

# BILL

No. 5 of 1949.

An Act to incorporate The Institute of Accredited Public Accountants of Alberta.

(Assented to , 1949.)

**W**HEREAS the members of the unincorporated association known as the Association of Accredited Public Accountants of Alberta have by resolution expressed the desire of attaining corporate status for the purposes hereinafter set out and have by resolution requested the persons hereinafter named to make application therefore; and

Whereas the said persons have prayed that an Act may be passed for such purposes; and

Whereas it is expedient to grant the prayer of the petition.

Be it therefore enacted by the Lieutenant Governor and Legislative Assembly as follows:

## SHORT TITLE.

**1.** This Act may be cited as "*The Alberta Accredited Public Accountants Act*".

## INTERPRETATION.

**2.** In this Act, unless the context otherwise requires,—

- (a) "Institute" means the Institute of Accredited Public Accountants of Alberta incorporated under authority of this Act.
- (b) "Council" means the council of the Institute established under this Act.
- (c) "By-law" means a by-law made by council under authority of this Act.
- (d) "Member" means a member of the Institute and includes certificated member of the Institute and a student member of the Institute.
- (e) "Certificate of Qualification" means a Certificate of Qualification issued to an applicant to practise as an accredited public accountant by the council under the seal of the Institute.
- (f) "Certificate of Registration" means a Certificate of license to practise as an accredited public accountant for a stated period, of unexpired date, issued by the Institute.

## INCORPORATION.

3.—(1) Roland Sladden, of Edmonton, Charles J. MacKay, of Calgary, and Arthur W. Stone of Red Deer, all in the Province of Alberta, and such other persons as may hereafter acquire membership in the Institute are hereby constituted as a body corporate under the name "The Institute of Accredited Public Accountants of Alberta" and shall have perpetual succession and a common seal, with power to acquire, hold, mortgage, lease, sell or otherwise charge or dispose of real estate and personal property for the purposes of the Institute; to borrow money for its purposes and to secure the repayment thereof by mortgage on its real and personal property; and to sue and be sued.

(2) The Institute may invest such portion of its funds as is not required for its immediate purpose in any securities specified in Section 3 of *The Trustee Act*.

## HEAD OFFICE.

4. The head office of the Institute shall be at the City of Edmonton or at such other place within the Province as the council may by by-law from time to time determine.

## OBJECT AND PURPOSES.

5. The object and purposes of the Institute are,—

- (a) to promote and increase the knowledge, skill and proficiency of its members in all things relating to the profession of public or private accountant and auditor so as to insure that all members of the Institute shall be reasonably qualified in the profession of accountancy and auditing and be persons of good character and standing;
- (b) to provide an organization for public accountants and auditors and student accountants and student auditors with a view to promoting and advancing the interests of the profession of accountancy;
- (c) to co-operate with, assist and receive assistance from any organization within Canada or elsewhere having like or similar aims and objects;
- (d) to improve the skill, knowledge and proficiency of of its members by providing facilities for study and research and by disseminating specialized knowledge and training among its members;
- (e) to do such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

## COUNCIL.

6.—(1) There shall be a council consisting of such members and including such officers as the Institute shall from time to time by by-law enact.

(2) The members thereof shall be elected by the Institute for such term and in such manner as the by-laws may provide, but in no case shall a member hold office without re-election for a longer term than until the second annual meeting following the election.

(3) A majority, or in case of an even number, one-half of the members of the Council shall constitute a quorum.

(4) The Council in addition to such other powers as may be conferred upon it by the Institute, shall have power to discipline the members of the Institute, and to suspend or expel any members of the Institute, and to suspend or expel any members thereof for failure to comply with the by-laws of the Institute, or for misconduct.

(5) Notwithstanding the provisions of subsection (4) no member shall be expelled or suspended under the provisions of that subsection, or otherwise, except under the provisions of a by-law imposing the same as a penalty for the breach thereof.

#### OFFICERS.

7.—(1) The council shall elect from among its members a President, Vice-President and Secretary-Treasurer and such additional or other offices as may be provided by by-law.

(2) Until the first annual meeting of the members of the Institute the council shall be composed of the said Roland Sladden, who shall be President, the said Charles J. MacKay, who shall be Vice-President, the said Arthur W. Stone, who shall be Secretary-Treasurer.

(3) At the first annual meeting which shall be held not later than three months after this Act comes into force and at each such annual meeting thereafter the members of the Council shall be elected by ballot and shall continue in office until their successors are elected.

(4) When a vacancy occurs in the Council from any cause, the Council shall appoint any registered member of the Institute to fill the vacancy until the next annual meeting of the Institute.

#### BY-LAWS.

8.—(1) The Council may make by-laws for carrying out the objects and purposes of the Institute and without limiting the generality of the foregoing, may by such by-laws provide,—

- (a) the terms and conditions under which persons shall be admitted to the Institute, either as members or student members;
- (b) the government and discipline of its members;
- (c) the management and administration of the Institute's property and affairs and the powers and duties of its officers;

- (d) the maintenance of the Institute by levying contributions or otherwise;
  - (e) the payment of fees by applicants for registration and the payment of fees and assessments by the members of the Institute;
  - (f) the discipline, suspension and expulsion of its members;
  - (g) the curriculum and course of study to be pursued by student members;
  - (h) the appointment of examiners, the defining of their duties and the fixing of their remuneration;
  - (i) the procedure to be adopted at meetings of the members and of the Council;
  - (j) for all such other matters and things as may be deemed necessary or convenient for the working and management of the Institute;
  - (k) for affiliation with any other body, corporate or unincorporate, having objects similar to those of the Institute.
- (2) All such by-laws or amendments thereto, before becoming effective, shall be ratified by the Institute in general meeting.

#### MEMBERSHIP.

**9.** Membership in the Institute shall be of two classes, namely, certificated membership and student membership.

#### CERTIFICATED MEMBERS.

**10.** A certificated member of the Institute shall be known and styled as an "Accredited Public Accountant" and may use and affix to his name the words "Accredited Public Accountant" or the initials thereof "A.P.A.".

#### STUDENT MEMBERS.

**11.** A student member shall be entitled to such privileges and rights and be subject to such obligations in the Association as the by-laws may from time to time provide; but no student member shall be entitled to vote at a meeting of the Institute.

#### QUALIFICATIONS FOR MEMBERSHIP.

**13.—(1)** Under such terms and condition as the Council may by by-law prescribe, certificated membership in the Institute shall be open to,—

- (a) any resident of the Province of Alberta who is an Accredited Member in good standing of the Association known as "The Institute of Accredited Public Accountants" incorporated by Charter of the Dominion of Canada;

- (b) any resident of the Province of Alberta who has practised as a public accountant for a period of five years and who is a member in good standing of any association of accountants and auditors incorporated by or under authority of an Act of the Parliament Canada or of the legislature of any of the Provinces of Canada, the qualifications for membership in which are in the opinion of the Council equivalent to those established for the Institute;
  - (c) any person of the full age of twenty-one years who is a graduate of a recognized school of accountancy and has successfully passed the examinations prescribed by the Council and who has satisfied the Council that he has either:
    - (i) held himself out as a public accountant in full-time practice for a period of five years; or
    - (ii) served for one year as a clerk or assistant to a full-time practising accredited public accountant or to any member in good standing of any Association of Accountants and Auditors incorporated by or under the authority of any Act of Parliament of Canada or of any of the Legislatures of any of the Provinces of Canada.
- (2) Student membership in the Institute shall be open to such persons as the Council may determine and under such terms and conditions as the by-laws may prescribe.

#### APPLICATION FOR MEMBERSHIP.

**13.**—(1) Application for admission to membership shall be made on the forms prescribed by the Council and shall be in writing and signed by the applicant and by two members of the Institute in good standing, or be accompanied by two letters of recommendation from reputable business men or business firms.

(2) Every application for student membership shall be accompanied by,—

- (a) documentary evidence of educational qualifications,
- (b) the entrance and annual membership fee, which will be refunded should the applicant not be accepted; and
- (c) evidence of good character.

(3) Notwithstanding any other provision the Council may approve applications for examination from persons who, whilst lacking academic standing, are in the opinion of the Council qualified to take such examinations by virtue of their business experience, qualifications and character.

(4) Every such applicant who qualifies on an examination set by or under the authority of the Council and is accepted by the Council shall be granted a Certificate of Qualification.

(5) The holder of a Certificate of Qualification shall, upon presentation thereof, accompanied by payment of the prescribed fee to the Registrar of the Institute, be granted a Certificate of Registration.

#### EXAMINATIONS.

**14.** The Council may prescribe and determine or may authorize the General Faculty Council of the University of Alberta or such other authority as the Council may decide to prescribe and determine,—

- (a) the course or courses of study to be followed and the subject or subjects of examination to be taken by applicants for admission to practise;
- (b) the schools or college whose graduates may be admitted for examinations to qualify.

#### THE REGISTER.

**15.—(1)** The Council shall cause to be kept by one of its officers a register in which shall be entered the names of all certificated members of the Institute in good standing and those persons only whose names are entered in the Register shall be entitled to the privileges of a certificated membership in the Institute.

(2) All Certificates issued by the Registrar shall be numbered consecutively.

(3) The Register shall be *prima facie* evidence in all courts in the Province that the persons whose names are entered therein are certificated members of the Institute in good standing and the absence of the name of any person from such Register shall be *prima facie* evidence that such person is not a certificated member of the Institute.

(4) The Certificate of Registration of any member who is in default in payment of his annual fee for a period of sixty days may be revoked, provided that the certificate may be re-issued at any time within one year after revocation upon payment of the annual fee and a further sum of \$10.00.

#### MEMBERSHIP FEES AND ASSESSMENTS.

**16.—(1)** The Council may fix an entrance fee and an annual fee to be paid by members of each class and may from time to time vary the amount of such fees.

(2) The Council may from time to time fix such special assessments as it may deem necessary or advisable to be paid by members of any class but no such assessment shall be recoverable until confirmed by a vote of the members at an annual or at a special general meeting called for the purpose.

(3) All fees and assessments fixed by the Council under authority of this Act may be recovered as debts due to the Institute.

## DISCIPLINE.

**17.**—(1) The Council may, in its discretion, suspend or dismiss from the Institute any member thereof whom they find guilty of improper conduct, contravention of the by-laws of the Institute or incompetency but the Council shall not take action until a complaint, verified by statutory declaration, has been filed with the registrar of the Institute and a copy thereof forwarded to the accused member; nor shall such member be suspended or dismissed without first being summoned to appear before the Council in order to be heard in his own defence; nor shall the Council suspend or dismiss such member without having heard the evidence under oath, which oath the chairman of the Council, or person acting in his absence is empowered to administer, in support of the complaint and on behalf of the accused member, in case such member wishes to be heard.

(2) The Council shall, in respect of all investigations held under this Act, have full power to compel the attendance of witnesses and the production of any documents or writings, and for that purpose the Council may cause witness-summoneses to be issued under the hand of the chairman or acting chairman of the Council requiring the person named therein to attend to give evidence or to produce any documents or writings specified therein, or both; and any person who, having been personally served with a copy of such summons and provided with reasonable conduct money, neglects to comply therewith, shall be guilty of an offence and liable upon summary conviction to a fine not exceeding fifty dollars.

(3) All evidence offered by the complainant and the accused member shall be taken down in shorthand by a competent stenographer.

(4) Any member suspended or dismissed from the Institute may, within fourteen days after the date of the order or resolution of suspension or dismissal is made, or within such further time as a judge of the Supreme Court of Alberta may order, appeal to a Judge of said Court against the order or resolution by giving one week's notice in writing to the Council.

(5) A copy of the evidence taken at the hearing before the Council shall, on the request of the appellant, be filed with the Clerk of the Court for the Judicial District in which the appellant resides, and the judge may on the appeal make such order or direction and as to costs, as the justice of the case may require.

## LIABILITY OF MEMBERS.

**18.** No member shall be liable for any debts of the Institute beyond the amount of his unpaid fees and assessments

**PROHIBITION.**

**19.**—(1) No person unless he is a certified member of the Institute and registered as such may take or use the designation “Accredited Public Accountant”, or the initials “A.P.A.”, either alone or in combination with any other word or words, or any name, title or description implying that he is an accredited public accountant.

(2) Nothing in this Act contained shall affect or interfere with the right of any person who is not a member to practise as an accountant or auditor in the Province.

**PENALTY.**

**20.**—(1) An person who contravenes any of the provisions of Section 19 of this Act shall be liable on Summary Conviction for every such contravention to a penalty not exceeding one hundred dollars.

(2) Penalties recovered under authority of this Act shall be paid over immediately upon recovery thereof by the convicting justice to the Institute.

**21.** This Act shall come into force on the day upon which it is assented to.



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FIRST SESSION  
**ELEVENTH LEGISLATURE**  
13 GEORGE VI  
1949

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**BILL**

An Act to incorporate The Institute  
of Accredited Public Account-  
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Received and read the

First time .....

Second time.....

Third time.....

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MR. BAKER.

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