

LD6714244

HOUSE BILL NO. 357

Offered January 20, 1994

A BILL to amend and reenact § 54.1-2007 of the Code of Virginia, relating to volunteer accounting services for nonprofit organizations.

Patron—Giesen

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:**1. That § 54.1-2007 of the Code of Virginia is amended and reenacted as follows:**

§ 54.1-2007. Prohibited acts; exception.

A. A person who does not hold a valid license issued by the Board shall not:

1. Claim to hold a valid license;

2. Practice or offer to practice public accountancy or public accounting; or

3. Make any other claim of licensure, registration, or approval related to the preparation of financial statements which is false or misleading.

B. A person who does not hold a valid certificate issued by the Board shall not claim to hold one or describe himself as or assume any of the following titles or designations: certified public accountant, CPA, public accountant, PA, certified accountant, CA, chartered accountant, licensed accountant, LA, registered accountant, RA, independent auditor or auditor.

C. A person who does not hold a valid license issued by the Board shall not claim to have used "generally accepted accounting principles," "generally accepted accounting standards," "public accountancy standards," "public accountancy principles," "generally accepted auditing principles," or "generally accepted auditing standards," in connection with his preparation of any financial statement; nor shall he use any of these terms in describing any complete or partial variation from such standards or principles or to imply complete or partial conformity with such standards or principles.

D. A person who does not hold a valid license issued by the Board shall not use the words "audit," "audit report," "independent audit," "attest," "attestation," "examine," "examination," "opinion," or "review" in a report as that term is defined in this chapter, and which expresses assurance on a financial statement.

E. A person who does not hold a valid license issued by the Board shall neither state nor imply that he is tested, competent, qualified, or proficient in financial standards established by (i) the American Institute of Certified Public Accountants or any agency thereof, (ii) the Governmental Accounting Standards Board or any agency thereof, (iii) the Securities and Exchange Commission or any agency thereof, (iv) the Financial Accounting Standards Board, or (v) any successor entity to an entity named in this subsection.

F. A person who holds a valid license issued by the Board shall not engage in the practice of public accounting under a professional or firm name or designation that contains a name or term other than past or present partners, officers, members, managers, or shareholders of the firm or of a predecessor firm; nor shall any such person engage in the practice of public accounting under a professional or firm name which is deceptive or misleading.

G. *The provisions of subsections C and D of this section shall not apply to volunteers of a private, nonprofit organization or agency sponsored or funded, in whole or in part, by a community-based citizen group or organization.*

INTRODUCED

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