of the firm and the name of the affiliate

(D) (1) Provide total percentages held by licensed CPA owners of each of the following:

(a) owners' equity

(b) owners' financial interest (include equity; loans and advances to the firm; guarantees on behalf of the firm; etc.)

(c) voting rights in the firm

(2) Provide the above percentages held by non-CPA owners.

(E) List of states in which the firm has a firm license, permit or registration.

14. Enclose a check for payment of \$100 application fee (*payable to: State Board of CPAs of Louisiana*).

15. All information is true, complete and correct to the best of my knowledge and belief. I confirm that the State Board of CPAs of Louisiana will be notified in writing within 30 days of changes as required by the Louisiana Accountancy Act (LAA) and Board Rules. I also confirm, as designated licensee for the firm, that the firm and its owners will comply with all LAA requirements, Board Rules and regulations.

\_\_\_\_\_  
CPA Signature of CPA Firm Designated Licensee

\_\_\_\_\_  
Date

## **Title 46 – Professional and Occupational Standards**

### **Part XIX. Certified Public Accountants**

#### **§1707. Other Responsibilities and Practices**

##### **[Item 1. Firm Name]**

###### C. Firm Name

1. The name under which a licensee practices public accounting must indicate clearly whether he is an individual practicing in his own name or a named member of a firm. If the name includes the designation "and Company" or "and Associates" or "Group" or abbreviations thereof, there must be at least two licensees involved in the practice, who may be either partners, shareholders, members or employees of the firm. However, names of one or more past partners, shareholders, or members may be included in the firm name of a successor firm.

2. A partner, member or shareholder surviving the death or withdrawal of all other partners, members or shareholders may continue to practice under the partnership or corporate name for up to two years after becoming a sole practitioner, sole member or sole shareholder.

3. A CPA firm name is misleading within the meaning of R.S. 37:83(G) if, among other things:

- a. the CPA firm name implies the existence of a corporation when the firm is not a corporation; or
- b. the CPA firm name includes the name of a person who is not a CPA and is not a past partner, shareholder, or member of the firm.

4. A firm name not consisting of the names of one or more present or former partners, members, or shareholders may not be used by a CPA firm unless such name has been approved by the board as not being false or misleading.

**[Item 7. *Affiliated Entities.* Affiliated entities for purpose of this rule refers to entities which share elements of ownership structure with a CPA firm and which offer to clients, or the public, professional services or products related to the skills associated with CPAs. Conversely, entities that offer services or products that do not relate to matters of accounting and financial reporting, tax, finance, investment advice or financial planning, management, or consultation are excluded. See excerpt below regarding Affiliated Entities.]**

###### A. Acting through Others

...2. Acting through an affiliated entity,

b. On and after January 1, 2008, a CPA firm shall not affiliate with an entity that has a similar name unless:

- i. the affiliated entity is owned in accordance with §1707.A.2.d.i; or
- ii. has been issued a firm permit by the board pursuant to §1707.A.2.d.ii; or
- iii. the CPA firm has entered into a written agreement with the board pursuant to §1707.A.2.d.ii.

c. a CPA firm seeking issuance, renewal, or reinstatement of a firm permit, to be effective on and after January 1, 2008 shall, as a condition thereof, satisfy the requirements of this Paragraph, §1707.A.2;

d. depending on the ownership structure, an affiliated entity may be required to obtain a firm permit in order to use a similar name which indicates that the CPA or CPA firm is providing services through the affiliated entity.

e. under R.S. 37:77(C), a majority of the ownership of a CPA firm (in terms of financial interests and voting rights of all partners, officers, shareholder, members, or managers) must belong to holders of valid licenses. Thus an unlicensed "holding company" cannot own a majority or 100 percent of a CPA firm. Therefore, such a "holding company" would have to apply for a CPA firm permit and qualify as such. The holding company and the CPA firm must both be registered as firms with the board even though the holding company will not directly offer services to clients. If the holding company does not otherwise meet the requirements to be licensed (e.g., the requirements that a majority ownership interest is held by licensees; the owners must be active in the firm or affiliates; and, the name must not be misleading) then such a firm structure would not be permissible.

**[Item 11.d. Peer Review – Louisiana firms that perform attest services must enroll in the LCPA administered AICPA Peer Review program; out of state firms may enroll in their state society’s administered program; or a firm may opt to enroll in the National Peer Review Program administered by the AICPA.]**

§1503. Peer Review and Practice Monitoring Programs

A. The board hereby requires firms that provide attest services, excluding engagements subject to a permanent inspection program of the Public Company Accounting Oversight Board, to participate in an approved peer review program enumerated in R.S. 37:77(G)(2)(a)(i), (ii), and (iii), and comply with the applicable requirements of that program. The purpose of this requirement is to improve the quality of financial reporting and to assure that the public can rely on the fairness of presentation of financial information on which CPA firms issue reports.

1. Each licensee or CPA firm, which performs attest services in Louisiana, shall at its own expense undergo and complete a peer review that has been accepted by the administering entity at least once each three years, and have its initial peer review in accordance with standards not less stringent than the American Institute of Certified Public Accountants (AICPA) Standards for Performing and Reporting on Peer Reviews.
2. Peer reviews shall be administered by the Society of Louisiana Certified Public Accountants (LCPA) or by another board approved administering entity or sponsoring organization, such as, a state society of CPAs, the National Peer Review Committee, or state board of accountancy program with standards substantially equivalent to the AICPA's standards.