

Draft Regulations

Draft Regulation

Professional Code
(R.S.Q., c. C-26)

Certified General Accountants — Code of Ethics — Amendments

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the “Regulation to amend the Code of ethics of certified general accountants”, passed by the Bureau of the Ordre des comptables généraux licenciés du Québec, may be submitted to the Government which may approve it, with or without amendment, upon the expiry of 45 days following this publication.

The main purpose of this draft Regulation is to provide for standards of independence for the exercise of public accountancy by members of the Ordre des comptables généraux licenciés du Québec holding a public accountancy permit.

According to the Ordre des comptables généraux licenciés du Québec, this draft Regulation has no impact on businesses, including small and medium-sized businesses.

Further information may be obtained by contacting Mr. André Cantin at the Ordre des comptables généraux licenciés du Québec, 500, place d’Armes, Suite 1800, Montréal (Québec) H2Y 2W2; telephone: 514 861-1823 or 1 800 463-0163; facsimile: 514 861-7661; E-mail: acantin@cga-quebec.org

Any interested person having comments to make on the matter is asked to send them, prior to the expiry of the 45-day period, to the Chair of the Office des professions du Québec, 800 Place D’Youville, 10th Floor, Québec City (Québec) G1R 5Z3. These comments will be forwarded by the Office to the minister responsible for the enforcement of legislation applicable to professionals; they may also be forwarded to the professional corporation which passed the Regulation as well as to any interested persons, departments and organizations.

JEAN PAUL DUTRISAC,
*Chair of the Office des
professions du Québec*

Regulation to amend the Code of ethics of certified general accountants

Professional Code
(R.S.Q., c. C-26, s. 87)

1. Paragraph *h* of Section 1.01 of the Code of ethics of certified general accountants is amended:

(1) by adding the phrase “by the member holding a public accountancy permit or by the member” in the first paragraph following the word “auditing”;

(2) in the second paragraph by replacing subparagraph *ii* by the following:

“ii. public accountancy for the member holding a public accountancy permit;”;

(3) in the second paragraph by adding the following subparagraph after subparagraph *iii*:

“iv. the audit engagement for the member in such cases as the law permits;”.

2. Section 2.11 of this code is repealed.

3. This code is amended by adding, after Section 3.02.13, the following sections:

3.02.13.01. A member who is responsible, in whole or in part, for preparing or approving financial statements or for overseeing the accounting and financial reporting processes shall also ensure that such statements and processes result in a fair presentation in accordance with generally accepted accounting principles.

3.02.13.02. A member who participates in an assurance engagement or a specified auditing procedures engagement shall notify the person responsible for the engagement if the financial statements are not presented fairly in accordance with generally accepted accounting principles.

If, after notification, the financial statements are still not presented fairly, the member shall notify in writing one of the partners or shareholders with voting rights of the partnership or joint-stock company within which he practices his profession. Such partner or shareholder shall hold the most senior position within the partnership or joint-stock company.

The member shall send the notifications provided for in the first and second paragraphs prior to the issuance of the financial statements or, failing which, as soon as possible. He shall also record and retain in the file the purpose of the notifications and the date upon which the notifications were sent.

The information and the notifications referred to in the second paragraph shall be retained for a minimum of 24 months from the date they were sent.

3.02.13.03. A member who is responsible for applying generally accepted accounting principles or for overseeing their application within an enterprise that is the subject of an engagement contemplated in Section 3.02.13.02 shall notify his immediate superior if the financial statements are not presented fairly in accordance with these principles.

If, after such notification, the financial statements are still not presented fairly, the member shall also notify in writing the enterprise's audit committee or similar body or, where there is no audit committee or similar body, the board of directors and the professional responsible for the engagement.

A member shall satisfy the obligations provided for in the third and fourth paragraphs of Section 3.02.13.02.

3.02.13.04. A member who prepares or approves, in whole or in part, financial statements prepared solely for internal use within an enterprise or for a specified user within the meaning of the Independence Standard published and adopted by the Certified General Accountants Association of Canada, 2006, first edition, version 1.2, and any subsequent amendments thereto, is relieved from satisfying the obligations set out in Sections 3.02.13.01, 3.02.13.02 and 3.02.13.03.”

4. Section 3.02.18 of this code is amended by replacing the portion of the first paragraph preceding paragraph *a* by the following:

“**3.02.18.** A member holding a public accountancy permit and, in the cases where the law so permits, a member:”

5. This code is amended by adding, after Section 3.05.09, the following section:

“**3.05.09.01.** A member shall comply with the Independence Standard published and adopted by the Certified General Accountants Association of Canada, 2006, first edition, version 1.2, and any subsequent amendments thereto.”

6. Section 4.02.01 of this code is replaced by the following:

“**4.02.01.** A member shall cooperate with the Order or any person representing it and reply without undue delay to any letter from the Order or such person.”

7. Section 4.02.02 of this code is amended by replacing the words “A practicing member” by the words “A member”;

8. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

8907

Draft Regulation

Professional Code
(R.S.Q., c. C-26)

Certified General Accountants — Continuing education for holding a public accountancy permit

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (R.S.Q., c. R-18.1), that the “Regulation respecting continuing education for certified general accountants of Quebec holding a public accountancy permit”, passed by the Bureau of the Ordre des comptables généraux licenciés du Québec, may be submitted to the Government which may approve it, with or without amendment, upon the expiry of 45 days following this publication.

The purpose of this draft Regulation is to determine the continuing education activities which the holder of a public accountancy permit must complete, the penalties applicable in the event of default and, as the case may be, the circumstances under which exemptions may be granted.

According to the Ordre des comptables généraux licenciés du Québec, this draft Regulation has no impact on businesses, including small and medium-sized businesses.

Further information may be obtained by contacting Mr. André Cantin at the Ordre des comptables généraux licenciés du Québec, 500, place d'Armes, Suite 1800, Montréal (Québec) H2Y 2W2; telephone: 514 861-1823 or 1 800 463-0163; facsimile: 514 861-7661; E-mail: acantin@cga-quebec.org