Accountants (Certified General) Act

Bylaws

Code of Ethical Principles and Rules of Conduct

Independence Standard

Public Practice Policies and Providing Voluntary Services

THE ACT IS THE GOVERNING LEGISLATION FOR CGA-BC. The Association was originally incorporated in 1951 and the Act has been amended subsequently. The provincial Ministry of Advanced Education administers the Act. Provisions of the Act include the structure and legal capacity of the Association, governance, the right to use the designation and protection of the public.

If you have any questions about the Act, please contact Edward Tanaka – Manager, Regulatory Practices.

AS AT SEPTEMBER 22, 2012

CGA®
Certified General
Accountants Association
of British Columbia

Accountant (Certified General) Act
[RSBC 1996] Chapter 2

Association continued as a corporation

1 The corporation known as The Certified General Accountants Association of British Columbia is continued.

Head office

2 The head office of the association must be at the City of Vancouver or at a place in British Columbia as may be determined by bylaw.

Chapters and branches

3 The association may establish chapters or branches in various centres within British Columbia for the social and educational welfare of its members and students, with the powers as may be determined by bylaw.

Legal capacity

4 For the purposes of this Act, the association has the powers and capacity of a natural person.

Objects of the association

5 The objects of the association are as follows:

(a) to provide means and facilities by which its members may increase their knowledge, skill and proficiency in all things relating to the business or profession of an accountant or an auditor;

(b) to hold examinations and establish tests of competency to qualify for admission to membership;

(c) to discipline a member guilty of default or misconduct in the practice of the member's business or profession;

(d) to establish and enforce standards of professional conduct, competence and proficiency to be maintained by its members and students;

(e) to represent the interests of its members and students.

Lectures and classes

6 The association may establish lectures and classes for students, or enter into agreement with the governing body of The University of British Columbia, or its affiliates, or a college in British Columbia, or with a body of accountants incorporated by Act of the government of Canada or of

a province, for the attendance of students at lectures, classes and correspondence courses that come within the course of subjects specified by the bylaws of the association.

Benevolent fund

7 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.

Affiliations

8 The association may enter into contracts, in accordance with the bylaws of the association, to affiliate with any body or bodies of accountants incorporated by Act of the government of Canada or of a province for the mutual benefit of its members and the establishment of uniform qualifications or examinations.

Board of Governors

9 (1) The affairs and business of the association must be managed and controlled by a board known as the Board of Governors consisting of

(a) not less than 15 and not more than 21 members elected by and from the members of the association, and

(b) one member who is not a member of the association, the Institute of Chartered Accountants of British Columbia or the Society of Management Accountants of British Columbia, appointed during pleasure by the Lieutenant Governor in Council, to represent the general public.

(2) The elected members of the board hold office for a term set by bylaw.

(3) If a vacancy occurs in the elected membership of the board, the board must appoint some other member of the association to fill the vacancy.

(4) The board must

(a) elect from its members a president, a first and second vice president, and

(b) appoint a secretary treasurer, or a secretary and a treasurer, who need not be a member of the board.

General meetings

10 (1) General meetings must be held as the bylaws of the association may provide, but at least once in each calendar year.

(2) At any general or special meeting, members may be represented and vote by proxy, but

(a) a proxy must not be exercised by a person who is not a member of the association, and

(b) the proxy must be exercised in accordance with the bylaws on voting and proxies.

Bylaws

11 (1) In this section and in sections 11.1 and 11.2, **"limited liability partnership"** means a partnership registered as a limited liability partnership under Part 6 of the *Partnership Act*.

(1.1) The objects and powers of the association must be carried out and exercised under bylaws and resolutions passed by the board, but every bylaw, unless in the meantime confirmed at a special meeting called for the purpose of considering it, has force only until the next general meeting, and in default of confirmation at that time ceases to have force.

(2) A bylaw passed by the board may be repealed, amended, varied or otherwise dealt with by the association, at any general meeting or at a special meeting called for the purpose.

(3) The board may pass bylaws as follows:

(a) to establish a curriculum and the courses of studies to be pursued by students, and the subjects upon which students and candidates for admission as members must be examined;

(b) for granting certificates to students and candidates who have successfully passed the examinations;

(c) for the appointment of examiners for the purpose of ascertaining and reporting on the qualifications of candidates for membership and students;

(d) for defining examiners' duties and fixing their remuneration;

(e) regulating and governing the conduct of the association's members in the practice of their business or profession, including the suspension or expulsion of any member for misconduct or violation of the rules or bylaws of the association;

(f) respecting investigation and discipline of a current or former member or a student;

(g) governing the manner and method of practice of the association's members;

(h) respecting the investigation through inspection, by a person designated by the board, of the association's members' offices and books, accounts and other records, of the practice methods and procedures of any member or class of members;

(i) requiring members to submit to the inspections;

(j) establishing standards of professional conduct, competency and proficiency to be maintained by the association's members and students;

(k) providing for periodic review of the qualifications and competency of its members and students and for their optional or compulsory training or continuing education;

(l) setting the annual dues and fees, levies or incidental charges to be paid by candidates, members or students as may be necessary to implement the objectives in section 5;

(m) governing the election of members of the board and setting the procedure to be adopted at meetings;

(n) respecting the establishment and composition of committees, which may include persons who are not members of the association, and an executive committee of the board and the powers, duties and functions of these committees to implement the objectives in section 5;

(o) respecting appeals to the board from a decision or order of a committee;

(p) respecting inquiries into the conduct of a current or former member or a student;

(q) respecting the establishment of a panel under section 20;

(r) respecting the conduct of a practice review under section 20;

(s) respecting insurance against professional liability claims including requirements that members maintain this insurance, provisions for the exemption of a member or class of membership from some or all of these requirements, minimum coverage and provisions that empower the association to act as agent for its members in obtaining insurance;

(t) establishing fees for insurance against professional liability claims including provisions exempting a member or class of membership from payment of all or part of the insurance fee;

(t.1) granting authorization to members to provide accounting services to the public through limited liability partnerships;

(t.2) prerequisites, conditions, limitations and requirements for members to provide accounting services to the public through limited liability partnerships;

(u) generally for the better carrying out of the purposes of this Act.

(4) A bylaw may be annulled by the Lieutenant Governor in Council.

Liability not affected by practice through limited liability partnerships

11.1 The civil liability for professional negligence of a member is not affected by the fact that the member is providing accounting services through a limited liability partnership.

Application of Act not affected by practice through limited liability partnerships

11.2 A member's relationship to a limited liability partnership as a partner, employee or contractor of the limited liability partnership does not affect, modify or diminish the application to the member of this Act or the bylaws.

Right to examination on application

12 A person over 19 years of age and of good moral character residing in British Columbia, who has taken the course of studies specified by the board, on making written application to the board before the holding of the examination for admission to membership and on paying the specified examination fees, has the right to try the examination.

Admission as member

13 The following persons must be admitted to membership in the association:

(a) members of any incorporated association or body of accountants or auditors with objects and purposes similar to those of the association, under conditions the board considers proper, and in compliance with the conditions of membership set out in the bylaws of the association;

(b) students and candidates who have passed the specified examination, and who comply with the conditions of membership set out in the bylaws of the association;

(c) persons who are entitled under the *Labour Mobility Act* to be admitted to membership in the association.

Right to use name "C.G.A."

14 (1) A member of the association may use the designation "certified general accountant", and may use after the member's name the initials "C.G.A.", indicating that the member is a certified general accountant.

(2) A person must not

(a) use or display the designation "certified general accountant" or the initials "C.G.A.", alone or in combination with any other word, name, title, initial, letter or description, or

(b) imply, suggest or hold out that the person is a certified general accountant

unless the person is a registered member in good standing of the association.

(3) A person must not imply, suggest or hold out that the person is an accredited public accountant or use or display the designation "accredited public accountant" or the initials "A.P.A." signifying that designation.

(4) A person must not imply, suggest or hold out that the person is a certified public accountant or a certified public auditor or use or display the designation "certified public accountant" or "certified public auditor" or the initials "C.P.A." signifying that designation unless

(a) the person is a member in good standing of the association,

(b) the designation or initials are used or displayed together with and follow the designation "Certified General Accountant" or the initials "C.G.A.",

(c) the use or display is accompanied by the name of the jurisdiction where the designation "certified public accountant" or "certified public auditor" or the initials "C.P.A." were granted, and

(d) the jurisdiction where the designation "certified public accountant" or "certified public auditor" or the initials "C.P.A." were granted authorizes the person to use and display them in that jurisdiction.

(5) This section does not apply to the use or display of a designation or initials as provided for by section 17 of the *Accountants (Chartered) Act*.

Right to practise

15 This Act does not affect or interfere with the right of a person not a member of the association to practise as an accountant or auditor in British Columbia.

Register

16 (1) The secretary treasurer or secretary must keep a register in which must be entered in alphabetical order the names of all members in good standing.

(2) Only those members whose names are entered in the register are entitled to the privileges of membership.

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

Application of profit

17 Any surplus derived from carrying on the affairs and business of the association must be devoted and applied only in promoting and carrying out its objects and purposes, and must not be divided among its members.

Remuneration of secretary treasurer

18 The secretary treasurer or the secretary and treasurer may be paid that remuneration set by the board.

Membership ceasing

19 If for any reason a person ceases to be a member of the association, the person and the person's representatives have no interest in or claim against the funds and property of the association because of the person's membership in the association.

Investigation and practice review

20 (1) An officer, committee or panel of the association or a person designated by the board may

(a) investigate the conduct of a current or former member or a student to determine whether grounds exist for disciplinary action against that person under section 23, and

(b) conduct a practice review of a member by inspecting the member's professional practice for the purpose of identifying deficiencies in the practice, competence or conduct of the member.

(2) If the officer, committee, panel or person referred to in subsection (1) is satisfied on reasonable and probable grounds that a current member, former member or student possesses any information, record or thing which is relevant to an investigation of a current or former member or a student or a practice review of a member, the officer, committee, panel or person may make a written request to the current member, former member or student requiring that person to answer inquiries of the officer, committee, panel or person

relating to the investigation or practice review and to produce to the officer, committee, panel or person the record or thing for examination.

(3) If a request is made under subsection (2), the current member, former member or student must comply with the request.

(4) If a current member, former member or student who receives a request under subsection (2) refuses or neglects to promptly comply with the request, the association may apply to the Supreme Court for an order requiring the person to comply.

(5) The Supreme Court, on being satisfied that a person has contravened subsection (3), may order that the person comply with the request and may impose requirements as to time and manner of compliance.

(6) A person must not refuse to comply with this section on the grounds of confidentiality.

Court ordered production

21 On application by the association to the Supreme Court, the court may order that a person produce to an officer, committee or panel of the association or a person designated by the board any record or thing if the court is satisfied that the record or thing is relevant to and reasonably required by the officer, committee, panel or person for an investigation of the conduct of a current or former member or a student or for the conduct of a review of the professional practice of a current member or former member.

Confidentiality

22 (1) A person acting under this Act must keep confidential all facts, information and records obtained or provided under this Act or under a former enactment, except so far as the person's public duty requires or this Act or the bylaws permit the person to make disclosure of them or to report or take official action on them.

(2) Except in respect of a proceeding under this Act, a person to whom subsection (1) applies must not in any civil proceeding be compelled to give evidence respecting any facts, information or records obtained by the person in the course of the person's duties.

Orders to be made after an inquiry

23 (1) If, after an inquiry, a committee or panel appointed by the board is satisfied that a current or former member or a student is incompetent, has committed professional misconduct or has contravened this Act or the bylaws, the committee or the panel may, by order, do one or more of the following:

(a) reprimand the member or student;

(b) suspend the current member from membership, bar the former member from reinstatement or suspend the student from enrolment for a period not exceeding 2 years;

(c) expel the current member from membership or remove the name of the student from the register of students;

(d) impose conditions on the continuance of the member's membership or the student's enrolment;

(e) impose a fine payable to the association of not more than

(i) $10 000 against the current or former member, and

(ii) $2 000 against the student;

(f) assess and impose costs against the current or former member or the student.

(2) A current or former member or a student who is the subject of an order made by a panel or committee under subsection (1) may appeal that decision to the board in accordance with the bylaws.

(3) For the purposes of an appeal under subsection (2), the board has all the powers referred to in subsection (1) and may

(a) substitute its order for the order of the panel or committee, or

(b) confirm the order of the panel or committee.

(4) A member of a committee or a panel must not sit on an appeal held by the board with respect to a matter in relation to which the member exercised a power or performed a duty as a member of the committee or panel.

(5) The committee and panel and a member of the committee or panel have the same power for the purposes of an inquiry

(a) to summon and enforce the attendance of a witness,

(b) to compel a witness to give evidence on oath or in any other manner, and

(c) to compel a witness to produce records and things in the possession or control of the witness

as the Supreme Court has for the trial of civil actions.

(6) For the purposes of subsection (5), the failure or refusal of a person

(a) to attend,

(b) to take an oath or affirmation,

(c) to give evidence, or

(d) to produce the records or things in the person's possession or control

makes the person, on application to the Supreme Court, liable to be committed for contempt as if in breach of an order or judgment of the Supreme Court.

(7) A person aggrieved by an order made by the board under subsection (3) may appeal the order to the Supreme Court.

(8) The Supreme Court may confirm, vary or reverse the order or refer the matter, with instructions, back to the board, committee or panel.

Protection against actions

24 (1) No action for damages lies against a person acting, or purporting to act, in furtherance of the objects of the association for anything done or omitted in good faith in the exercise or purported exercise of the powers conferred under this Act.

(2) Subsection (1) does not absolve the association from vicarious liability or any other liability to which it would otherwise be subject.

Offence

25 (1) Section 5 of the *Offence Act* does not apply to this Act or to the bylaws made under it.

(2) A person who contravenes section 14 or 22 (1) commits an offence and is liable on conviction to a fine of not more than $2 000 or to imprisonment for not more than 6 months, or to both.

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