

**ORDINANCE No. 65 of 19 August 1994**

**on the Organisation of the Certified Public Accountants' and Chartered Accountants'  
Practice  
(GO65/1994)**

ISSUER: THE GOVERNMENT OF ROMANIA

PUBLISHED IN THE OFFICIAL JOURNAL No. 243 of 30 August 1994

Pursuant to Article 107 (1) and (3) of Romania's Constitution and Article 1(k) of Law No. 72/1994 on empowering the Government to issue ordinances,

The Government of Romania has issued this Ordinance.

**CHAPTER 1**

**The Titles of Certified Public Accountant and Chartered Accountant**

*Article 1*

The persons upon whom this title has been conferred in keeping with the provisions of this Ordinance may practice the profession of certified public accountant and chartered accountant.

*Article 2*

The certified public accountant is the person who was awarded this title subject to this Ordinance and has the professional qualifications to examine and to appraise the organisation and management of economic-financial and accounting operations, to supervise the administration of business organisations and to verify compliance with law in the preparation of the balance sheet and of the profit and loss account.

The certified public accountant shall draft a report on his findings, conclusions, opinions and recommendations.

The certified public accountant may also organise and manage the accounting operations of companies and examine, by specific accounting procedures, their economic, financial and fiscal standing.

The certified accountant is the person who was awarded this title as provided by this Ordinance and has the expertise to keep the accounts and to prepare the balance sheet.

*Article 3*

The titles of certified public accountant and of chartered accountant shall be conferred following an examination.

*Article 4*

- (1) Any person to acquire the title of certified public accountant has to meet the following conditions:
- a) to have full capacity of exercise;

- b) to hold a degree in economics, being specialised in accountancy – finance, with a graduation diploma acknowledged by the Ministry of Education, and at least a 3-year practical experience in this profession;
- c) not to have had any conviction which, according to the law in force, leads to forfeiture of the right to manage companies;
- d) to have passed the certified public accountant examination.

(2) Upon request, the persons that belong to the academy, are university professors and lecturers, hold the title of doctor in economy, are specialists in finance and accounting, are hereby exempt to sit for the examination in order to be awarded the title of certified public accountant, provided they meet the conditions laid down in points (a) and (c).

#### *Article 5*

Any person to acquire the title of certified public accountant has to meet the following conditions:

- a) to have full capacity of exercise;
- b) to hold a degree in economics and a practical experience in accounting for at least 2 years or has graduated from an economics high school and has a practical experience for at least 4 years;
- c) not to have had any conviction which, according to the law in force, leads to forfeiture of the right to manage companies;
- d) to have passed the chartered accountant examination.

## **CHAPTER 2**

### **Exercising the Profession of Certified Public Accountant and Chartered Accountant**

#### **Section I**

#### **The Certified Public Accountant**

#### *Article 6*

The certified public accountant may perform the following services for natural and legal persons:

- a) to keep the accounts or supervises the accountancy and draws or verifies and certifies the balance sheet;
- b) to provide assistance for organising and keeping the accounts;
- c) to perform economic-financial analyses, financial-accounting audit and assets evaluation;
- d) to perform accounting surveys ordered by courts of law or by natural or legal persons, as provided by the law;
- e) to perform other financial-accounting, fiscal, administrative and related IT services;
- f) to fulfil, as provided by the law, the tasks of an censor for business organisations.

#### *Article 7*

Certified public accountants can practise their profession individually or can associate themselves and form business organisations, as provided by the law.

## *Article 8*

Companies specialised in performing accountant surveys shall meet the following conditions:

- a) their scope shall be to exercise of the profession of certified public accountant;
- b) the majority of shareholders or partners shall be certified public accountants and hold the majority stake or shares;
- c) the majority of the managing board members of the business organisation shall be elected from among the shareholders or partners who are certified public accountants by profession;
- d) the shares shall be registered shares and admission of any new partner or shareholder shall be approved by the general meeting.

## **Section II**

### **The Chartered Accountant**

## *Article 9*

The chartered accountant may perform the following services for natural and legal persons:

- a) to perform accounting services related to the economic-financial operations provided for in the contract;
- b) to draw the balance sheet;
- c) the chartered accountant with higher education degree may verify and certify the balance sheet and fulfil the tasks provided by the law for the censors appointed for companies.

## *Article 10*

Chartered accountants may practise their profession either individually or as part of the companies specialised in performing accountant surveys.

## **Section III**

### **Common Provisions Concerning Certified Public Accountants and Chartered Accountants**

## *Article 11*

Certified public accountants and chartered accountants cannot perform services for economic operators or institutions where they work as salaried employees, nor for those with which such economic operators or institutions have a contractual relationship or constitute their competition.

## *Article 12*

Certified public accountants and chartered accountants assume civil liability for their services, by taking out an insurance policy or paying a contribution to the Fund of Guarantee.

## *Article 13*

The relationship of certified public accountants, chartered accountants and specialised companies with their clients shall be based on a written contract of services, signed by both parties.

#### *Article 14*

Certified public accountants and chartered accountants receive for the services performed on an individual basis the fees established under contract or by the body that ordered the service.

The obligation to calculate and pay the tax due on the amounts paid as fees by business organisations for the services performed for them under this Ordinance lies with these business organisations. For the fees received from natural persons, the obligation to calculate and pay to the budget, according to the law, the due tax lies with the certified public accountant or the chartered accountant who performed the service on an individual basis.

### **Section IV**

#### **The Certified Public Accountants' and Chartered Accountants' Liability**

#### *Article 15*

In exercising their profession, certified public accountants and chartered accountants shall bear disciplinary, administrative, civil and criminal liability, as the case may be, according to the law.

#### *Article 16*

The disciplinary sanctions taken against certified public accountants and chartered accountants, depending on the seriousness of the infringement committed, shall be the following:

- a) reprimand;
- b) caution in writing;
- c) suspension of the right to practise as certified public accountant or chartered accountant for a period of time from three months to one year;
- d) a ban on the right to practise as certified public accountant or chartered accountant.

The cases of infringement entailing the above mentioned disciplinary measures should be set out in the internal rules of procedure.

### **CHAPTER 3**

#### **Organisation and Functioning of the Professional Body of Certified Public Accountants and Chartered Accountants**

##### **Section I**

#### **Organisation and Powers of the Professional Body of Certified Public Accountants and Chartered Accountants**

#### *Article 17*

The Professional Body of Certified Public Accountants and Chartered Accountants shall be established, as legal person of public and autonomous utility, made up of certified public accountants and chartered accountants, subject to this Ordinance, having its registered office in Bucharest municipality.

*Article 18*

The Professional Body of Certified Public Accountants and Chartered Accountants shall set up subsidiaries without legal personality in the county seats and in Bucharest municipality.

*Article 19*

The Professional Body of Certified Public Accountants and Chartered Accountants shall have the following powers:

- a) to organise examinations for granting the title of certified public accountant and chartered accountant, according to the rules drafted together with the Ministry of Finance and the Ministry of Education, approved by Government decision;
- b) to organise a record keeping system for certified public accountants, chartered accountants and specialised organisations, by registering them in the Professional Body Table;
- c) to ensure a smooth activity of the certified public accountants and chartered accountants;
- d) to draw up and publish the standards of professional and ethical conduct of certified public accountants and chartered accountants, as well as professional guidebooks in the financial-accounting field;
- e) to work out, in conjunction with governmental and nongovernmental institutions, the standards for the evaluation of business organisations, as well as of certain assets or goods owned by them;
- f) to support professional training of certified public accountants and chartered accountants;
- g) to defend the prestige and professional independence of its members in their relationships with the public authorities, specialised bodies, as well as with other artificial and natural persons in the country and from abroad;
- h) to co-operate with related professional associations in the country and from abroad;
- i) to bring out specialised publications;
- j) other powers established by law or by the Rules.

**Section II**

**The Branches of the Professional Body of Certified Public Accountants and Chartered Accountants**

*Article 20*

The profession of certified public accountant and chartered accountant may only be practised by natural and legal persons, members of the Professional Body of Certified Public Accountants and Chartered Accountants, registered in the Table. The Table shall be annually published in the Official Journal of Romania.

The Professional Body of Certified Public Accountants and Chartered Accountants shall be structured as follows:

- the section of certified public accountants, and
- the section of chartered accountants

The organisation and functioning of these sections shall be established by rules.

#### *Article 21*

The registration of the certified public accountants and chartered accountants in the Professional Body Table shall be made, at request, by the county and Bucharest municipality subsidiaries, if the applicants prove that they have complied with the conditions laid down in Article 4(a) and (c) and Article 5(a) and (c), respectively.

Any complaint against the rejection of the application for inscription in the Professional Body Table shall be filed within 30 days of the notification of the rejection and shall be dealt with by the management of the appropriate section of the Professional Body of Certified Public Accountants and Chartered Accountants within 30 days. The management of the Professional Body of Certified Public Accountants and Chartered Accountants can challenge the decisions issued by the section.

After their inscription in the table, the certified public accountants and the chartered accountants shall take the oath in writing.

The oath is worded as follows:

“I swear to fairly and impartially apply the country’s legislation, to observe the provisions of the rules of the Professional Body of Certified Public Accountants and Chartered Accountants and of the Code of ethical and professional conduct of the certified public accountants and chartered accountants, to observe professional confidentiality and to conscientiously fulfil my duties as certified public accountant (chartered accountant)”.

#### *Article 22*

The members of the Professional Body of Certified Public Accountants and Chartered Accountants shall pay a membership fee. Failure to pay this fee for a period of one year shall result in having one’s name struck off the Professional Body Table.

The same sanction applies to the certified public accountants and chartered accountants that have had a conviction like the ones laid down in Article 4 (c) or Article 5(c), or have committed other kinds of serious infringement, as laid down in the rules, as well as those who fail to pay to the state budget, within the term and in the amount provided for by law, the tax on the fees received from natural persons.

#### *Article 23*

The organisations specialised in accountant surveys, members of the Professional Body of Certified Public Accountants and Chartered Accountants, shall notify the subsidiaries of all the changes that have taken place in their partnership or shareholding structure.

#### *Article 24*

Advertising in connection with the exercise of the profession of certified public accountant and chartered accountant shall be made or shall be authorised by the Professional Body of Certified Public Accountants and Chartered Accountants, in the interest of the profession.

#### *Article 25*

The foreign natural or legal persons, who do not have their place of residence or registered office, as appropriate, in Romania, may practise as certified public accountants or chartered accountants, subject to this Ordinance, if in their country of origin they specialised in this profession, according to the terms of the bilateral agreements signed in this respect by Romania and other states, and provided they have passed the examination on the national legislation concerning the organisation and functioning of business organisations and the taxation and accounting legislation.

### **Section III**

#### **The Managing Structures of the Professional Body of Certified Public Accountants and Chartered Accountants**

#### *Article 26*

The managing structures of the Professional Body of Certified Public Accountants and Chartered Accountants are: the National Conference, the Executive Board of the Body, and the Standing Bureau of the Executive Board.

The managing structures of the subsidiaries are: the General Meeting, the subsidiary's Board and the Standing Bureau of the Subsidiary Board.

#### *Article 27*

Censors elected by the National Conference and by the General Meetings, respectively shall verify the activity of the Professional Body of Certified Public Accountants and Chartered Accountants and of its subsidiaries.

#### *Article 28*

The organisation and functioning of the Professional Body of Certified Public Accountants and Chartered Accountants shall be set out in the rules approved by the National Conference, following the opinion issued by the Ministry of Finance and the Ministry of Justice.

#### *Article 29*

The National Conference of Certified Public Accountants and Chartered Accountants shall be made up of the members of the Executive Board, the board members of the subsidiaries of the Professional Body of Certified Public Accountants and Chartered Accountants and one representative for every 50 members of each subsidiary.

The National Conference shall be duly constituted if the majority of the members provided for in paragraph (1) are present and its decisions are validly made with the vote of the majority of the members present.

The first Conference shall be formed of the presidents of the subsidiaries of the Professional Body of Certified Public Accountants and Chartered Accountants and the delegates of the certified public accountants and chartered accountants, subject to paragraph (1).

If, upon the first summoning, the required quorum is not met, the National Conference shall again be convened and shall be duly constituted if at least 40% of the number of members and representatives as laid down in paragraph (1) are present.

*Article 30*

The National Conference shall have the following powers:

- a) to work out the guidelines for a proper exercise of the profession of certified public accountant and chartered accountant;
- b) to approve the rules on the organisation and functioning of the Professional Body of Certified Public Accountants and Chartered Accountants and the Code of ethical and professional conduct of certified public accountants and chartered accountants, following the opinion issued by the Ministry of Finance and the Ministry of Justice;
- c) to approve the incomes and expenditure budget and the balance sheet/annual accounts of the Professional Body of Certified Public Accountants and Chartered Accountants;
- d) to approve the salary system for the management of the Professional Body of Certified Public Accountants and Chartered Accountants and its subsidiaries, as well as for their own staff;
- e) to elect and revoke the members of the Executive Board of the Professional Body of Certified Public Accountants and Chartered Accountants and of its Censor Commission;
- f) to fulfil any other duties as laid down in this Ordinance.

*Article 31*

The President of the Executive Board shall convene and chair the Board meetings and shall fulfil any other duties set by the Board for a proper exercise of the profession of certified public accountant and chartered accountant.

The President of the Executive Board represents the Professional Body of Certified Public Accountants and Chartered Accountants before the public authorities as well as in the relations with natural and artificial persons in the country and from abroad.

*Article 32*

A Higher Commission of Discipline functions under the Executive Board of the Professional Body of Certified Public Accountants and Chartered Accountants, being made up of five full members and five alternate members, as follows:

- a) the president, a certified public accountant, designated by the Board from among the members registered with the Professional Body of Certified Public Accountants and Chartered Accountants, who enjoys a high professional and moral standing;
- b) two members of the Executive Board, designated by it;
- c) two members, designated by the Minister of Finance.

The Higher Commission of Discipline shall apply the disciplinary measures provided for in Article 16 and deal with the complaints against the disciplinary measures decided by the Commissions of Discipline of the subsidiaries.

Any complaints against the decisions applied by the Higher Commission of Discipline shall be filed with the Executive Board of the Professional Body of Certified Public Accountants and Chartered Accountants, who shall issue a decision.



### *Article 33*

The General Meeting of subsidiaries shall be made up of members, certified public accountants and chartered accountants, who have their residence in the respective county or in Bucharest Municipality, as the case may be.

The General Meeting of the subsidiary is duly constituted if the majority of the members provided for in paragraph 1 are present and makes valid decisions if they are adopted by the majority of the members present.

If the required quorum is not met when first convened, the General Meeting shall be convened again and shall be duly constituted if at least 40% of the number of members provided for in paragraph (1) are present.

### *Article 34*

The General Meeting of the subsidiary shall have the following powers:

- a) to approve the incomes and expenditure budget of the subsidiary and its execution;
- b) to ensure a proper exercise of the profession of certified public accountant and chartered accountant locally;
- c) to elect and to revoke the board members of the subsidiaries of the Professional Body of Certified Public Accountants and Chartered Accountants and the censors;
- d) to nominate from among its members candidates for the Executive Board of the Professional Body of Certified Public Accountants and Chartered Accountants;
- e) to fulfil any other duties set by law and by the rules or decided by the Executive Board of the Professional Body of Certified Public Accountants and Chartered Accountants.

### *Article 35*

A Commission of Discipline shall function under the coordination of the board of the subsidiary, made up of five full members and five alternate members:

- a) a president designated from among the certified public accountants, members of the subsidiary, who enjoy a high professional and moral standing;
- b) two members designated by the subsidiary's board;
- c) two members designated by the Minister of Finance.

The same conditions shall apply to the designation of the alternate members.

The subsidiary's Commission of Discipline shall apply the sanctions set out in Article 16 points (a), (b) and (c).

### *Article 36*

The Professional Body of Certified Public Accountants and Chartered Accountants and its subsidiaries shall cover their expenses from incomes, which shall derive from:

- the fee received for administering the examination of certified public accountant and chartered accountant, respectively;
- the fee for registration with the Professional Body of Certified Public Accountants and Chartered Accountants;
- the membership fees, the amount of which is determined according to income levels;
- receipts from selling their own publications;

- donations;
- other incomes obtained from activities carried out by the Professional Body of Certified Public Accountants and Chartered Accountants and its subsidiaries, as laid down in the Rules. Part of the incomes obtained by subsidiaries shall be transferred to the Professional Body of Certified Public Accountants and Chartered Accountants, according to the Rules.

## **CHAPTER 4**

### **Representatives of the Ministry of Finance**

#### *Article 37*

A representative of the Ministry of Finance shall be appointed on the Executive Board and on the boards of the subsidiaries to make sure that the measures adopted by the Professional Body of Certified Public Accountants and Chartered Accountants and its subsidiaries strictly comply with the regulations in force.

#### *Article 38*

The representative of the Ministry of Finance on the Higher Council shall have the following duties:

- a) to attend the National Conference, the meetings of the Executive Board and of the Higher Commission of Discipline;
- b) to notify the Executive Board of any decisions issued by the Higher Commission of Discipline which he or she considers to be outside the law;
- c) to notify the Minister of Finance of any decisions issued by the Professional Body of Certified Public Accountants and Chartered Accountants which go against the legal provisions. The respective decisions shall become applicable only after the Minister of Finance has issued an opinion.

#### *Article 39*

The representative of the Ministry of Finance on the board of the subsidiary shall have the following duties:

- a) to attend the meetings of the board of the subsidiary, the Commission of Discipline and the subsidiary's General Meetings;
- b) to notify the Professional Body of Certified Public Accountants and Chartered Accountants of the approval or rejection of the application for registration by the boards of the subsidiaries, which he or she considers to be outside the law;
- c) to notify the Higher Commission of Discipline of any decisions of the subsidiary's Commission of Discipline which he or she considers to be outside the law;
- d) to notify the representative of the Ministry of Finance on the Executive Board of any decisions issued by the board of the subsidiary which contravene the legal provisions as well as of the cases provided for in points (b) and (c).

## **CHAPTER 5**

### **Transitional and Final Provisions**

#### *Article 40*

The persons who have the title of certified public accountant under Decree No. 79/1971 on accountant surveys and technical expert's reports shall keep this title if they meet the conditions set out in Article 4 (a) and (c).

#### *Article 41*

The General Meetings for setting up subsidiaries and the first National Conference of certified public accountants and chartered accountants shall be organised by the Ministry of Finance, within 90 days of the publication of this Ordinance in the Official Journal of Romania.

#### *Article 42*

The tasks of the General Departments of Public Finance and State Audit of the counties and of Bucharest Municipality in respect of expert evidence, accountant surveys and technical expert's reports, with reference to experts' registration and recommendation, supervising the collection and payment of their fees, according to the law, shall be transferred to the county and Bucharest municipality courts.

The General Departments of Public Finance and State Audit of the counties and of Bucharest municipality shall hand over to the county and Bucharest municipality courts, within 30 days from the establishment of the Professional Body of Certified Public Accountants and Certified Accountants, the certified public accountants' and technical experts' accounts, the technical expert's archives as well as the current works for drawing up accountant surveys and technical expert evidence, to ensure that expert evidence preparation procedures comply with the law.

For the fulfilment of the tasks set out in paragraphs 1 and 2, the courts' staffing schedules shall be supplemented by one post of specialist inspector or referent, and the staffing schedules of the Bucharest Municipality Court by three such posts.

#### *Article 43*

The General Departments of Public Finance and State Audit of the counties and of Bucharest municipality shall transfer to the accounts of the Professional Body of Certified Public Accountants and Certified Accountants subsidiaries the balance of the 10% share of the fees received for accountant surveys.

The balance of the 10% share of the fees received for expert evidence shall be transferred to the account of the Ministry of Justice – the Central Office for Expert Evidence, opened with the National Savings Bank.

#### *Article 44*

This Ordinance shall come into force on the date of its publication in the Official Journal of Romania.

On the same date the provisions on accountant surveys of Decree No. 79/1971 on accountant surveys and technical expert's reports shall be repealed. The provisions of Decree No. 79/1971 concerning technical expert's reports shall remain effective.

PRIME-MINISTER,  
NICOLAE VĂCĂROIU

Countersigned by:  
Minister of State,  
Minister of Finance,  
Florin Georgescu