



# **BILL NO. 98**

*Government Bill*

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*2nd Session, 62nd General Assembly  
Nova Scotia  
64 Elizabeth II, 2015*

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## **An Act Respecting Chartered Professional Accountants of Nova Scotia**

CHAPTER 5  
ACTS OF 2015

**AS ASSENTED TO BY THE LIEUTENANT GOVERNOR  
MAY 11, 2015**

The Honourable Diana C. Whalen  
*Minister of Finance and Treasury Board*

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*Halifax, Nova Scotia  
Printed by Authority of the Speaker of the House of Assembly*

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## **An Act Respecting Chartered Professional Accountants of Nova Scotia**

Be it enacted by the Governor and Assembly as follows:

- 1 This Act may be cited as the *Chartered Professional Accountants Act*.
- 2 In this Act,
  - (a) “Board” means the Board of Directors of CPA Nova Scotia;
  - (b) “by-law” means a by-law of CPA Nova Scotia unless the context requires otherwise;
  - (c) “candidate” means any person who is designated as a candidate under the by-laws of a legacy body;
  - (d) “chartered professional accountant” means an individual who is permitted by this Act to use the designation “Chartered Professional Accountant” in English and “comptable professionnel agréé” in French or “CPA” after his or her name;
  - (e) “Chief Executive Officer” means the President and Chief Executive Officer of CPA Nova Scotia;
  - (f) “CGANS” means the Certified General Accountants Association of Nova Scotia as established by the *Certified General Accountants Act*;
  - (g) “CMANS” means the Society of Management Accountants of Nova Scotia as established by the *Certified Management Accountants of Nova Scotia Act*;
  - (h) “CPA Nova Scotia” means Chartered Professional Accountants of Nova Scotia, a body corporate established by this Act;
  - (i) “extra-provincial regulatory body” means any chartered professional accounting regulatory body in another province of Canada or in Bermuda;
  - (j) “fellow designation” means any of the designations of
    - (i) “Fellow of the Certified General Accountants” and “FCGA” permitted for use by members of CGANS or CGA-Canada,
    - (ii) “Fellow of the Certified Management Accountants” and “FCMA” permitted for use by members of CMANS or CMA Canada, and
    - (iii) “Fellow of the Chartered Accountants” and “FCA” permitted for use by members of ICANS;
  - (k) “honorary designation” means any of the designations of
    - (i) “Honorary Certified General Accountant” and “GGA (Hon)” permitted for use by members of CGANS or CGA Canada,
    - (ii) “Honorary Certified Management Accountant” and “CMA (Hon)” permitted for use by members of CMANS or CMA Canada, and

- (iii) “Honorary Member of the Institute of Chartered Accountants of Nova Scotia” and “CA (Hon)” as elected by the members of ICANS;
- (l) “ICANS” means the Institute of Chartered Accountants of Nova Scotia established by the *Chartered Accountants Act*;
- (m) “legacy body” means CGANS, CMANS or ICANS;
- (n) “legacy designation” means any of the designations of
- (i) “Certified General Accountant”,
  - (ii) “Certified Management Accountant”,
  - (iii) “Chartered Accountant”,
  - (iv) “CGA”,
  - (v) “CMA”, and
  - (vi) “CA”;
- (o) “officer” means an officer of the Board as described in Section 9;
- (p) “organization” includes a sole proprietorship, corporation, company, society, association, partnership or limited liability partnership, any association of individuals and any similar body;
- (q) “protected designations” means any of the designations
- (i) “Chartered Professional Accountant”,
  - (ii) “Fellow of the Chartered Professional Accountants of Nova Scotia”,
  - (iii) “Honorary Chartered Professional Accountant”,
  - (iv) “CPA”,
  - (v) “FCPA”,
  - (vi) “CPA (Hon)”, and
  - (vii) any combination of those initials or expressions;
- (r) “public representative” means a member of the Board or of a committee of the Board who
- (i) is not and has never been a member, candidate or student of any legacy body, or
  - (ii) is not a member, candidate or student of an accounting profession;
- (s) “student” means any person who is designated as a student under the by-laws of a legacy body.

**3 (1)** There is hereby established a body corporate to be known as the “Chartered Professional Accountants of Nova Scotia”.

**(2)** The corporation may operate under the name “CPA Nova Scotia”.

**4** CPA Nova Scotia has the capacity and, subject to this Act, the rights, powers and privileges of a natural person.

**5** In order to

- (a) serve and protect the public interest;
- (b) preserve the integrity of the accounting profession; and
- (c) maintain public confidence in the ability of the accounting profession to regulate itself,

CPA Nova Scotia shall

- (d) regulate the use of protected designations in accordance with this Act and the by-laws;
- (e) promote and foster greater public awareness of the practice of chartered professional accounting;
- (f) promote and increase the professional knowledge, skill and proficiency of chartered professional accountants in matters including financial reporting, strategy and governance, management accounting, audit and assurance and finance and taxation;
- (g) where not inconsistent with the public interest, advance the professional interests of chartered professional accountants; and
- (h) do such other lawful acts and things as are incidental to the attainment of the purposes and objects of CPA Nova Scotia.

**6** **(1)** There shall be a Board of Directors to govern and manage the affairs of CPA Nova Scotia.

**(2)** Subject to Section 7, the Board is composed of 10 persons who are members of a legacy body, and up to two public representatives, all of whom must be elected or appointed pursuant to and for such terms as are set out in the by-laws.

**(3)** By-laws governing the election or appointment of Board members and their terms of office are subject to the following:

- (a) no more than one member of the Board may be a non-resident of the Province; and
- (b) public representatives must be appointed by the Board in such numbers and pursuant to such process as is set out in the by-laws.

**(4)** Notwithstanding subsection (3), public representatives continue to hold office until their successors are appointed or until such time as they are re-appointed.

**7** **(1)** The initial Board is composed of

- (a) two members appointed by the Board of Directors of CGANS from among its Board members, one of whom shall also be appointed by that Board to serve as an officer of the initial Board;

(b) three members appointed by the Council of CMANS from among the Council members, one of whom shall also be appointed by the Council to serve as an officer of the initial Board;

(c) five members appointed by the Council of ICANS from among the Council members, one of whom shall also be appointed by the Council to serve as an officer of the initial Board; and

(d) one public representative appointed by the initial Board as soon as possible following the coming into force of this Act.

(2) The initial Board shall elect one of its members as Chair.

(3) The initial Board shall continue to act for a term of two years unless otherwise provided in the by-laws.

**8 (1)** The first executive committee of the Board is composed of the three officers appointed pursuant to clauses 7(1)(a) to (c) and the Chair.

(2) The first executive committee shall serve until replaced or confirmed at the first election of the Board.

**9** Subject to Section 7, the officers of the Board must

(a) be set out in the by-laws;

(b) be appointed or elected in accordance with the by-laws; and

(c) serve such terms as provided in the by-laws.

**10 (1)** The Board shall employ an individual as Chief Executive Officer of CPA Nova Scotia and fix the Chief Executive Officer's remuneration, and may authorize the Chief Executive Officer to do any act or exercise any power or jurisdiction that by this Act or the by-laws the Board is authorized to do or exercise, except make by-laws.

(2) The Chief Executive Officer has the powers and duties given to the Chief Executive Officer by this Act and the by-laws.

**11** The Board may authorize the hiring of staff to conduct the business of CPA Nova Scotia and may set the terms of employment of such persons.

**12** The Board may make by-laws regulating the business and affairs of CPA Nova Scotia, including by-laws

(a) specifying an entity as an "extra-provincial regulatory body";

(b) establishing the procedure for the election of Board members;

(c) establishing the procedure for the appointment of public representatives;

(d) setting the number of public representatives to be appointed to the Board;

(e) respecting the holding of Board meetings, including required meetings, the notice for such meetings, the quorum and the procedure to be followed and the manner of voting;

(f) fixing the terms of office of Board members and governing the appointment of Board members to complete the term of Board members who for any reason cannot complete their full term;

(g) respecting the officer positions on the Board;

(h) respecting the powers and duties of officers and members of the Board;

(i) respecting the procedure for election of the chair and other officers of the Board;

(j) respecting the powers and duties of the Chief Executive Officer;

(k) establishing and empowering committees of the Board to carry out the business and affairs of the Board including, without limiting the generality of the foregoing,

(i) governing the names, authority, powers, duties and quorums of such committees,

(ii) governing the composition of the committees, and in so doing applying the principle that for the first five years following the coming into force of this Act, the Board shall strive to include equal representation of legacy bodies, if it best serves the public interest,

(iii) governing the manner of appointment, terms of office, re-appointment and qualifications of committee members,

(iv) establishing the functions, operations, processes, practices and procedures of each committee,

(v) determining the manner in which the members of any such committee must be notified of a meeting and the consequences, if any, of failing to provide notice, and

(vi) determining the means by which such a committee makes decisions;

(l) respecting the protected designations that organizations may use or exempting certain organizations from the application of Section 14;

(m) respecting the designations or initials required to be used or authorized to be used by individuals

(i) who are members of an extra-provincial regulatory body, or

(ii) who are entitled by a regulator in a foreign jurisdiction to use a protected designation;

(n) permitting the making of arrangements with or affiliating with any entity, and the entering into of arrangements necessary, to provide for the delivery of any professional education program or pre-professional educational program;

(o) authorizing the making of agreements, co-operative arrangements or affiliations with any person including, without limiting the generality of the foregoing, legacy bodies and extra-provincial regulatory bodies;

(p) providing for the remuneration and expenses of members of the Board or committees of the Board or employees of CPA Nova Scotia;

(q) respecting all other things necessary or advisable for the effective administration of the affairs of CPA Nova Scotia.

**13 (1)** Unless otherwise permitted by this Act or the by-laws, only an individual who is a member of a legacy body and entitled under the laws of the Province to use a legacy designation may use the designation “Chartered Professional Accountant” in English and “comptable professionnel agréé” in French or “CPA” after his or her name.

**(2)** Only an individual entitled to use a fellow designation may use the designation “Fellow of the Chartered Professional Accountants” or “FCPA” after his or her name.

**(3)** Only an individual entitled to use an honorary designation may use the designation “Honorary Chartered Professional Accountant” or “CPA (Hon)” after his or her name.

**(4)** Where an individual uses the designation “Chartered Professional Accountant”, “Fellow of the Chartered Professional Accountants”, “CPA” or “FCPA” and the person was entitled to use a legacy designation immediately prior to the coming into force of this Act or thereafter, the individual shall use the legacy designation in conjunction with any protected designation the individual is entitled to use.

**(5)** The right of any individual to use a protected designation pursuant to this Section is subject to any restrictions or conditions specified in this Act or the by-laws.

**(6)** An individual who is a member of an extra-provincial regulatory body may use or be required to use such designations or initials as set out in the by-laws.

**14 (1)** No organization shall use any protected designation in its name, except as provided for in the by-laws.

**(2)** Subject to subsection 13(6),

(a) no individual other than an individual authorized by subsection 13(1), shall use the designation “Chartered Professional Accountant” in English, “comptable professionnel agréé” in French or “CPA”;

(b) no individual other than an individual authorized by subsection 13(2) to use a fellow designation shall use the designation “Fellow of the Chartered Professional Accountants” or “FCPA”; and

(c) no individual other than an individual authorized by subsection 13(3) to use an honorary designation shall use the designation “Honorary Chartered Professional Accountant” or “CPA (Hon)”.

**(3)** No individual shall use any legacy designation without the designation “Chartered Professional Accountant” or “CPA” being appended to it.

**(4)** No individual shall use a fellow designation without the designation “Fellow of the Chartered Professional Accountants” or “FCPA” being appended to it.



(5) No individual shall use any honorary designation without the designation “Honorary Chartered Professional Accountant” or “CPA (Hon)” being appended to it.

(6) Subsection (2) does not apply to any individual who was resident in the Province immediately before the coming into force of this Act and who at that time was entitled by a regulator in a foreign jurisdiction to use the designation “chartered professional accountant”, “certified public accountant”, “CPA” or “FCPA”, in upper or lower case, or an equivalent, either alone or in combination with any other words or letters, or any name, title or description implying that he or she is a chartered professional accountant or certified public accountant, or any name, title, initials or descriptions implying that he or she is a certified accountant or a certified public accountant, if such an individual appends to the designation “CPA” or “FCPA” such other designation as the Board may by by-law require.

(7) Subject to subsection (6), no individual or organization may use the designation “certified professional accountant” or “certified public accountant” alone or in combination with any other words.

(8) Subsections (1) and (2) do not apply if an individual or organization uses a term, title, initials, protected designation or description when making reference to authentic professional accounting qualifications or designations obtained by the individual or organization from a body in a foreign jurisdiction in

(a) a speech or other presentation given at a professional or academic conference or other similar forum;

(b) an application for employment or a private communication respecting the retainer of the individual or organization’s services, if the reference is made to indicate the individual’s or organization’s educational background; or

(c) a proposal submitted in response to a request for proposals, if the reference is made to demonstrate that the individual or organization meets the requirements for the work to which the request for proposals relates,

if the individual or organization expressly indicates that the individual or organization is not a member of a legacy body.

**15 (1)** An individual or organization that contravenes Section 14 is guilty of an offence and liable on summary conviction

(a) for a first offence, to a fine of not more than \$5,000; and

(b) for a second or subsequent offence, to a fine of not more than \$10,000.

(2) The *Summary Proceedings Act* applies with respect to the enforcement of this Section.

(3) Where a corporation contravenes this Act, a director or officer of the corporation who authorized, permitted or acquiesced in the contravention is also guilty of an offence and liable on summary conviction to the penalties set out in subsection (1), whether or not the corporation has been prosecuted or convicted.

(4) Where an offence under this Act is committed or continued on more than one day, the person who committed the offence is liable to be convicted for a separate offence for each day on which the offence is committed.

(5) Where a penalty imposed pursuant to subsection (1) as a result of a prosecution by or on behalf of CPA Nova Scotia has not been recovered pursuant to the *Summary Proceedings Act*, the penalty may be recovered as a private debt with costs by civil action in the name of CPA Nova Scotia.

(6) Any complaint or information for the recovery of any penalty under this Act must be laid or made by the Chief Executive Officer or other individual designated by the Board.

**16 (1)** In the event of a threatened or continuing violation of this Act, CPA Nova Scotia may apply to a judge for an injunction to restrain the person from continuing or committing the violation and the judge, where the judge considers it to be just, may grant such an injunction.

(2) A judge may, on application, grant an interim injunction pending the hearing of an application for an injunction pursuant to subsection (1) if the judge is satisfied that there is reason to believe that a person is likely to commit or is continuing to commit a violation of this Act.

**17** No action lies

(a) against members of the Board, members of a committee of the Board or any person acting on the instructions of any of them; or

(b) any member, officer or employee of CPA Nova Scotia,

for anything done or omitted to be done by that person in good faith and in purporting to act under this Act or the by-laws.

**18** Section 13, subsections 14(2) to (5) and Section 15 come into force on such day as the Governor in Council orders and declares by proclamation.

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