

No. 2

5th Session, 13th Legislature, Alberta
7 Elizabeth II, 1959

BILL 2

A Bill to Incorporate the Certified Public Accountants
Association of Alberta

MR. DIXON

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Edmonton, Alberta, 1959

Explanatory Note

The purpose of this Bill is to incorporate the Certified Public Accountants Association of Alberta with the objects, powers and functions set out herein.

BILL

No. 2 of 1959

An Act to Incorporate the Certified Public Accountants Association of Alberta

(Assented to , 1959)

WHEREAS Donald M. Chisholm, Peter M. Kule, Frank Leah, John R. Peach, all of Edmonton, Alberta; E. Burritt Allan, Gordon R. Ball, Kenneth D. Langley, all of Calgary, Alberta; have, by their petition, represented that they are desirous of being incorporated under the name "The Certified Public Accountants Association of Alberta", with the objects and purposes hereinafter set out;

Preamble

And whereas it is deemed expedient to grant the prayer in the said petition;

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Alberta enacts as follows:

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

Short title

2. In this Act,

- (a) "Association" means the Certified Public Accountants Association of Alberta;
- (b) "Appraisal Board" means the Certified Public Accountants Experience Appraisal Board appointed by the Lieutenant Governor in Council pursuant to the provisions of this Act;
- (c) "Board" means Board of Governors of the Association as constituted pursuant to section 9;
- (d) "General Faculty Council" means the General Faculty Council of the University of Alberta;
- (e) "Minister" means that member of the Executive Council charged for the time being by the Lieutenant Governor in Council with the administration of this Act.

Interpretation
"Association"

"Appraisal Board"

"Board"

"General Faculty Council"

"Minister"

3. The persons named in the preamble, together with such other persons as may hereafter become members of the Association are hereby constituted a body corporate and politic under the name "The Certified Public Accountants Association of Alberta".

Incorporation

- Head office** **4.** The head office of the Association shall be in the Province of Alberta at such place as may be determined by by-law.
- Powers as to land, etc.** **5.** The Association may by resolution of the Board,
 (a) purchase or otherwise acquire land,
 (b) erect on land held by it or acquire buildings, whether or not necessary for the use and occupation of the Association or for carrying on its undertakings, and lease any part of such buildings,
 (c) hold, mortgage, charge, lease, dispose of, sell, alienate or convey any property whether real or personal,
 (d) borrow money upon the credit of the Association, issue bonds, debentures and debenture stock or other securities and pledge or sell such bonds, debentures, debenture stock or other securities.
- Objects** **6.** The general objects of the Association shall be
 (a) to provide means and facilities for the training of students desirous of becoming certified public accountants,
 (b) to promote means and facilities for the improvement of the knowledge and skill of its members,
 (c) to regulate the professional conduct of its members and students and to maintain appropriate disciplinary control thereof,
 (d) to promote and protect the welfare of the Association, of its members and students and of the accountancy profession.
- Lectures and classes** **7.** The Association may establish and maintain classes, lectures, and courses of study, and may enter into agreements with the governing body of any university in Canada for the provision of such courses of study.
- Benevolent fund** **8.** The Association may establish and administer a benevolent fund for the benefit of any members or the families of deceased members who may require financial assistance and for that purpose may make and receive contributions and donations.
- Board of Governors** **9.** (1) The affairs and business of the Association shall be managed and controlled by a Board of Governors consisting of not less than five and not more than fifteen members as from time to time prescribed by by-law, and the persons named in the preamble of this Act shall be the officers and governors of the Association until others, under this Act, are elected or appointed to fill their places.
 (2) The members of the Board shall hold office for such term as may be fixed by by-law.
 (3) When a vacancy occurs in the membership of the Board from any cause, the Board may appoint some other member of the Association to fill the vacancy.

(4) The Board shall elect from its members a president and one or more vice-presidents and shall appoint a secretary and a treasurer or a secretary-treasurer and such other officers of the Association as the by-laws of the Association may provide.

10. (1) The Board may pass by-laws for the carrying out of the objects of the Association, and may repeal and amend such by-laws, but every by-law, and every repeal and amendment thereof unless in the meantime confirmed at a general meeting of members duly called for that purpose shall be effective only until the next annual meeting of members unless confirmed thereat, and in default of confirmation thereof shall cease to have effect at and from that time and in that case no new by-law of the same or like substance shall have any effect until confirmed at a general meeting of members. By-laws

(2) Without limiting the generality of subsection (1) the Board may pass by-laws,

- (a) to prescribe standards and tests of competency, fitness and moral character for the registration of students, and for membership in the Association,
- (b) to prescribe fees payable to the Association by students and members,
- (c) to provide for the establishment and maintenance of classes, lectures, courses of study and means of practical training,
- (d) to provide for conducting examinations and to define the subjects and standards thereof,
- (e) to provide rules of professional conduct and to provide for the exercise of disciplinary control over members and students of the Association by expulsion, suspension or the imposition of any other penalty, after due inquiry,
- (f) to provide for affiliation with any university in Canada,
- (g) to govern the election of members of the Board and to fix the procedure to be adopted at meetings.

(3) Any by-law may be annulled by the Lieutenant Governor in Council.

11. (1) The first regular meeting of the Association shall be held during the year 1959 at such time and place and upon such notice as the Board may decide. Meetings

(2) Subsequent regular general meetings shall be held as the by-laws of the Association may provide, but at least once in each calendar year.

12. The following persons may be admitted to membership: Membership

- (a) registered students of the Association whose qualifications and fitness are approved by the Board and who have met the requirements of practical training and have passed the prescribed final examination;
- (b) members of any corporation or association having objects and standards similar to those of the Association, under such conditions as the Board shall deem proper.

Qualifications for membership

13. (1) A candidate for admission to membership in the Association who satisfies the General Faculty Council that his educational qualifications at the time they were acquired were at least the equivalent to those required for admission to membership in the Association at that time shall be deemed to have satisfactory educational qualifications for admission to membership in the Association.

(2) The General Faculty Council may, if it deems it necessary or desirable to do so, require a candidate for admission to membership who cannot furnish satisfactory credentials under subsection (1) to pass such examination or examinations as the said General Faculty Council may prescribe.

Certificate

(3) The General Faculty Council shall issue a certificate certifying compliance with subsection (1) to a candidate who has satisfied the General Faculty Council as to his educational qualifications under that subsection.

(4) The General Faculty Council may prescribe the completion of such courses and the passing of such examinations as it deems necessary by a candidate for admission to membership in the Association whose educational qualifications are not deemed adequate under the provisions of subsection (1) in order that the candidate may thereafter establish the adequacy of his educational qualifications.

Certified Public Accountants Experience Appraisal Board

14. (1) There shall be a board known as the Certified Public Accountants Experience Appraisal Board which shall be composed of three members:

- (a) one of whom shall be recommended by the Association;
- (b) one of whom shall be recommended by the General Faculty Council and who shall be a person other than a member of the Association;
- (c) one of whom shall be recommended by the Minister.

(2) The Appraisal Board shall be appointed and hold office during the pleasure of the Lieutenant Governor in Council.

(3) The Lieutenant Governor in Council may appoint a member of the Appraisal Board to be chairman of the Appraisal Board and may also appoint a secretary of the Appraisal Board.

(4) The duties of the Appraisal Board shall be to adjudge the practical experience of a person seeking admission to membership in the Association who has not fulfilled the requirements of section 12.

(5) The Appraisal Board shall issue a certificate to a person who, in its opinion, possesses the necessary training and practical experience to permit him to practise as a Certified Public Accountant under this Act and such person shall apply to the General Faculty Council for approval of his educational qualifications in accordance with section 13.

Certificate
to practise
as Certified
Public
Accountant

15. Any person who:

- (a) produces a certificate from the General Faculty Council pursuant to section 13; and
- (b) produces a certificate from the Appraisal Board as to his fulfilment of the requirements of section 14; and
- (c) is a Canadian citizen or, if not, who has filed a declaration of intention under the *Canadian Citizenship Act*; and
- (d) is of the full age of twenty-one years; and
- (e) has shown himself to be of good character and reputation; and
- (f) has satisfied the secretary of the Association that his name has not been removed for cause from the register of any certified public accountants association, society or college or any similar body in Canada or elsewhere; and
- (g) pays the prescribed fees;

Membership
in Associ-
ation

shall be admitted as a member of the Association.

16. (1) The Board shall cause the secretary or other officers to keep a register in which shall be entered in alphabetical order the names of all members in good standing and only the persons whose names are inscribed in the register shall be deemed entitled to the privilege of membership in the Association.

Membership
register

(2) The register shall at all times be open to inspection by any person free of charge.

(3) The register, or a copy thereof duly certified by the secretary or registrar, is *prima facie* proof in all courts and before all persons that the persons therein specified are members of the Association in good standing.

(4) The absence of the name of a person from the register is *prima facie* proof that such person is not a member of the Association.

17. (1) Any three members of the Board thereunto authorized in accordance with the rules and regulations of the Association shall constitute an investigating committee, which may

Investigating
committee

- (a) investigate whether a member of the Association has been guilty of
 - (i) professional misconduct,
 - (ii) conduct unbecoming to a certified public accountant, or
 - (iii) a violation of the rules or by-laws of the Association,
 and
- (b) report thereon to the Board as hereinafter provided.

(2) Notwithstanding that he is no longer a member of the Board, a member of an investigating committee may continue to act as such for the purpose of completing and reporting on any matter begun while he was a member of the Board and acting as a member of the investigating committee.

"professional misconduct"

(3) "Professional misconduct" or "conduct unbecoming to a certified public accountant", within the meaning of this section, is a question of fact for the sole and final determination of the Board, and any matter, conduct or thing that in the judgment of the Board

- (a) is inimical to the best interests of the public or the profession, or
 - (b) tends to harm the standing of the profession,
- shall be deemed to be professional misconduct or conduct unbecoming to a certified public accountant.

Investigation of conduct

18. (1) At least ten days' notice in writing of the intention to make an investigation shall be given by the secretary of the Association to the member whose conduct it is proposed to investigate, and the notice

- (a) shall specify in general terms the matter to be investigated and the time and place at which the investigation will be held, and
- (b) shall be served upon him either personally or by being enclosed in a sealed registered envelope addressed and mailed to him at his latest post office address as shown on the books of the Association.

(2) A notice served by post shall be deemed to be served on the day on which it would in due course of post reach the address to which it is directed.

(3) Notwithstanding anything contained in this section, the investigating committee may investigate any matter or thing that arises in the course of an investigation and that might form the subject matter of a charge or complaint against the member of the Association whose conduct is being investigated although the matter or thing was not mentioned in the notice.

Evidence before investigating committee

19. (1) Evidence may be adduced before the investigating committee either by affidavit or *vive voce*, or both, as the committee may determine.

(2) Any member of an investigating committee while acting as such may administer an oath for the purpose of the investigation.

(3) The attendance of witnesses before an investigating committee and the production of books, papers and other documents may be enforced by a notice requiring the witness to attend and issued under the hand of the secretary and the seal of the Association and stating the time and place at which the witness is to attend and the documents, if any, that he is required to produce.

(4) Upon the written request of the member whose conduct is being investigated, or of his solicitor or agent, the secretary shall without charge issue and deliver to the member such notices as he may require for the attendance of witnesses or production of documents.

(5) A witness other than the member whose conduct is being investigated who is served with a notice to attend or for the production of documents is entitled to demand and to be paid the usual fees payable to witnesses in an action in the Trial Division of the Supreme Court.

(6) A witness

- (a) who fails to attend before an investigating committee in obedience to a notice,
- (b) who fails to produce any books, papers or other documents,
- (c) who fails in any way to comply with the notice, or
- (d) who refuses to be sworn or to answer any question allowed by an investigating committee,

is upon application to a judge of the Supreme Court liable to attachment and may be punished as for contempt of court, and where the witness is the member whose conduct is being investigated, his failure or refusal is professional misconduct or conduct unbecoming a certified public accountant within the meaning of section 17.

20. (1) An investigating committee is not bound by the rules of evidence applying in actions or proceedings in courts of justice but on the contrary may proceed to ascertain the facts in such manner as it deems proper. Procedure
of inves-
tigating
committee

(2) If the member whose conduct is being investigated fails to attend the investigation in accordance with the notice mentioned in section 18, the investigating committee, upon proof of the service of such notice, may

- (a) proceed with the investigation in the absence of the member, and
- (b) act and report upon the matter being investigated in the same way as though the member were in attendance at the investigation.

(3) The investigating committee shall, after the investigation, report in writing to the Board whether or not in its opinion the member has been guilty of

- (a) professional misconduct,
 - (b) conduct unbecoming to a certified public accountant, or
 - (c) a violation of the rules or by-laws of the Association,
- and shall forward the report to the secretary of the Association with a copy of the evidence and a record of the proceedings before the committee.

Board
orders

21. (1) The Board shall at its next meeting consider the report and may

- (a) declare whether the member whose conduct has been investigated has or has not been guilty of professional misconduct, conduct unbecoming to a certified public accountant, or a violation of the rules or by-laws of the Association, or
 - (b) order that the matter be referred back to the same or any other investigating committee or be adjourned for further consideration by the Board.
- (2) If the member is declared to have been guilty of professional misconduct or conduct unbecoming to a certified public accountant or of a violation of the rules or by-laws of the Association, the Board
- (a) may order that the member so declared guilty be suspended for such period as the Board may consider proper, or be expelled from the Association, or be reprimanded, and
 - (b) may order that the member so declared guilty pay, in addition to or in lieu of any such suspension or reprimand, a sum of not more than three hundred dollars to the funds of the Association within a time to be fixed by the order, and may also order that in default of payment of such sum within the time for payment thereof the member be suspended until the sum has been paid.

Assistance

22. The Board and any investigating committee may, for the purpose of the execution of their respective duties under this Act, employ legal or other assistance at the expense of the Association, and the member whose conduct is being investigated has the right to appear in person or by counsel or agent before the investigating committee and Board, or either of them.

Suspension
or expulsion
of member

23. The Board may without notice and on proof of the conviction suspend from practising or expel from the Association any member who has been convicted of an offence punishable under the *Criminal Code*.

Restoration
of membership,
etc.

24. The Board has power in its discretion to restore to membership a member who has been expelled, or to remit a penalty imposed by the Board.

25. (1) A member suspended or expelled from the Association may appeal from the decision of the Board to a judge of the Supreme Court of Alberta at any time within fourteen days after the date of the order or the resolution of suspension or expulsion, or within such further time as a judge of the Supreme Court of Alberta may order.

Appeal from
suspension
or expulsion

(2) On the request of the appellant a copy of the evidence taken at the hearing before the Board shall be filed with the clerk of the court for the judicial district in which the appellant resides.

(3) The judge on the appeal may make such order or direction on the merits of the case and as to costs as he considers just.

26. The Board may institute or authorize any proceedings under this Act.

Proceedings
under Act

27. (1) Every member of the Association shall have the right to use the designation "Certified Public Accountant" and may also use after his name the initials "C.P.A." indicating that he is a "Certified Public Accountant", and no person shall be entitled to take or use the designation "Certified Public Accountant" or the initials "C.P.A.", or any name, title or description implying that he is a member of the Association unless he is a member in good standing and registered as such.

Right to
use name
"Certified
Public
Accountant"

(2) Any person who contravenes the provisions of subsection (1) is guilty of an offence and liable on summary conviction to a fine not exceeding fifty dollars for each offence.

28. Any profits derived from carrying on the affairs and business of the Association shall be devoted and applied solely in promoting and carrying out its objects and purposes and shall not be divided among its members.

Application
of profit

29. The secretary-treasurer or the secretary and the treasurer may be paid such remuneration as may be fixed from time to time by the Board.

Remuner-
ation of
secretary-
treasurer

30. Nothing in this Act affects or interferes with the right of a person not a member of the Association to practise as an accountant in Alberta, or with the right of a person not residing or having an office within Alberta to use any designation as an accountant.

Right to
practise
as an
accountant

31. If a person ceases for any cause whatever to be a member of the Association, he shall not, nor his representatives, have any interest in or claim against the funds and property of the Association because or by reason of his membership in the Association, provided, however, that this section shall not apply to the benevolent fund referred to in section 8.

Person
ceasing to be
a member

32. This Act comes into force on the day upon which it is assented to.

Coming
into force

No. 2

FIFTH SESSION

THIRTEENTH LEGISLATURE

7 ELIZABETH II

1959

BILL

An Act to Incorporate the Certified
Public Accountants Association
of Alberta

Received and read the

First time.....

Second time.....

Third time.....

MR. DIXON
