CA Ordre des comptables agréés du Québec

DECISIONS MATTER

ANNUAL REPORT 2008 > 2009

Ordre des comptables agréés du Québec
680 Sherbrooke Street West, 18th Floor Montreal, Quebec H3A 2S3
Telephone: 514 288.3256 • Toll free: 1 800 363.4688 • Fax: 514 843.8375
Email: info@ocaq.qc.ca • Website: www.ocaq.qc.ca

Mission > **Vision**

Vision of the CA profession

We are Canada's most valued, internationally recognized profession of leaders in senior management, advisory, financial, tax and assurance roles.

CA values

Chartered Accountants are valued for their integrity and expertise.

Mission of the Ordre des comptables agréés du Québec

With its primary objective being the protection of the public, the Ordre des comptables agréés du Québec takes the necessary measures to ensure that chartered accountants are recognized, in a global context, as trusted, financial leaders with strong business and assurance skills who act with objectivity and integrity in senior management, advisory, tax and assurance roles, and that they dominate all senior financial positions and advisory roles.

CA Comptables agréés du Québec

Madame Kathleen Weil, avocate
Ministre de la Justice, ministre responsable de l'application des lois professionnelles
Ministère de la Justice
Édifice Louis-Philippe Pigeon
1200, route de l'Église, 9e étage
Québec (Québec) G1V 4M1

Madame la Ministre,

J'ai l'honneur de vous présenter deux exemplaires du rapport annuel de l'Ordre des comptables agréés du Québec pour l'exercice clos le 31 mars 2009.

Veuillez agréer, Madame la Ministre, l'expression de mes sentiments distingués.

Le président et chef de la direction et secrétaire,

Daniel McMahon, FCA
Le 28 août 2009

CA Comptables agréés du Québec

Office des professions du Québec
800, Place d'Youville
10e étage
Québec (Québec) G1R 5Z3

Mesdames, Messieurs,

J'ai l'honneur de vous présenter 50 exemplaires du rapport annuel de l'Ordre des comptables agréés du Québec pour l'exercice clos le 31 mars 2009.

Veuillez agréer, Mesdames, Messieurs, mes salutations distinguées.

Le président et chef de la direction et secrétaire,

Daniel McMahon, FCA
Le 28 août 2009

Québec

Monsieur Yvon Vallières
Président de l'Assemblée nationale
Cabinet du Président de l'Assemblée nationale
Hôtel du Parlement
1045, rue des Parlementaires
1er étage, bureau 1.30
Québec (Québec) G1A 1A4

Monsieur le Président,

J'ai l'honneur de vous présenter le rapport annuel de l'Ordre des comptables agréés du Québec pour l'exercice clos le 31 mars 2009.

Veuillez agréer, Monsieur le Président, l'expression de ma considération respectueuse.

La ministre responsable de l'application des lois professionnelles,

Kathleen Weil, avocate
Québec, août 2009

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A Word from the Chair of the Ordre and the **President and CEO**

The year 2008-2009 was a pivotal one for the CA profession. During this time, numerous projects were completed and others were launched, making it a year marked by challenge... and success.

Jean-Pierre Allaire, FCA, ICD.D

Daniel McMahon, FCA

Public accountancy
There is no question that the public accountancy issue continued to generate considerable attention this past year. On December 15, 2008, Bill 46 came into force and with it the obligation for our members to use the "CA auditor" designation when signing assurance engagement and special purpose reports. The Ordre has been busy finalizing its public accountancy regulations during the past few months.

In order to be authorized to issue public accountancy permits, the Ordre des comptables généraux licenciés (CGA) du Québec and the Ordre des comptables en management accrédités (CMA) du Québec were required to finalize their regulations respecting the supervision of the practice of public accountancy. In the summer of 2008, we invited members to provide input as part of the public consultations held by these two professional orders on their draft regulations. Our invitation was well received and we would like to take this opportunity to thank the hundreds of people who helped us analyze these regulations. The many comments submitted confirm that our members support our focus on maintaining rules comparable to those currently in effect to regulate the practice of public accountancy in Quebec.

Of course, the Ordre will remain vigilant as regards the comparability of the regulations of the other two accounting bodies, in terms of content and application.

The Ordre also took steps to ensure that compilation engagements, which give rise to the issuance of Notices to Reader, be reserved for qualified accounting professionals only. We are pleased to say that our voice was heard and a provision in this regard was included in an omnibus bill tabled in the spring of 2009 and passed in June 2009.

Transition to IFRS
The transition to International Financial Reporting Standards (IFRS) slated for 2011 is a challenge for many CAs. The Ordre wants to help its members understand IFRS and, especially, prepare for the changeover. The Ordre, in conjunction with the Canadian Institute of Chartered Accountants (CICA), has therefore developed education tools and publications to help CAs get started on the changeover process.

All the IFRS-related courses developed by the Ordre's Professional Products and Services Vice-Presidency were a tremendous success. The Ordre also partnered with the business weekly *Les Affaires* to present a one-day seminar on IFRS. This event, which targeted a wide business audience, served as an excellent showcase for the profession. Also during the year, numerous free publications and workshops were made available to members. In short, the Ordre is the partner of choice for all CAs wishing to prepare for the IFRS transition.

Finally, given the 2011 changeover deadline, it is important for members and organizations to prepare now to ensure a smooth transition.

Financial reporting standards for private enterprises
A spring 2009 Exposure Draft entitled *Generally Accepted Accounting Principles for Private Enterprises* proposes the adoption of a simplified financial reporting model as Canadian GAAP for private enterprises.

During the year, a number of comments were submitted to the Accounting Standards Board (AcSB), leading it to establish a tight work agenda. Pressure was exerted by the Council of Senior Executives of the provincial institutes/Ordre and the CICA, under the leadership of the Ordre des comptables agréés du Québec. All these efforts culminated in the publication of the above-mentioned Exposure Draft.

Qualification

Clearly, young people are attracted to the CA profession. For several years now, thanks in particular to advertising campaigns geared toward students, we have noted a significant increase in the number of candidates for the practice of the profession. This year, the number of candidates registered with the Ordre broke the 1,900 barrier for the first time in 15 years! Also, the *Indispensable CAs* campaign continued for a second year in the Montreal metro, on buses across the province and on the Internet.

Quebec can boast of having trained the candidate who earned the highest mark at the 2008 Uniform Evaluation (UFE). Xavier Richard, an HEC Montréal graduate and CA student with BDO Dunwoody, was awarded the Governor General's Gold Medal and the Chartered Accountants of Canada cash prize of $5,000 for the highest standing in Canada on the UFE.

In the spring of 2009, the Ordre published the *Pulp & Paper Plus Inc.* assurance-based integrative engagement intended for graduate students in the Professional Education Program. The engagement is of such quality that a request was made to include it in the undergraduate diploma in accounting sciences. We hope that this publication — the product of the combined effort of several members — will help many aspiring CAs during their university studies. The Ordre believes in the importance not only of providing tools to faculty, but also of helping to remedy the shortage of CA university professors. To this end, the Ordre provided $20,000 to the Foundation of Quebec Chartered Accountants for its Ph.D. financial assistance program for the second year in a row. This contribution enabled the Foundation to offer an additional grant to a young CA to complete a Ph.D.

A broader experience requirement has been in effect since September 1, 2008 in the rest of Canada. In Quebec, we are continuing discussions with the Office des professions du Québec to amend our regulations so that we can offer Quebec students the option of completing their training in areas other than audit and assurance and in carefully selected corporations and public sector entities with approved CA training programs. In the next year, we will continue to work with the Office des professions with a view to quickly offering this opportunity to our candidates for the practice of the profession.

In the last year, the profession also adopted new practical experience requirements to be implemented by firms approved as training offices by the Ordre before September 1, 2009. It is important to note that for CA training offices, these new requirements involve only minor changes in the supervision of CA students. However, CA students will be more effectively supervised and, more importantly, the new rules will ensure better monitoring of competency based practical experience.

In October 2008 in Quebec City, the Ordre was among the professional accounting bodies that signed a statement of commitment to recognize professional qualifications as part of the France-Quebec Agreement, in the presence of Quebec Premier Jean Charest and Nicolas Sarkozy, President of the French Republic. On April 27, 2009, an agreement was signed with the Ordre des experts-comptables de France and a similar agreement is being negotiated with the Compagnie nationale des commissaires aux comptes.

> Xavier Richard

Member relations
A survey conducted during the year among a sampling of members shows a high overall level of satisfaction of 7.8 out of 10. The Ordre is of course pleased to see a steady improvement in member satisfaction and intends to ensure that this trend continues.

This year, the Tour of the Chair of the Ordre and President and CEO, which provides a unique opportunity for discussions between members and the Ordre, was redesigned to focus on more informal meetings in small groups. Over 100 members were able to address questions of their choice to Ordre Chair Jean-Pierre Allaire, FCA, ICD.D, and President and CEO Daniel McMahon, FCA, and discuss topics relevant to the profession. A total of 12 cities were visited, and more than 20 meetings were held across Quebec, thanks to the support and work of our regional groups.

Furthermore, with a view to improving communications with members, we reviewed and analyzed our communication mechanisms and strategies. We were thus able to identify concrete improvements to be made to our various tools and methods in order to better communicate with members. Among other things, the Ordre's website (ocaq.qc.ca) is scheduled to be redesigned to better meet user needs.

The 2008 Member Meeting focusing on sustainable development provided a great venue for CAs to meet. This "totally green" activity, held in September 2008 in Montreal, was also the ideal occasion to honour *Recognition Award* recipients and present them with a trophy.

It should be noted that two new *Recognition* awards were introduced this year to recognize the vital contribution and infinite dedication of college and university faculty. Accordingly, the *Recognition Award – College Teaching* and the *Recognition Award – University Teaching* were added to the series, which already included the *Recognition Award – Public Sector* and the *Recognition Award – Young CA Leader*.

Lastly, the *Soirée FCA* (formerly known as *Soirée Reconnaissance*) once again allowed us to pay tribute to our new FCAs and to showcase their exceptional achievements and extraordinary commitment to the profession. During the event, we also presented the second ever *Outstanding Achievement Award* to an architect of our profession and bestowed the title of Companion of the Ordre des comptables agréés du Québec on a person who has made an invaluable contribution to the profession.

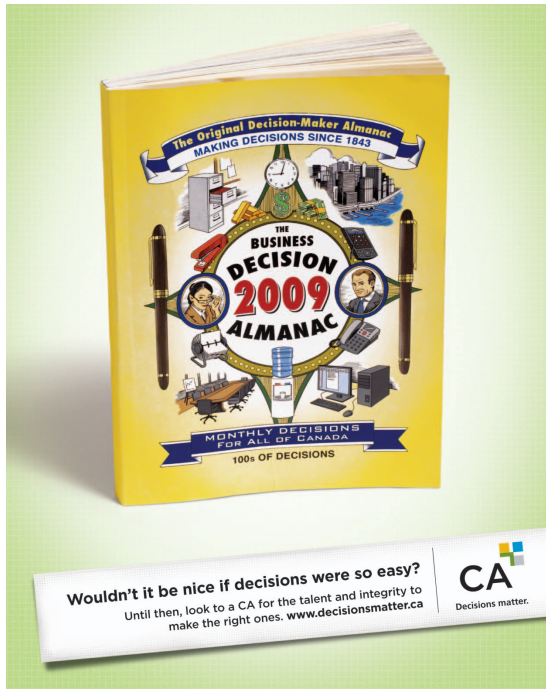
Products and services for members
As part of the Ordre's member savings program, the offering of commercial products and services was expanded for members in Quebec thanks to the new partnership with VIA Rail. In addition, the Ordre worked with the CICA and the Institute of Chartered Accountants of Ontario to broaden the range of products and services available to members across Canada. As a result, Quebec CAs can now enjoy preferred rates at Hertz, Dell and Genesys.

The popularity of the Ordre's professional products and services was evident again this year. With close to 500 continuing education courses on offer, a record high of some 27,200 registrations and 3,400 sales of season passes was noted this year. The impressive number of registrations and high participant satisfaction encourage us to continue in this direction and to come up with education activities that will be even more attuned to members' needs and lifestyles. In addition, around 4,800 copies of the 500 works listed in the publications catalogue were sold in 2008-2009.

In times of financial crisis
In today's uncertain economic environment, the Ordre is obviously aware of the precarious situation certain organizations are in. To better equip decision-makers and chartered accountants working in industry or acting as trusted advisors to their clients, the Ordre organized the first Economic and Financial Summit in cooperation with De Grandpré Chait. The purpose of this two-day event, featuring dozens of experts from various enterprises, was to provide an update on the current economic situation and on effective business strategies.

In addition, in February 2009, the Ordre met with representatives of the Ministère des Finances du Québec as part of the 2009-2010 Prebudget Consultations. The Ordre indicated that it felt the government should record a deficit, given the tough economic times, but that stimulus spending should be a temporary solution. The Ordre also pointed out that it was crucial for the government to resume lowering its debt as soon as the economic situation stabilized.

A Word from the Chair of the Ordre and the President and CEO > continued



Regulatory changes

In year two of the new *Regulation respecting professional liability insurance for members of the Ordre des comptables agréés du Québec* and the implementation of the group insurance plan, amendments were made to the administrative procedures and terms and conditions. We hope that these changes helped to simplify participation in the plan for all members.

The information gathering questionnaire is another innovation introduced this year. The questionnaire is sent out before the Notice of Annual Fees so that members need not fill it in at a time when they are extremely busy. The information gathered should ultimately enable us to offer personalized products and services tailored to members' professional circumstances.

End of the 2006-2010 cycle

The 2009-2010 fiscal year will be the last year of application of our 2006-2010 strategic directions, which were defined in June 2006 by the Ordre's Board of Directors. This year also marks the end of our four-year budget cycle.

It should be noted that there is no annual fee increase for 2009-2010. However, the end of the budget cycle requires us to make financial forecasts for the next four years. As such, we are currently looking at the various member categories and related fees. The decisions we will have to make in the near future will need to take our membership profile into account.

***Decisions Matter* campaign**

The new Canada-wide advertising campaign for the CA profession was launched in January 2009. The multi-tiered campaign featured TV, radio, print and billboard ads under the theme *Decisions Matter*. We are hoping that the outcome and spin-offs of this initiative will be as positive as those of the previous *CA Advantage* campaign. Since the CA Branding Committee set itself a 2010 deadline, it will continue to evaluate the branding strategy over the next year.

Public affairs

The Ordre continued to make representations to government. First, we presented two briefs to the Ministère des Finances du Québec, dealing respectively with the review of the legislative framework intended to curb aggressive tax planning and the legal reform of incorporated associations.

The Ordre then lent its support to the CICA and the Institute of Chartered Accountants of Ontario in the steps they took regarding the qualifications required to practice as a public accountant as defined in Bill C-4, *An Act respecting not-for-profit corporations and certain other corporations*. The Ordre presented its views to the House of Commons Standing Committee on Industry, Science and Technology.

We also closely monitored the issue of labour mobility. We worked in conjunction with the other CA institutes of Canada as well as with the Quebec Interprofessional Council and the Office des professions on proposed modifications to the *Agreement on Internal Trade* (AIT), aimed at ensuring full labour mobility in Canada. The CA profession naturally supported the goal of government leaders wishing to ensure labour market flexibility during these unsettled times, but stressed the importance of guarding against a lowering of professional standards.

Finally, the Ordre organized the third edition of the *CA-Parlementaires* seminar, aimed at forging closer ties between government representatives and Quebec City CAs in the public sector.

Governance
The coming into force of Bill 75, which led to a revision of the *Professional Code,* brought about a number of changes to the terms used by the professional orders. These changes – for example the Bureau is now the Board of Directors – will promote consistency in the terminology of professional orders. This revision will also require the Ordre to review its governance, in particular the size of the Board of Directors and its geographical diversity, over the next few years.

Enjoy the report!
We now invite you to read the various Ordre activity and committee reports presented on the following pages. All the efforts of volunteer members and Ordre employees and the quality of their work are reflected in this impressive account of the 2008-2009 fiscal year.

In closing, we would like to express our sincere gratitude to the members of the Board of Directors and the Executive Committee for their cooperation. Our thanks also go to the volunteers who sit on committees and participate in regional groups for giving so generously of their time and energy, and to the management and staff of the Ordre for their support and efficiency. Without the extraordinary participation of all these people, none of the achievements in this report would have been possible.

Jean-Pierre Allaire, FCA, ICD.D
Chair of the Ordre

Daniel McMahon, FCA
President and CEO

Members of the **Board of Directors** and **Executive Committee**

Executive Committee

From left to right: **Alain Côté, CA, ICD.D**, Vice-Chair of the Ordre • **Benoit Caron, CA** • **Jean Laflamme, CA** • **Daniel McMahon, FCA**, President, CEO and Secretary
Manon Durivage, CA • **Jean-Pierre Allaire, FCA, ICD.D**, Chair of the Ordre • **Michel Théroux, FCA**, Outgoing Chair • **Jacques Lefebvre, ASC***

Board of Directors

Jean-Pierre Allaire, FCA, ICD.D (2008-09-18) – Chair of the Ordre elected by a general vote of the members • Montreal region

Alain Côté, CA, ICD.D (2007-09-15) – Vice-Chair of the Ordre • Montreal region

Benoit Caron, CA (2007-09-15) • Outaouais region

Manon Durivage, CA (2008-09-18) • Montreal region

Jean Laflamme, CA (2007-09-15) • Montreal region

Jacques Lefebvre, ASC* (2007-09-15)

Michel Théroux, FCA, Outgoing Chair

Daniel McMahon, FCA, President, CEO and Secretary

Grégoire Arsenault, CA, CA•IT (2008-09-18) • North-Eastern region

Michel Bergeron, CA (2007-09-15) • Montreal region

Martine Clément, CA (2008-09-18) • Montreal region

Frank Di Tomaso, FCA (2008-09-18) • Montreal region

Alain Dugal, CA (2008-09-18) • Montreal region

Yves Dugré* (2008-09-18)

Jacques Filion, CA (2007-09-15) • Montreal region

Lucie Gervais, CA (2007-09-15) • Quebec City region

Charles Jacobs, CA (2008-09-18) • Montreal region

Isabelle Lemay, CA (2008-09-18) • Saguenay–Lac-Saint-Jean region

Daniel Y. Lemieux, CA (2008-09-18) • Montreal region

Gloria Lemire, CA (2008-09-18) • Trois-Rivières region

Claudine Lévesque, FCA (2008-09-18) • North-Western region

Suzanne Maisonneuve-Benoit* (2007-09-15)

Denis Majeau, CA (2008-09-18) • Quebec City region

Serge Mallette, CA (2008-09-18) • Montreal region

Ghislain Parent, FCA (2008-09-18) • Montreal region

Jocelyn Patenaude, CA (2007-09-15) • Montreal region

Hélène Racine, CA (2007-09-15) • Montreal region

Manon Roy, CA, CA•IFA (2008-09-18) • Quebec City region

Denis Savard, CA (2007-09-15) • Montreal region

Pierre Séguin* (2008-09-18)

Louisiane Veilleux, CA (2007-09-15) • Eastern Townships region

* *Representative of the public appointed by the Office des professions du Québec*

The members of the Executive Committee held ten statutory meetings and two extraordinary meetings during the year, and the members of the Board of Directors held six statutory meetings and one extraordinary meeting.

The Annual General Meeting was held on September 18, 2008.

The 2008-2009 Annual Report will be presented at the Annual General Meeting to be held on September 12, 2009.

Resolutions

The main resolutions adopted by the Board of Directors concerned the following:

- Appointment of scrutineers for the elections;
- Designation of the candidate for Chair of the Ordre for 2009-2010;
- Appointment of members and of certain chairs of Ordre statutory committees;
- Appointment of inspectors/investigators;
- Delegation of certain powers to the Executive Committee;
- Approval of the Ordre's professional evaluation (2008 UFE) and of the results;
- Approval of the submission of the following draft regulations to the Office des professions for adoption:
  - *Regulation respecting mandatory continuing education for Quebec chartered accountants who practice public accountancy;*
  - *Regulation to amend the Regulation respecting mandatory continuing education for Quebec chartered accountants;*
  - *Regulation respecting refresher training periods and courses of the Ordre des comptables agréés du Québec;*
  - *Regulation to amend the Code of Ethics of Chartered Accountants*;
  - *Regulation respecting the standards for diploma and training equivalence for the issue of a permit of the Ordre des comptables agréés du Québec;*
- Re-appointment of the assistant syndics.

The main resolutions adopted by the Executive Committee concerned the following:

- Appointment of Ordre representatives to the Quebec Interprofessional Council (QIC);
- Authorization to lodge complaints for the illegal practice of public accountancy, unauthorized use of the chartered accountant designation and, in some cases, authorization to launch appropriate injunction proceedings or to obtain a search warrant;
- Imposition of measures in accordance with sections 45 and 55.1 of the *Professional Code* and refusal to register a person on the Roll of the Ordre;
- Imposition of measures or conditions on certain members prior to reinstatement on the Roll of the Ordre;
- Imposition of refresher training periods or other measures on the recommendation of the Professional Inspection Committee;
- Approval of training employers on the recommendation of the Professional Inspection Committee;
- Striking off the Roll of members who fail to pay their annual fees, complete the formalities for entry on the Roll (pursuant to section 46(5) of the *Professional Code*), or comply with the *Regulation respecting professional liability insurance for members of the Ordre des comptables agréés du Québec*;
- Appointment of CA•ITs and CA•IFAs;
- Appointment of inspectors/investigators;
- Approval of conditions and measures in respect of members who fail to comply with the *Regulation respecting mandatory continuing education for Quebec chartered accountants*;
- Approval of an administrative fee change relating to the monitoring of members who fail to comply with the requirements of the *Regulation respecting mandatory continuing education for Quebec chartered accountants;*
- Approval in principle of the incorporation into the *Code of Ethics of Chartered Accountants* of a dynamic reference to the independence rules adopted by the Public Trust Committee and provided for in Rule 204 of the Canadian "Harmonized Rules of Professional Conduct" of chartered accountants;
- Approval of the submission of a proposal concerning exceptions to labour mobility, in accordance with section 708 of Chapter 7 of the *Agreement on Internal Trade* (AIT), with the Ministère de l'Emploi et de la Solidarité sociale and the Office des professions du Québec;
- Approval of the revised version of the *CA Practical Experience Requirements – January 2009* and of their coming into effect on or after September 1, 2009;
- Approval of an agreement with the Autorité des marchés financiers (the "AMF") establishing the principles, obligations, terms and conditions governing communications between the Ordre and the AMF of information likely to ensure the implementation of this agreement and of information that will provide better protection for the public;
- Commitment of the Ordre des comptables agréés du Québec to the terms of the memorandum of understanding between the Registrar of Civil Status and the QIC;
- Appointment of an alternate secretary to the Disciplinary Council, the Council for the Arbitration of Accounts and the Review Committee;
- Adoption of the terms and conditions respecting disclosures to be made to the Ordre pursuant to section 62.2 of the *Professional Code*;
- Approval of an agreement with the AMF respecting the supervision of financial planners who are members of the Ordre;

- Partial acceptance of a request for indemnification and rejection of other claims made under the *Regulation respecting trust accounting by chartered accountants and the indemnity fund of the Ordre des comptables agréés du Québec*;
- Approval of a commitment to sign an agreement on the mutual recognition of professional qualifications between the Ordre des comptables agréés du Québec and France's Ordre des experts-comptables, with the backing of the Compagnie nationale des commissaires aux comptes;
- Authorization to continue efforts to reach a mutual recognition agreement (MRA) with the Ordre des experts-comptables;
- Authorization to continue discussions and efforts to reach an MRA with the Compagnie nationale des commissaires aux comptes of France;
- Approval of the formal signing of the MRA with France's Ordre des experts-comptables and Compagnie nationale des commissaires aux comptes, and appointment of persons authorized to sign the MRA on behalf of the Ordre des comptables agréés du Québec.

Advisory Board of Past Presidents

Michel Théroux, FCA
Claude Gauvin, FCA
Lucette Poliquin, FCA, ICD.D
Pierre Brochu, FCA
Michel Beauséjour, FCA
Jean-Pierre Dubeau, FCA
Réal Sureau, FCA
Richard Quevillon, FCA
Monique Forget-Leroux, FCA
Michel Bélanger, FCA
Alain Paris, FCA
Jacques Levesque, FCA
Marc Paradis, FCA
G. André Harel, FCA
Gilles Chevalier, FCA
Guy D'Orsonnens, FCA
Charles Albert Poissant, FCA
Roland Truchon, FCA
Paul Noiseux, FCA
J. Alistair Duff, FCA
Raymond Morcel, FCA
Phillip P. Aspinall, FCA
Boris G. Levine, FCA
Charles Pelletier, FCA
François J. Bastien, FCA
Jacques Raymond, FCA
H. Marcel Caron, FCA

Roll of the Ordre

> Evelyne Tessier

During the year, 416 new members were admitted to the profession after meeting all of the conditions recognized as giving access to the CA permit.

Since March 31, 2008, there has been a net increase of 93 members, bringing the numbers on the Roll of the Ordre to 17,477. Of these members, 1,240 are registered as inactive.

Basic membership fees for all Quebec CAs were $1,000. This amount includes $450 in service costs remitted to the Canadian Institute of Chartered Accountants. The fees were payable on April 1, 2008, and could also be paid in two equal instalments on April 1, 2008 and June 1, 2008, for an additional administrative fee of $10. Some members (inactive members) paid a reduced fee of $210. A $24.80 levy collected for the Office des professions du Québec was added to the annual fees.

Evelyne Tessier
Coordinator, Roll of the Ordre and Legal Affairs

Applications for a CA permit

	Received	Accepted	Denied	No decision as at year-end
Based on a diploma requirement determined pursuant to paragraph 1 of section 184 of the *Professional Code*	414	414	0	0
Based on the recognition of the equivalence of diplomas issued by educational institutions outside Quebec	0	0	0	0
Based on the recognition of training equivalence	1	1	0	0
Based on a legal authorization to practice the profession	8	4	3	1

Applications for temporary, restrictive, temporary restrictive or special permits

	Received	Accepted	Denied	No decision as at year-end
Temporary permits • Section 37 of the *Charter of the French Language*	5	2	2	1
Temporary permits • Section 41 of the *Professional Code*	0	0	0	0
Temporary restrictive permits • Section 42.1(1) of the *Professional Code*	0	0	0	0
Temporary restrictive permits • Section 42.1(2) of the *Professional Code*	0	0	0	0
Special permits • Section 42.2 of the *Professional Code*	N/A	N/A	N/A	N/A
Restrictive permits • Section 40 of the *Charter of the French Language*	2	1	1	0

CA permits issued as at March 31, 2008				415
CA permits issued (by category)				**419**
Regular permits			416	
Temporary permits			0	
Temporary permits by affiliation			2	
Restrictive permits			1	
Special authorizations granted			0	
Special authorizations extended			0	
Permits revoked or suspended as at March 31, 2008				1
Permits revoked or suspended (by category)				**1**
	Suspended	Revoked		
Regular permits	0	1		
Regular permits by reciprocity	0	0		
Regular permits by affiliation	0	0		
Temporary permits	0	0		
Temporary permits by affiliation	0	0		
Restrictive permits	0	0		
Members holding a CA permit as at March 31, 2008				17,384
Additions to the Roll				**464**
By examination, under section 1 of the *Regulation respecting the terms and conditions for the issue of a permit by the Ordre des comptables agréés du Québec*			414	
By reinstatement			45	
By affiliation from another province under section 21 of the *Chartered Accountants Act*			4	
By reciprocity with another country under section 22 of the *Chartered Accountants Act*			1	
With limitation of the right to engage in professional activities			0	
With suspension of the right to engage in professional activities			0	
Removal from the Roll				**371**
Deceased			69	
Resigned			204	
Struck off for non-payment of annual fees			37	
Struck off for non-compliance with the *Regulation respecting mandatory continuing education for Quebec chartered accountants*			11	
Struck off for non-compliance with the *Regulation respecting professional liability insurance for members of the Ordre des comptables agréés du Québec*			23	
Struck off pursuant to a decision of the Disciplinary Council			5	
Removed pursuant to a decision of the Executive Committee			20	
Expiry of temporary permit			2	
Expiry of restrictive permit			0	
Total membership as at March 31, 2009				**17,477**

Roll of the Ordre > continued

Membership distribution by electoral region		**17,477**
Montreal	11,000	
Quebec City	2,227	
Trois-Rivières	550	
Eastern Townships	723	
Outaouais	263	
North Eastern	358	
Abitibi-Témiscamingue	213	
Saguenay–Lac-Saint-Jean	341	
Canada, outside Quebec	1,051	
Outside Canada	751	

Membership distribution according to gender		**17,477**
Women	6,482	
Men	10,995	

Candidate Roll

As at March 31, 2009, 1,920 candidates for the practice of the profession were registered with the Ordre, an increase of 227 compared with the same date last year. Changes to the Candidate Roll are as follows:

Candidates registered as at March 31, 2008		1,693
Additions to the Roll		**724**
Registration	721	
Reinstatement	3	
Pursuant to a decision of the Executive Committee	0	
Removal from the Roll		**497**
Admitted to the Ordre	414	
By reciprocity	1	
Resigned, deceased, non-payment of annual fees, expiry of deadline for passing the UFE, expiry of deadline for meeting the training period requirements and decisions of the Executive Committee	82	
Candidates registered as at March 31, 2009		**1,920**

Deceased (between April 1, 2008 and March 31, 2009)

Gaétan Aubin, CA
Linda Diane Barry, CA
René Bergeron, CA
Laurent Bertrand, CA
Joseph Bessette, CA
Lawrence Bessner, FCA
Keith Boocock, CA
Guy Boulanger, FCA
Jacques Bourgeois, CA
Jean Jacques Bouvrette, CA
Jean-Charles Brault, CA
Reynald Brisson, CA
Bryan Burchill, CA
James Gordon Butler, CA
Harold Carstairs, CA
Claude Chevalier, CA
Abraham Chodos, FCA
Fernand Choquette, CA
Georges Cloutier, CA
Isadore Cohen, CA
André Côté, FCA
G. Ian Craig, FCA
Jean-Louis Dallaire, CA
J. Alfred Depatie, CA
Gilles Doucet, CA
Réal Dubois, CA
Claude Duclos, CA
Henri Dumas, CA
Isadore Ferstman, CA
Albert Gagné, CA
Michel Gagné, CA
Jean-Paul Gagnon, CA
Jean-Yves Gauthier, CA
Blair Bruce Gibson, CA
Philip Grotsky, CA
Victor Houghton, CA
Pierre Jalbert, FCA
Ove Billeskov Jansen, CA
Arthur Timothy Kelly, CA
Pierre Laberge, CA
Claude Laforce, FCA
Jean-Paul Lavergne, CA
Michel Lebel, CA
Henri Lefrançois, CA
Francine Lemire, CA
John Francis Lewis, FCA
Jacques Lorange, CA
Ernest Boyd Marsh, CA
Richard Mathieu, CA
Philip Miller, CA
Joshua Millman, CA
André Montgrain, CA
Gino Motafferi, CA
Jean Jacques Ouellette, CA
Louis De G. Page, CA
Stanley Ronald Pinkus, CA
Lyon Lionel Rappaport, CA
Roxane Roubeiz, CA
Louise Sauvé, CA
Israel J. Sheinman, CA
Leo Simkover, CA
Jack Rubin Stein, CA
Robert Talbot, CA
J. Maurice Tremblay, CA
Robert Tremblay, CA
Karolyne Vinet, CA
Georges Zakarian, CA
Leonard Samuel Zalter, CA
Melvin Zwaig, FCA

Audit Committee

> Denis Savard, CA

The Audit Committee reviews all issues relating to the Ordre's financial affairs and external audit mechanisms in order to support the Board of Directors in fulfilling its oversight responsibilities.

The Audit Committee is composed only of Board members appointed by the Board of Directors who are independent of the Executive Committee. The secretary is the Ordre's Director of Finance. The Committee held five meetings during the year and met with the external auditor without management being present.

In particular, the Committee:

- reviews the Ordre's financial statements, including the significant accounting policies and estimates, in view of recommending their approval by the Board of Directors; this year, the Committee evaluated whether the Ordre is subject to IFRS and concluded that it is not;
- assesses the external auditor's independence and objectivity, as well as the effectiveness of the external audit process;
- contributes to preserving the external auditor's objectivity and independence, for example by approving all external audit fees;
- oversees the process put in place to ensure compliance with laws and regulations;
- oversees control and risk management activities.

The Committee is also responsible for recommending the appointment, reappointment or replacement of the external auditor. The external audit mandate was subject to a five-year call for tender process in early 2008. The mandate for the year ended March 31, 2009 (the first year of the five-year cycle) was entrusted to Bourgeois Marsolais, CA, LLP.

The Committee's choice of public accounting firm, which is submitted to the Board of Directors, was approved by the membership at the Annual General Meeting.

Denis Savard, CA
Chair

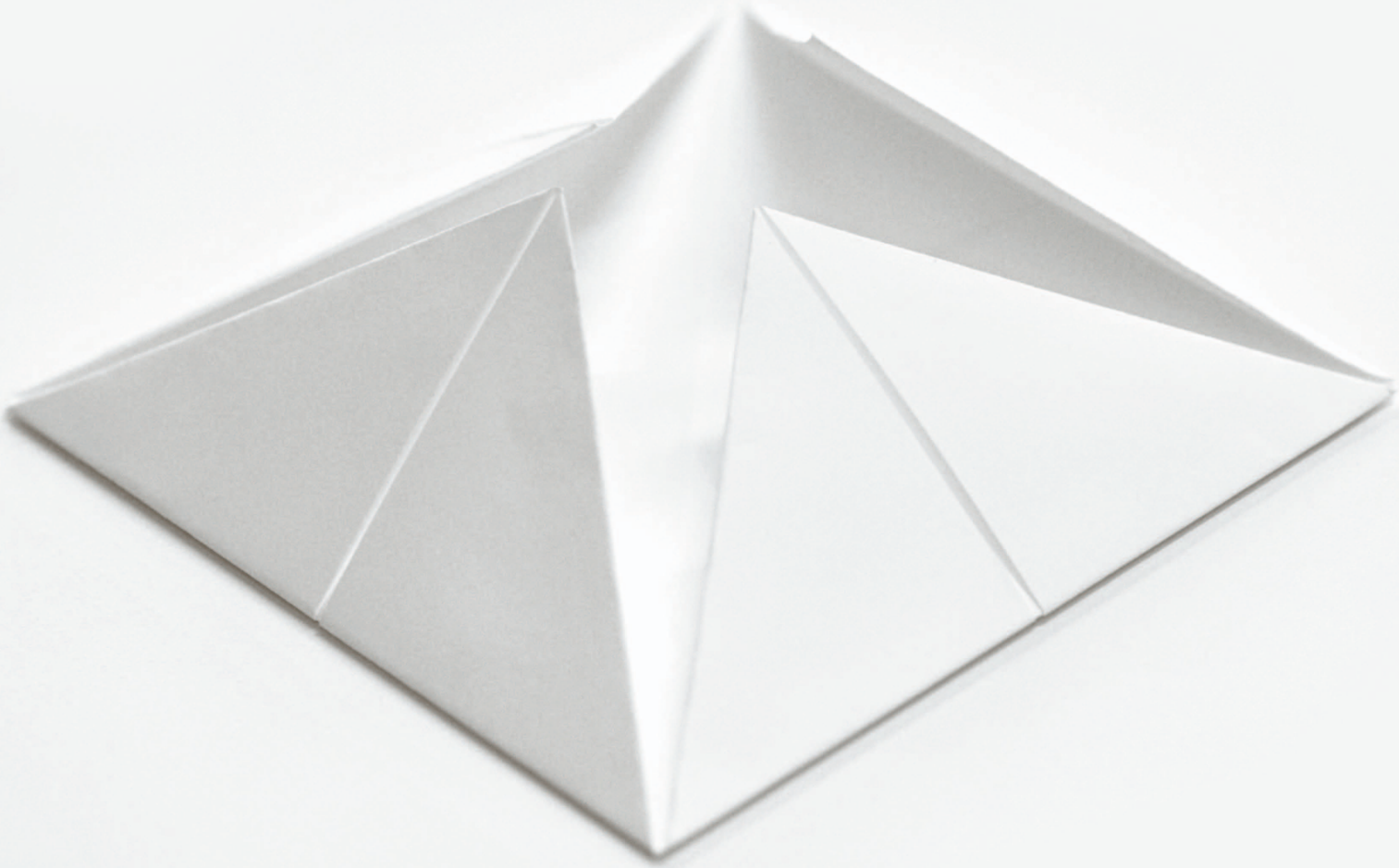
Committee members

Jocelyn Patenaude, CA
Hélène Racine, CA

Guest: Évelyn Paquin, FCA

Secretary: Marie-France Langlois, CA

Financial Statements



Auditors' Report

To the members of the Ordre des comptables agréés du Québec
We have audited the statement of financial position of the ORDRE DES COMPTABLES AGRÉÉS DU QUÉBEC as at March 31, 2009 and the statements of operations, changes in fund balances and cash flows for the annual period then ended. These financial statements are the responsibility of the management of the ORDRE DES COMPTABLES AGRÉÉS DU QUÉBEC. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the ORDRE DES COMPTABLES AGRÉÉS DU QUÉBEC as at March 31, 2009, and the results of its operations and its cash flows for the annual period then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures are based on financial statements that were audited by other auditors.

Bourgeois Marsolais, CA, LLP [1]

Bourgeois Marsolais, CA, LLP
Montreal, May 1, 2009

[1] CA auditor, permit No. 15101

Management's responsibility with regard to the financial report

The financial statements and other information contained in this annual report are the responsibility of the management of the Ordre. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Where necessary, management has made judgments and estimates regarding the consequences of certain events and transactions, while considering materiality. The financial and statistical information contained in the remainder of the report is consistent with the information included in the financial statements.

As part of its responsibilities, the management of the Ordre maintains a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded and that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements.

The Board of Directors of the Ordre carries out its responsibilities with regard to the financial statements mainly through its Audit Committee. This Committee reviews the annual financial statements and other information contained in the annual report and recommends them to the Board for approval. The Audit Committee meets periodically with the management of the Ordre and the external auditors, and reports to the Board.

The financial statements have been audited by the Ordre's auditors who were engaged by the Board of Directors of the Ordre upon recommendation of the Audit Committee and whose appointment was ratified at the Annual General Meeting.

Jean-Pierre Allaire, FCA, ICD.D
Chair of the Ordre

Daniel McMahon, FCA
President and CEO

Statement of Financial position as at March 31, 2009

	2009				2008
	General Fund $	Indemnity Fund $	Insurance Fund $	**Total** $	Total $
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents (Note 6)	13,823,526	1,216,538	1,727,272	**16,767,336**	10,996,122
Investments (Note 7)	35,622	-	-	**35,622**	507,324
Accounts receivable (Note 8)	1,417,098	14,113	197,816	**1,629,027**	1,503,078
Prepaid expenses	280,572	-	-	**280,572**	171,389
	15,556,818	1,230,651	1,925,088	**18,712,557**	13,177,913
INVESTMENTS (Note 7)	499,832	84,528	124,039	**708,399**	5,685,406
CAPITAL ASSETS (Note 9)	1,083,489	-	-	**1,083,489**	1,044,661
	17,140,139	1,315,179	2,049,127	**20,504,445**	19,907,980
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable and accrued liabilities (Note 10)	5,079,240	-	180,758	**5,259,998**	4,939,746
Unearned revenue	6,359,003	-	-	**6,359,003**	6,016,878
	11,438,243	-	180,758	**11,619,001**	10,956,624
DEFERRED LEASE INDUCEMENT	49,000	-	-	**49,000**	52,500
ACCRUED BENEFIT LIABILITY (Note 11)	821,100	-	-	**821,100**	934,800
CLAIMS FLUCTUATION RESERVE (Note 12)	-	-	1,035,899	**1,035,899**	836,865
DEFERRED REVENUE (Note 13)	-	-	832,470	**832,470**	1,130,590
	12,308,343	-	2,049,127	**14,357,470**	13,911,379
FUND BALANCES					
Internally restricted for:					
• Capital assets	1,083,489	-	-	**1,083,489**	1,044,661
• Regional groups	365,979	-	-	**365,979**	292,728
• Professional education program	664,817	-	-	**664,817**	679,876
• Professional products and services	1,000,000	-	-	**1,000,000**	546,862
• Pension plan	400,000	-	-	**400,000**	400,000
Unrestricted	1,317,511	-	-	**1,317,511**	1,670,413
Indemnity Fund	-	1,315,179	-	**1,315,179**	1,351,587
Insurance Fund	-	-	-	**-**	10,474
	4,831,796	1,315,179	-	**6,146,975**	5,996,601
	17,140,139	1,315,179	2,049,127	**20,504,445**	19,907,980

COMMITMENTS (Note 14)

ON BEHALF OF THE BOARD OF DIRECTORS

Jean-Pierre Allaire, FCA, ICD.D
Chair of the Ordre

Daniel Y. Lemieux, CA
Chair of the Finance Committee

Statement of Operations for the annual period ended March 31, 2009

	2009					2008
	Budget (note 2) $	General Fund $	Indemnity Fund $	Insurance Fund $	**Total** $	Total $
REVENUES						
Member and candidate fees	16,460,900	16,375,974	-	-	**16,375,974**	16,181,532
Member and candidate registrations	459,000	419,680	-	-	**419,680**	412,780
Professional products and services:						
• Continuing education	5,094,200	4,986,116	-	-	**4,986,116**	4,504,022
• Publications	476,100	418,832	-	-	**418,832**	517,254
• Other	101,300	90,226	-	-	**90,226**	66,842
Professional inspection fees	1,200,300	1,200,322	-	-	**1,200,322**	1,515,553
Examination fees	899,500	1,008,294	-	-	**1,008,294**	791,575
Activities	623,500	688,251	-	-	**688,251**	855,933
Investment income	446,200	-	-	-	-	243,913
Commercial products and services	415,000	526,704	-	-	**526,704**	364,637
Fines	30,000	46,274	-	-	**46,274**	56,331
Experience refunds from insurance plans for the year	-	-	-	176,918	**176,918**	456,716
Other (Note 15)	553,100	525,626	-	267,823	**793,449**	740,544
	26,759,100	26,286,299	-	444,741	**26,731,040**	26,707,632
EXPENSES (Appendix A) (Note 11)						
Management and external affairs	1,824,100	1,810,328	-	-	**1,810,328**	1,589,078
Supervision of the profession	3,708,100	3,521,154	6,190	-	**3,527,344**	3,398,165
Member services	7,853,700	6,872,944	-	-	**6,872,944**	6,599,285
Qualification	2,698,100	2,696,662	-	-	**2,696,662**	2,629,333
Administration (Notes 9 and 14)	3,665,400	3,993,885	23,091	68,789	**4,085,765**	3,760,133
CICA services (Note 1)	7,215,400	7,151,949	-	-	**7,151,949**	7,062,587
Experience refunds to insured members	-	-	-	176,918	**176,918**	456,716
Increase in claims fluctuation reserve (Note 12)	-	-	-	199,034	**199,034**	58,578
	26,964,800	26,046,922	29,281	444,741	**26,520,944**	25,553,875
EXCESS OF REVENUES OVER EXPENSES (OF EXPENSES OVER REVENUES)	(205,700)	239,377	(29,281)	-	**210,096**	1,153,757

Statement of changes in Fund Balances for the annual period ended March 31, 2009

	2009								
	General Fund						Indemnity Fund	Insurance Fund	**Total**
	Invested in capital assets $	Restricted for regional groups $	Restricted for PEP* orientation $	Restricted for PPS** $	Restricted for pension plan $	Unrestricted $	$	$	$
BALANCE, BEGINNING OF PERIOD	1,044,661	292,728	679,876	546,862	400,000	1,628,292	1,344,460	-	**5,936,879**
Excess of revenues over expenses (of expenses over revenues)	(440,221)	(289,447)	22,578	-	-	946,467	(29,281)	-	**210,096**
Purchase of capital assets	480,954	(2,880)	-	-	-	(478,074)	-	-	-
Disposal of capital assets	(1,905)	-	-	-	-	1,905	-	-	-
Interfund transfers (Note 16)	-	365,578	(37,637)	453,138	-	(781,079)	-	-	-
	1,083,489	**365,979**	**664,817**	**1,000,000**	**400,000**	**1,317,511**	**1,315,179**	-	**6,146,975**
Accumulated gains included directly in the statement of changes in fund balances, beginning of period	-	-	-	-	-	42,121	7,127	10,474	**59,722**
Change in unrealized losses on available-for-sale financial assets arising during the period	-	-	-	-	-	(42,121)	(7,127)	(10,474)	**(59,722)**
Accumulated gains included directly in the statement of changes in fund balances, end of period	-	-	-	-	-	-	-	-	-
BALANCE, END OF PERIOD	**1,083,489**	**365,979**	**664,817**	**1,000,000**	**400,000**	**1,317,511**	**1,315,179**	-	**6,146,975**

	2008								
	General Fund						Indemnity Fund	Insurance Fund	**Total**
	Invested in capital assets $	Restricted for regional groups $	Restricted for PEP* orientation $	Restricted for PPS** $	Restricted for pension plan $	Unrestricted $	$	$	$
BALANCE, BEGINNING OF PERIOD	709,172	337,991	670,383	546,862	150,000	1,031,460	1,337,254	-	**4,783,122**
Excess of revenues over expenses (of expenses over revenues)	(470,477)	(358,622)	14,217	-	-	1,961,433	7,206	-	**1,153,757**
Purchase of capital assets	807,023	(1,660)	-	-	-	(805,363)	-	-	-
Disposal of capital assets	(1,057)	-	-	-	-	1,057	-	-	-
Interfund transfers (Note 16)	-	315,019	(4,724)	-	250,000	(560,295)	-	-	-
	1,044,661	**292,728**	**679,876**	**546,862**	**400,000**	**1,628,292**	**1,344,460**	-	**5,936,879**
Change in unrealized gains on available-for-sale financial assets arising during the period	-	-	-	-	-	42,121	7,127	10,474	**59,722**
BALANCE, END OF PERIOD	**1,044,661**	**292,728**	**679,876**	**546,862**	**400,000**	**1,670,413**	**1,351,587**	**10,474**	**5,996,601**

* The Professional Education Program is intended for students registered in a graduate diploma program.
** The amount restricted for Professional Products and Services is used to develop continuing education activities.

Statement of cash flows for the annual period ended March 31, 2009

	2009	2008
	$	$
OPERATING ACTIVITIES		
Excess of revenues over expenses	**210,096**	1,153,757
Non-cash items:		
• Amortization of capital assets	**438,486**	471,534
• Loss (gain) on disposal of capital assets	**1,735**	(1,057)
• Gain on sale of investments	**(13,800)**	-
• Loss in value of investments	**731,648**	396,761
• Amortization of deferred lease inducement	**(3,500)**	(88,122)
• Decrease in accrued benefit liability	**(113,700)**	(270,800)
• Increase in claims fluctuation reserve	**199,034**	58,578
• Decrease in deferred revenue from Insurance Fund	**(298,120)**	(144,559)
	1,151,879	1,576,092
Net change in non-cash working capital item (Note 17)	**427,245**	1,186,942
	1,579,124	2,763,034
FINANCING ACTIVITIES		
Increase in deferred revenue from Insurance Fund	-	45,183
INVESTING ACTIVITIES		
Proceeds from disposal of investments	**4,706,761**	173,141
Purchase of investments	**(35,622)**	(6,544,603)
Purchase of capital assets	**(480,954)**	(807,023)
Proceeds from disposal of capital assets	**1,905**	1,057
Increase in lease inducement	-	56,000
	4,192,090	(7,121,428)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**5,771,214**	(4,313,211)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**10,996,122**	15,309,333
CASH AND CASH EQUIVALENTS, END OF PERIOD	**16,767,336**	10,996,122

1. INCORPORATION, NATURE OF ACTIVITIES AND STRUCTURE OF THE ORDRE

The Ordre des comptables agréés du Québec (the Ordre) is constituted under the *Chartered Accountants Act* of Quebec. The Ordre's primary mission is to ensure the protection of the public. The Ordre is governed by Quebec's *Professional Code* and is a not-for-profit organization for the purposes of the *Income Tax Act*. The Ordre must, in particular, ensure the delivery of practice permits to candidates who have met the required conditions, maintain the Roll of the Ordre and supervise the practice of the profession by its members. In addition, under a protocol agreement signed in 1998 and renewed on May 23, 2006, the Ordre uses the services of the Canadian Institute of Chartered Accountants (CICA) in the following areas affecting Canadian chartered accountants as a whole: public interest and integrity; effective leadership and strategic planning for the profession; education and qualification; standard setting; and communications. The Ordre's financial statements are prepared in accordance with Canadian generally accepted accounting principles and presented in accordance with sections 22 to 25 of the *Regulation respecting the annual reports of professional orders* (R.S.Q., c. C-26, s. 12, third para., subpara. 6(b) and s. 12.2).

2. BUDGET

The unaudited figures included under the "Budget" heading in the statement of operations cover the General Fund and are provided for information purposes only. The budget was approved by the Board of Directors of the Ordre on February 7, 2008.

3. CHANGE IN ACCOUNTING POLICIES

(a) New standards adopted during the period

During the period, the Ordre applied the new CICA recommendations included in the Section 4400 series and in Section 1540 of the *CICA Handbook* respecting the recognition, measurement and reporting of financial information specific to not-for-profit organizations. The adoption of these new standards has resulted in changes in the presentation of the statement of cash flows and in the notes to financial statements. Disclosures regarding allocated expenses are presented in Note 4(c).

(i) Capital disclosures

On April 1, 2008, management adopted *CICA Handbook* Section 1535, "Capital Disclosures," which establishes standards for disclosing information about an entity's capital and how it is managed. The implementation of these standards by the Ordre did not have an impact on its results of operations or financial position (Note 18).

(ii) Financial instruments

On April 1, 2008, management chose to adopt *CICA Handbook* Section 3862, " Financial Instruments — Disclosures," and Section 3863, "Financial Instruments — Presentation," which replace Section 3861, "Financial Instruments — Disclosure and Presentation." These standards revise and enhance disclosure requirements such that the entity is required to provide additional information on the nature and extent of risks arising from financial instruments to which it is exposed and how it manages those risks. The implementation of these standards by the Ordre did not have an impact on its results of operations or financial position (Note 5).

(iii) Credit risk and the fair value of financial assets and financial liabilities

The Emerging Issues Committee Abstract of Issue Discussed EIC-173, *Credit Risk and the Fair Value of Financial Assets and Financial Liabilities,* specifies that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities. Adoption of EIC-173 did not have a material effect on the Ordre's financial statements or on the fair value measurement of its financial assets and financial liabilities.

(iv) General standards of financial statement presentation

The CICA amended *CICA Handbook* Section 1400, "General Standards of Financial Statement Presentation," adding the requirement that management should make an assessment of the entity's ability to continue as a going concern when preparing the financial statements. This amendment came into effect on April 1, 2008 and did not affect the Ordre's financial statements.

(b) Future accounting changes

(i) International Financial Reporting Standards

The Accounting Standards Board (AcSB) has announced that all Canadian publicly accountable enterprises, subject to certain exceptions which include not-for-profit organizations, will adopt International Financial Reporting Standards (IFRSs) as Canadian generally accepted accounting principles for years beginning on or after January 1, 2011. The Ordre has the option of adopting IFRSs. Management is currently assessing the implications of adopting these new standards.

(ii) Financial statement concepts

CICA Handbook Section 1000, "Financial Statement Concepts," was amended to take into account the capitalization of costs that substantively satisfy the definition of an asset, with less focus on the matching principle. These amendments are effective as of April 1, 2009. Management is currently assessing the impact of these changes on the Ordre's financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Fund accounting

The General Fund is used for all ordinary and regular operations of the Ordre. Revenues and expenses related to services and administration are presented in the General Fund.

The Indemnity Fund is intended to repay the amounts of money or other securities used by a member for purposes other than those for which they had been delivered to him or her in the practice of the profession, in accordance with Section 89 of the *Professional Code*.

The Insurance Fund includes the amounts refunded by insurers for members who participate in the insurance plans offered to Ordre members. Revenues and expenses related to the Insurance Fund are included in this Fund. The related investment income is recognized as deferred revenue on the statement of financial position.

(b) Revenue recognition

The Ordre uses the deferral method to recognize contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Continuing education revenue is recognized based on clients' use of the service, according to an average usage rate established each year.

Membership fees and other revenue are recognized in the period to which they relate.

Realized gains and losses are recognized in the statement of operations while unrealized gains and losses on financial assets that are available for sale are included directly in the statement of changes in fund balances until such assets are removed from the statement of financial position or until they suffer a permanent impairment in value, in which case they are recorded in the statement of operations.

(c) Cost allocation

Costs directly related to an activity are charged to that activity. Overhead is allocated to the following self-financing centres according to use: Professional Inspection, Continuing Education and Publications (included in "Professional products and services: Other"). The unallocated balance is shown separately in the additional information under "Office occupancy expenses" and "General expenses." Overhead is allocated on the following bases:

- expenses related to rent, insurance and taxes – based on square footage used;
- expenses related to telephones and supplies – based on the number of work stations used;
- expenses related to office equipment and stationery – based on the rate of use of the printers.

Overhead is allocated as follows:

	2009	2008
	$	$
Professional inspection	**132,611**	93,786
Continuing education and publications	**213,500**	213,884
Unallocated general expenses	**1,425,915**	1 347,943
	1,772,026	1,655,613

(d) Contributed services

The operation of the Ordre depends in part on the voluntary service of many members. Since these services are not normally purchased by the Ordre and their fair value is difficult to estimate, contributed services are not reflected in these financial statements.

(e) Management estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reported period. The critical estimates relate to the recognition of unearned revenue from continuing education activities, the write-down of investments and the accrued benefit liability. Actual results could differ from these estimates.

(f) Cash and cash equivalents

The Ordre's policy is to disclose cash, money market mutual fund units and investments of 90 days or less from the date of acquisition under cash and cash equivalents.

(g) Short-term investments

Short-term investments consist of term deposits and fixed income securities with maturities of over 90 days but less than 12 months.

(h) Capital assets

Capital assets are recorded at cost and amortized using the following methods, rates and periods:

	Methods	Rates/Periods
Furniture and equipment	Declining balance	20%
Computer software	Straight-line	5 years
Computer hardware	Straight-line	3 years
Leasehold improvements	Straight-line	Lease term, 16 years

(i) Deferred lease inducement

The deferred lease inducement is amortized on a straight-line basis over the term of the original lease and is applied against lease payments.

(j) Employee benefit plans

The Ordre maintains a pension plan, which was a contributory defined benefit pension plan up until December 31, 2006. As of January 1, 2007, the defined benefit plan is maintained for past services rendered before this date, and continues as a defined contribution plan for subsequent services.

(i) Defined benefit plan for past services

The fair value of plan assets and the accrued obligation are measured at December 31.

The Ordre amortizes the transitional asset (obligation) on a straight-line basis over the average remaining service period of active employees expected to receive benefits.

The Ordre has adopted the following policies to account for its obligations under employee benefit plans and the related costs, net of plan assets:

- The cost of pension and other post-retirement benefits earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate assumptions in determining the expected return on plan assets, salary escalation, the retirement ages of employees and expected post-retirement benefit costs;
- For the purpose of calculating the expected return on plan assets, those assets are measured at fair value;
- Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment;

- The excess of the net actuarial gain (loss) over 10% of the accrued benefit obligation, or over 10% of the fair value of plan assets if higher, is amortized over the average remaining service period of active employees. The average remaining service periods of active employees covered by the basic pension plan and the supplementary plan are respectively 12 years and 11 years as at December 31, 2008 (13 years and 11 years as at December 31, 2007).

(ii) Defined contribution plan

The cost of the plan is based on the amount of employer and participant contributions.

5. FINANCIAL INSTRUMENTS

In accordance with *CICA Handbook* Section 3855, "Financial Instruments – Recognition and Measurement," financial instruments are classified into one of the following five categories: held for trading, held to maturity, loans and receivables, available for sale, or other financial liabilities. The classification determines the accounting treatment of the instrument. The classification is determined by management when the financial instrument is initially recorded, based on the underlying purpose of the instrument.

The Ordre's financial assets and financial liabilities are classified and measured as follows:

Financial assets/liabilities	Category	Measurement
Cash and cash equivalents	Held for trading	Fair value
Receivables	Held for trading	Fair value
Investments	Available for sale	Fair value
Accounts payable and accrued liabilities	Held for trading	Fair value
Claims fluctuation reserve	Other financial liabilities	Cost

The fair value of a financial instrument is the estimated amount that would be received or paid to settle a financial asset or financial liability at the reporting date. The following methods and assumptions were used to determine the fair value of each category of financial assets and financial liabilities:

(i) Cash and cash equivalents, receivables, accounts payable and accrued liabilities

The fair values of these financial assets and liabilities held for trading approximate their carrying value due to their short-term nature.

(ii) Investments

The fair value of investments is based on quoted market prices, with the exception of ABCP, which is measured according to the method described in Note 7.

(iii) Claims fluctuation reserve

The claims fluctuation reserve is recorded at cost, since fair value cannot be determined as this reserve is based on potential claims whose amounts and dates are unknown.

Changes in fair value of financial instruments classified as available for sale are recorded in the statement of changes in fund balances and expensed when realized or when the impairment in value is permanent.

During the annual period, financial assets available for sale generated interest income of $195,432 and net losses of $594,758, an amount which includes their permanent impairment in value.

Risk management

The Ordre manages its exposure to the risks associated with financial instruments that affect its operating and financial performance in accordance with its Risk Management Policy. The objective of the policy is to reduce volatility in cash flow and earnings.

The Ordre is exposed to the following risks associated with its financial instruments. An analysis of sensitivity to specified risks is provided where these risks may affect results, activities or financial position. The sensitivity analysis is performed by relating the reasonably possible changes in the risk variables at March 31, 2009 to financial instruments outstanding on that date.

The Ordre's financial instruments and the nature of the risks which they may be subject to are as follows:

	RISKS			
			Market risks	
	Credit	Liquidity	Currency	Interest rate
Measured at fair value				
• Cash and cash equivalents	X			X
• Receivables	X			
• Investments	X	X	X	X
• Accounts payable and accrued liabilities		X		
Measured at cost				
• Claims fluctuation reserve		X		

(a) Credit risk

Credit risk arises from the possibility of one of the parties defaulting on its financial obligations. Concentration of credit risk exists when clients in a group have similar economic characteristics such that their ability to meet their obligations could be affected similarly by changes in economic or other conditions. Major concentrations of credit risk to which the Ordre is exposed are industry-related and the Ordre has no significant risk with respect to a single client. The Ordre is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, which would cause it to incur a financial loss.

The total amount of cash and cash equivalents, receivables and investments, measured at fair value, correspond to the Ordre's maximum exposure to credit risk.

(i) Cash and cash equivalents and investments

Credit risk associated with cash and cash equivalents and short-term investments is minimized by investing these assets in money market mutual fund units, Canada Treasury bills and term deposits. An ongoing review is performed to evaluate changes in the status of the investments under the Ordre's investment policy.

(ii) Receivables

Credit risk associated with receivables is minimized by the Ordre's large client base. Receivables are derived mostly from Ordre members. At March 31, 2009, amounts receivable from members comprised 73% of the total amounts due.

The Ordre must make estimates in respect of the allowance for doubtful accounts. The reasons for the accounts being past due and line of business from which the receivable arose are considered in determining when past-due accounts should be allowed for or whether to write-off amounts charged to the allowance account against the amounts receivable. The allowance for doubtful accounts is calculated on a specific-identification basis or on a non-specific basis for amounts receivable, as appropriate. An allowance of $8,503 ($5,020 in 2008) was made for the remainder of the receivables which represent financial assets held for trade, with balances of over 90 days from the date of billing. Amounts subsequently recovered from accounts previously written off are recognized in the period of recovery.

(b) Liquidity risk

Liquidity risk is the risk of being unable to meet a demand for cash or fund obligations as they come due. It stems from the possibility of a delay in realizing the fair value of investments.

The Ordre manages its liquidity risk by constantly monitoring forecasted and actual cash flow and financial liability maturities, and by holding assets that can be readily converted into cash.

Accounts payable and accrued liabilities are generally paid within 30 days. With respect to the claims fluctuation reserve, there is no known maturity since the reserve concerns potential claims.

(c) Market risks

The Ordre is exposed to market risks arising from changes in the fair value of financial instruments due to market price fluctuations. Market risks consist of currency risk and interest rate risk.

(i) Currency risk

Currency risk is the risk that the fair value of a financial instrument or the related future cash flows will fluctuate due to changes in foreign exchange rates.

The functional currency of the Ordre is the Canadian dollar. The Ordre does not enter into foreign currency transactions and does not use foreign exchange forward contracts. At March 31, 2009, the Ordre had no investments exposed to currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument or the related future cash flows will fluctuate due to changes in market interest rates.

The Ordre is exposed to interest rate risk with regard to its cash and cash equivalents, and investments. The Ordre has no interest-bearing liability.

The Ordre's cash includes amounts on deposit with financial institutions that earn interest at the market rate.

The Ordre manages its exposure to the interest rate risk of its cash by minimizing its capital investment risks while achieving a satisfactory return and maintaining the minimum liquidity necessary to conduct operations on a day-to-day basis. Fluctuations in market rates of interest on cash do not have a significant impact on the Ordre's results of operations.

Term deposits, money market mutual fund units and Canada Treasury Bills are not exposed to significant interest rate risk due to their short-term nature. Therefore, this risk does not have a significant impact.

6. CASH AND CASH EQUIVALENTS

	2009	2008
	$	$
Cash	**2,396,507**	2,423,812
Money market mutual fund	**10,745,055**	8,562,310
Canada Treasury Bills	**3,568,280**	-
Term deposits	**57,494**	10,000
	16,767,336	10,996,122

The Ordre manages its investment portfolio, whose fair value is equal to cost, based on its cash requirements and with a view to safe-guarding its capital while achieving a satisfactory return. The rate of return on the money market mutual fund units varies according to market rates. The rate of return was 2.61% for the annual period (4.0% in 2008). The interest rate on term deposits held at the end of the annual period and maturing in 90 days or less ranged from 3.0% to 3.65%.

7. INVESTMENTS

(a) Term deposits

Term deposits are held for a period of more than 90 days, and their fair value corresponds to their cost. Interest rates on term deposits held at the end of the annual period ranged from 0.25% to 1.90% (2.5% to 3.71% in 2008), and the maturity dates do not exceed one year.

(b) Corporate bonds

At March 31, 2009, the Ordre held corporate bonds the value of which, i.e. $394,040, was fully written off by management, recorded as follows:

Investment income on the corporate bonds was reduced by $278,026 for the General Fund and $47,018 for the Indemnity Fund on the statement of operations. Investment income from the Insurance Fund was also reduced by $68,996 from deferred revenue on the statement of financial position. The bonds mature in February 2010.

At March 31, 2009, there is no difference between the cost and fair value of the bonds because they were either disposed of or fully written down. The disposal of the bonds resulted in a gain of $13,800. At March 31, 2008, the difference between the cost and fair value of long-term bonds was reflected in the change in unrealized gains in the statement of changes in fund balances. The effective bond yield for the annual period was 3.14% (4.16% in 2008).

	2009		2008	
	Cost $	Fair value $	Cost $	Fair value $
Short-term				
Term deposits	**35,622**	**35,622**	105,484	105,484
Corporate bonds	**394,040**	-	395,868	401,840
	429,662	**35,622**	501,352	507,324
Long-term				
Money market mutual fund units (ABCP)	**1,442,770**	**708,399**	1,442,770	1,046,009
Corporate bonds	-	-	4,539,797	4,593,547
Term deposits	-	-	45,850	45,850
	1,442,770	**708,399**	6,028,417	5,685,406
	1,872,432	**744,021**	6,529,769	6,192,730

(c) Money market mutual fund units (ABCP)

On March 31, 2009, the Ordre held $1,442,770 ($1,442,770 in 2008) in money market mutual fund units, the assets of which are essentially comprised of non-bank asset-backed commercial paper (ABCP).

In August 2007, the issuers of the non-bank ABCP stopped honouring their commitments because of a liquidity crisis. Since there is no active market for non-bank ABCP securities, the fund manager suspended the redemption of fund units until the net asset value of the fund can be reasonably determined and there is an active market in which non-bank ABCP securities can be sold. To take into account a possible impairment of these securities, the fund manager recorded a total loss in value of 41.6% (18.5% in 2008) of total fund assets at March 31, 2009.

Under GAAP, additional constraints imposed on fund unit holders should be taken into account when determining the fair value of the units held by the Ordre. Thus, a $134,177 ($129,849 in 2008) provision for illiquidity in respect of the fund units was recognized as at March 31, 2009 in addition to the loss in value established by the fund manager. This provision corresponds to the estimated impact of the constraints on outflows imposed by the fund manager and amounts to 9.3% (9% in 2008) bringing the total loss in value to 50.9% or $734,369 (27.5%, i.e. $396,761 in 2008).

The loss in value of 23.4% reported during the period, i.e. $337,608 (27.5%, i.e. $396,761 in 2008) was recorded as follows:

Investment income was reduced by $238,209 for the General Fund ($279,947 in 2008) and $40,284 ($47,342 in 2008) for the Indemnity Fund on the statement of operations.

Investment income from the Insurance Fund was also reduced by $59,115 ($69,472 in 2008) from deferred revenue on the statement of financial position.

Management believes that the estimate of the fair value of its fund units is reasonable and is the best possible estimate as at March 31, 2009. Nevertheless, this fair value is based on information available at March 31, 2009 and on management's assessment of capital market conditions. It does not correspond to the net asset value at which the fund units could be redeemed. Changes in assumptions, especially in light of market conditions, could have an impact on the value of the ABCP securities and, consequently, on the net asset value of the units during the next fiscal period.

If these uncertainties are resolved, the definitive fair value of these investments could depart from the Ordre's current best estimates, and this difference could have an impact on the Ordre's financial results.

The Ordre has the funds necessary to meet its future financial obligations and does not foresee any significant negative impact from ABCP liquidity problems.

8. ACCOUNTS RECEIVABLE

	2009	2008
	$	$
Accounts receivable	**1,314,165**	948,514
Amount receivable from an insurance company	**176,918**	456,716
Other	**137,944**	97,848
	1,629,027	1,503,078

The amount receivable from an insurance company corresponds to a life insurance plan surplus to be distributed to insured members.

9. CAPITAL ASSETS

	2009			2008
	Cost $	Accumulated amortization $	Net value $	Net value $
Furniture and equipment	556,328	280,186	**276,142**	336,060
Computer software	2,019,809	1,420,416	**599,393**	509,004
Computer hardware	600,942	507,756	**93,186**	76,633
Leasehold improvements	131,161	16,393	**114,768**	122,964
	3,308,240	2,224,751	**1,083,489**	1,044,661

The amortization expense charged to administrative expenses was $438,486 ($471,534 in 2008), of which $274,455 ($257,027 in 2008) was for software.

During the period, the Ordre wrote off some computer software and hardware with no remaining useful life. The write-off resulted in a reduction of the cost and accumulated amortization of $367,261 for the computer software and $20,188 for the hardware.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2009	2008
	$	$
CICA services	**2,045,480**	1,526,012
Accounts payable	**1,352,581**	1,482,837
Salaries and payroll deductions	**666,518**	566,040
Sales taxes payable	**551,865**	477,092
Office des professions du Québec levy	**466,636**	431,049
Amount payable to members participating in insurance plans[1]	**176,918**	456,716
	5,259,998	4,939,746

[1] During the period, an insurance plan surplus refund of $176,918 was approved.

11. EMPLOYEE BENEFIT PLANS

(a) Defined benefit plans

The actuarial valuation for funding purposes was performed as at December 31, 2006. During the period, the Ordre approved the transfer of a maximum of two million dollars to be invested in the defined benefit plan. This infusion will alleviate plan cost volatility and reduce the minimum payments required to repay the accumulated deficit mentioned in Note 14 under commitments. Accordingly, the next actuarial valuation due December 31, 2009 could be moved up to December 31, 2008.

Information about the defined benefit plans as at March 31, in aggregate, is as follows:

	Funded Pension plan		Unfunded pension plan	
	2009	2008	2009	2008
	$	$	$	$
Pension expense	**45,700**	27,000	**54,300**	52,800
Fair value of plan assets	**6,128,300**	7,244,300	-	-
Accrued benefit obligations	**7,151,100**	9,561,500	**504,400**	613,900
Funded status (deficit)	**(1,022,800)**	(2,317,200)	**(504,400)**	(613,900)
Unrecognized items	**779,600**	1,954,500	**(73,500)**	41,800
Accrued benefit liability	**(243,200)**	(362,700)	**(577,900)**	(572,100)

The accrued benefit liability from both pension plans combined was $821,100 ($934,800 in 2008).

The significant actuarial assumptions adopted in measuring the accrued benefit obligations and recognized costs are as follows (weighted-average assumptions as at December 31):

	Funded and unfunded pension plans	
	2009	2008
Discount rate used for recognized costs	**5.0%**	5.0%
Discount rate used for benefit obligations	**7.25%**	5.0%
Expected long-term rate of return on plan assets	**6.0%**	6.0%
Rate of compensation increase	**3.5%**	3.5%

The assets of the funded plan consist of the following:

	Funded pension plan	
	2009	2008
Asset class:		
Canadian equities	**25%**	26%
Foreign equities	**30%**	29%
Bonds	**43%**	43%
Money market	**2%**	2%
	100%	100%

Other information about the Ordre's defined benefit plans is as follows:

	Funded pension plan		Unfunded pension plan	
	2009	2008	2009	2008
	$	$	$	$
Employer contributions	**207,500**	247,000	-	-
Benefits paid	**210,300**	141,500	**48,500**	48,500

(b) Defined contribution plan

The total cost recognized for the Ordre's defined contribution plan was $314,872 ($298,660 in 2008).

12. CLAIMS FLUCTUATION RESERVE (INSURANCE FUND)

	2009	2008
	$	$
Balance, beginning of period	**836,865**	778,287
Increase in required reserve	**199,034**	58,578
Balance, end of period	**1,035,899**	836,865

The claims fluctuation reserve represents part of the amounts refunded by the insurer which the Ordre must retain to absorb any future deficits in the life insurance plan. The amount of the reserve is determined by the insurer based on annual premiums collected and on administrative expenses relating to the plan. The amount of any future deficits that the Ordre may be required to absorb annually is limited to the balance of the reserve at the beginning of the period in which the deficit occurs.

13. DEFFERED REVENUE (INSURANCE FUND)

	2009	2008
	$	$
Balance, beginning of period	**1,130,590**	1,229,966
Amounts recognized as revenue for the period	**(267,823)**	(144,559)
(Loss) investment income	**(30,297)**	45,183
Balance, end of period	**832,470**	1,130,590

Investment losses represent the excess, over interest income of $97,814 ($114,655 in 2008), of a provision of $59,115 ($69,472 in 2008) for the money market mutual fund units and an investment loss of $68,996 on corporate bonds.

14. COMMITMENTS

The Ordre has agreed to lease office space as of December 1, 2007 for a period of 15 years and 5 months ending April 30, 2023. The total amount to be paid from now until the end of the lease term, including a provision for taxes and operating costs, is $13,074,953. Rental expense charged for the period is $678,141 ($569,215 in 2008). Amortization of the deferred lease inducement applied against lease payments is $3,500 ($88,122 in 2008).

Also, under two office equipment leases expiring in April 2011 and May 2013, the Ordre has commitments totalling $392,892. The lease expense charged for the period is $107,492 ($99,973 in 2008).

The Ordre committed to make up, over a ten-year period commencing in 2007-2008, the accumulated deficit of the defined benefit pension plan. This deficit totals $1,321,700 as determined by an actuarial valuation as at December 31, 2006.

Minimum payments for the next five years are as follows:

	Premises	Office equipment	Pension plan	**Total commitments**
	$	$	$	$
2010	861,167	104,963	201,840	**1,167,970**
2011	861,167	104,963	201,840	**1,167,970**
2012	861,167	91,483	201,840	**1,154,490**
2013	861,167	91,483	118,920	**1,071,570**
2014	915,284	-	118,920	**1,034,204**
	4,359,952	392,892	843,360	**5,596,204**

15. OTHER REVENUE

	2009	2008
	$	$
Registrations for the Professional Education Program	**409,844**	367,887
Amounts recognized as revenue from Insurance Fund	**267,823**	144,559
Administrative fees	**102,497**	184,621
Other	**13,285**	43,477
	793,449	740,544

16. INTERFUND TRANSFERS

During the period, the Ordre internally restricted $365,578 ($315,019 in 2008) to finance a portion of regional group expenses, and $453,138 for Professional Products and Services (PPS) for future activities. An amount of $37,637 ($4,724 in 2008) was funded from amounts restricted for the Professional Education Program (PEP), mainly for research and publication grants and for scholarships.

17. NET CHANGE IN NON-CASH WORKING CAPITAL ITEMS

	2009	2008
	$	$
Receivables	**(125,949)**	662,034
Prepaid expenses	**(109,183)**	76,966
Accounts payable and accrued liabilities	**320,252**	(589,123)
Unearned revenue	**342,125**	1,037,065
	427,245	1,186,942

18. CAPITAL DISCLOSURES

The Ordre defines capital as being comprised of the accrued benefit liability, the claims fluctuation reserve, deferred revenue, capital assets, restricted and unrestricted balances and the Indemnity Fund balance. The Ordre is not subject to externally imposed requirements on capital, other than those related to its registered pension plan.

The Ordre's capital is made up of the following:

	2009	2008
	$	$
Accrued benefit liability	**821,100**	934,800
Claims fluctuation reserve	**1,035,899**	836,865
Deferred revenue	**832,470**	1,130,590
Capital assets	**1,083,489**	1,044,661
Unrestricted balance	**1,317,511**	1,628,292
Internal restrictions for the regional groups, the PEP, the PPS and the pension plan	**2,430,796**	1,919,466
Indemnity Fund	**1,315,179**	1,344,460
Total capital	**8,836,444**	8,839,134

The Ordre manages its investments to achieve its objectives with respect to the protection of the public and services provided to members. Management's objectives when managing capital are to match the structure of its capital to the underlying nature and term of the assets being financed, and to hold sufficient unrestricted assets to enable it to withstand unexpected financial events, in order to maintain stability in the financial structure. The Ordre seeks to minimize reliance on financial leverage and to maintain sufficient liquidity to enable it to meet its obligations as they become due. Funding of the accrued benefit liability is in compliance with the laws in effect respecting supplemental pension plans and with actuarial recommendations. The associated assets are invested under a policy designed to prudently ensure a market-related long-term return on investment consistent with the long-term nature of the accrued benefit obligations.

19. RELATED PARTY TRANSACTIONS

The Ordre des comptables agréés du Québec and the Foundation of Quebec Chartered Accountants are related organizations due to the degree of influence the Ordre has over the Foundation. The Foundation was incorporated under Part III of the *Companies Act* of Quebec. The Foundation's mission is to contribute to the advancement of education in the various fields of expertise of the CA profession and to promote academic excellence. A member of the Ordre's Board of Directors and a full-time employee sit on the board of directors of the Foundation, which has five directors. The Ordre offers free administrative support and office space to the Foundation of Quebec Chartered Accountants. Because their fair value is difficult to estimate, these services are not reflected in the financial statements.

20. COMPARATIVE FIGURES

Some of the 2008 statement of financial position and cash flow figures have been reclassified for consistency with the presentation adopted for 2009.

Additional information for the annual period ended March 31, 2009
Appendix A

EXPENSES	2009 Budget (Note 2) $	2009 General Fund $	2008 General Fund $
MANAGEMENT AND EXTERNAL AFFAIRS			
Executive office	**1,069,300**	**1,063,300**	940,132
Strategy and external affairs	**466,900**	**428,742**	347,393
Communications	**287,900**	**318,286**	301,553
	1,824,100	**1,810,328**	1,589,078
SUPERVISION OF THE PROFESSION			
Legal affairs	**531,900**	**491,746**	490,438
Syndic	**1,112,300**	**933,961**	986,901
Professional inspection:			
• Direct costs	**1,233,400**	**1,184,787**	1,167,867
• Share of general expenses	**130,800**	**132,611**	93,786
Issuance of permits	**75,900**	**77,342**	88,349
Mandatory continuing education	**92,100**	**107,386**	136,381
Conciliation and arbitration of accounts	**21,800**	**22,866**	14,151
Review Committee	**3,900**	**3,809**	3,483
Disciplinary Council	**21,800**	**9,089**	14,353
Illegal practice of the profession	**32,600**	**152,213**	18,417
Professional liability insurance	**34,300**	**1,906**	29,941
Other regulatory activities	**417,300**	**403,438**	348,327
	3,708,100	**3,521,154**	3,392,394
MEMBER SERVICES			
Continuing education:			
• Direct costs	**4,420,600**	**3,919,645**	3,449,842
• Share of general expenses	**195,100**	**195,199**	183,153
Publications and professional products and services	**984,800**	**763,810**	746,233
Professional Products and Services Committee	**15,000**	**10,848**	11,271
Commercial products and services	**120,700**	**103,531**	110,496
Promotion	**1,209,700**	**1,106,165**	1,152,009
Events	**907,800**	**773,746**	946,281
	7,853,700	**6,872,944**	6,599,285

EXPENSES > continued	2009		2008
	Budget (Note 2) $	General Fund $	General Fund $
QUALIFICATION			
Education	**971,700**	**924,189**	866,990
Education Committee	**11,200**	**14,906**	15,279
Uniform Evaluation	**813,800**	**833,106**	687,509
Promotional activities aimed at the next generation	**802,700**	**825,297**	979,064
Registration of candidates	**98,700**	**99,164**	80,491
	2,698,100	**2,696,662**	2,629,333
ADMINISTRATION			
Administration and finance	**1,445,600**	**1,546,088**	1,464,062
Human resources	**188,200**	**329,044**	241,077
Information technology	**632,700**	**692,838**	621,070
Office occupancy expenses	**824,000**	**842,166**	660,950
General expenses	**574,900**	**583,749**	686,993
	3,665,400	**3,993,885**	3,674,152
CICA SERVICES	**7,215,400**	**7,151,949**	7,062,587
	26,964,800	**26,046,922**	24,946,829

Arbitration of **Accounts**

> Yves Montpetit, CA

The mandate of the Council for the Arbitration of Accounts is to settle disputes respecting the accounts of members of the Ordre des comptables agréés du Québec that were unresolved by the syndic or assistant syndic through conciliation. The Council receives applications, hears the arguments of the various parties and renders a decision. It may decide to maintain or reduce the disputed amount.

In 2008-2009, the Council received five new applications.

The Council met six times to process five applications, including one brought forward from the previous year.

One application brought forward from the previous year was withdrawn, and a hearing is scheduled for one case from the current year.

The Council held a plenary meeting to discuss various issues respecting the arbitration procedure. Council members also received training on the arbitration process from the Legal Affairs and Records Vice-Presidency.

Decisions rendered
The Council rendered eight decisions in 2008-2009: it reduced the fees in four cases, maintained them in three cases, and found in one case that it had no jurisdiction.

Yves Montpetit, CA
Chair

Council members

Marco Berretta, CA
Richard Boucher, CA
Nathalie Charette, FCA
Michel Drouin, CA
Johanne Fortier, CA
Hélène Huot, CA
Michael Newton, CA
Daniel Rocheleau, CA

Substitute member
Richard Chevalier, CA

Secretary: Claudette Roberge

Professional Liability **Insurance**

Activities pertaining to professional liability coverage

(A) *Regulation respecting professional liability insurance for members of the Ordre des comptables agréés du Québec*

The *Regulation respecting professional liability insurance for members of the Ordre des comptables agréés du Québec* came into force on April 1, 2008. This Regulation led to the creation of a new compulsory professional liability group insurance plan for all Ordre members.

Under the Regulation, during a 12-month period of coverage, the amount of coverage is:

1) at least $1,000,000 per claim against a chartered accountant; and
2) $2,000,000 per claim when a chartered accountant employs at least one other CA or when two or more CAs practice within the same partnership or company and the claim is made against more than one CA.

In 2008-2009, 23 members were subject to a decision rendered by the Executive Committee ordering that they be struck off the Roll of the Ordre for failing to enroll in the professional liability group insurance plan. Their striking off the Roll remains effective until the Ordre receives proof that they have met the requirements of the Regulation.

Coverage method	Number of members	Amount of coverage	
		Per claim	For all claims
Members exempted under section 3 of the Regulation (single coverage)	2,318	1,000,000 $	No ceiling
Professional liability group insurance plan	15,066	1,000,000 $	No ceiling

Professional Liability **Insurance** > continued

B) *Regulation respecting the practice of the chartered accountancy profession within a partnership or a joint-stock company*

Members who carry out their professional activities within a limited liability partnership (LLP) or a joint-stock company (JSC) must maintain professional liability coverage on behalf of such partnership or company in accordance with the *Regulation respecting the practice of the chartered accountancy profession within a partnership or a joint-stock company*.

Where a chartered accountant is a sole practitioner, and practices as the unique shareholder of a joint-stock company in which no other member is an employee, coverage of at least $500,000 per claim and for the aggregate of claims made against the company in a 12-month period of coverage is required.

Moreover, coverage of at least $1,000,000 per claim and for the aggregate of claims made against the partnership or company in a 12-month period of coverage is required for all other partnerships or companies.

Category	Amount of coverage	Number of partnerships/ companies		Number of members	
		JSC	LLP	JSC	LLP
Sole shareholder (no CA employees)	$500,000	371	N/A	371	N/A
Other partnerships/ Companies	$1,000,000	197	122	742	3,761
TOTAL		568	122	1,113	3,761

Office of the **Syndic**

> Ginette Lussier-Price, FCA

The number of ethics-related complaints decreased by about 25% this year.

This decrease is due to the fact that the number of cases referred by the Professional Inspection Committee (PIC) went from 309 in 2008 to 215 in 2009, a decrease of approximately 30%. Once again this year, most of the cases forwarded by the PIC dealt with violations of the provisions of the *Code of Ethics* concerning independence, which came into effect in September 2005.

The other complaints decreased slightly this year. A number of these cases are being heard simultaneously in civil and criminal court. It should also be noted that members involved in these cases are often represented by one or more lawyers whose objectives do not always coincide with those of the Office of the syndic.

The 20 complaints lodged this year before the Disciplinary Council involved members in public practice or in industry, and three former members. The complaints involved 153 charges, including:

- non-compliance with standards;
- lack of integrity, objectivity;
- breach of independence;
- association with false documents, misleading statements;
- failure to ensure that each person involved with the member in the practice of the profession complies with the law and regulations;
- being found guilty of a criminal offence relating to the practice of the profession;
- obstruction of the work of the Office of the syndic or failure to verify the information provided to a syndic;
- filing for bankruptcy while being a member;
- failing to serve a period of refresher training;
- being found guilty of an act derogatory to the dignity of the profession.

Applications for conciliation related to the quality of services provided or clients not being informed of an increase in fees during the mandate involved amounts that vary between $349 and $226,415.

In 2008-2009, the Office of the syndic received one request under the *Act respecting Access to documents held by public bodies and the Protection of personal information* and turned down one request. Two requests were appealed to the Commission d'accès à l'information.

In addition to dealing with the cases listed in the table, the Office of the syndic received over 1,100 telephone calls this year.

The syndic also gave five presentations to university students on the professional system and discipline, as well as four presentations to members or various groups of professionals.

Finally, the syndic of the Ordre has been working with assistant syndics throughout the year. Guy Breton, FCA, André Loubier, CA, and Claude Maurer, CA, were closely involved in the cases processed by the Office of the syndic.

Ginette Lussier-Price, FCA
Syndic

Office of the **Syndic** > continued

Year ended March 31	2009	2008	2007
Ethics-related complaints against members lodged with the Office of the syndic			
Brought forward from last year	**202**	236	196
New complaints	**316**	423	544
	518	659	740
Cases processed during the year	**274**	457	504
Cases carried over to next year	**244**	202	236
Cases processed during the year			
Complaints lodged before the Disciplinary Council	**20**	16	16
Conciliations – Ethics	**2**	1	0
Matters requiring the intervention of the syndic	**6**	2	6
Warnings	**169**	295	410
Decisions not to lodge a complaint	**68**	130	52
Complaints withdrawn by plaintiffs or deemed inadmissible by the Office of the syndic	**9**	13	20
Cases forwarded to the Professional Inspection Committee	**0**	0	0
	274	457	504
Decisions submitted by plaintiffs to the Review Committee	**9**	16	7
Conciliation of fee accounts			
Brought forward from last year	**7**	19	8
New cases	**27**	28	55
	34	47	63
Cases processed	**28**	40	44
Cases carried over to next year	**6**	7	19
Result of cases processed during the year			
Cases settled during conciliation	**16**	18	15
Cases withdrawn or deemed inadmissible	**2**	6	8
Cases for which a report was issued	**10**	16	21
Cases submitted to the Council for the Arbitration of Accounts following the issue of a report	**5**	6	9

Discipline

> Pierre Linteau, lawyer

Council members

Louise Briand, CA
Louise Cloutier, CA
Norman Daitchman, FCA
Louis Grossbaum, FCA
André Lafond, CA
Pierre Lapointe, CA
W. Robert Laurier, FCA
Pierre Legault, FCA
Pierre Lussier, FCA
Céline Plamondon, FCA
Jacques Plante, CA
Michel Roberge, CA
Brahm Shiller, CA
Réal Sureau, FCA

Substitute members
Stephen Coplan, CA
Robert Desforges, CA
Yvon Fortin, FCA
André Young, FCA

Secretary: Claudette Roberge

The Disciplinary Council is established under section 116 of the *Professional Code*. It is seized of all disciplinary complaints for violating the *Chartered Accountants Act*, the *Professional Code* and the regulations thereunder, lodged against chartered accountants or persons who were members of the Ordre when the acts with which they are charged were committed.

During 2008-2009, the secretary to the Disciplinary Council received 20 disciplinary complaints from the syndic and assistant syndics.

During the year, the Council held 25 hearings to process the complaints.

Hearings were completed for 14 complaints from the syndic or assistant syndics in respect of the following offences:

- failure to comply with standards in the course of review engagements;
- failure to fulfill a mandate with due care and failure to verify information given to the syndic;
- failure to discharge obligations with due care; criminal offences;
- criminal offences;
- failure to fulfill a mandate with due care and failure to respond to the syndic;
- failure to respond to the client and failure to respond to the syndic;
- assignment of property;
- failure to ensure that a partner complied with the *Code of Ethics of Chartered Accountants*;
- conflict of interest;
- violation of an income tax act and false representation.

The Council rendered 18 decisions. In four cases, the Council found the respondent guilty; in 14 cases, it found the respondent guilty and imposed one of the following penalties:

- for failure to comply with standards in the course of review engagements: temporarily struck off the Roll for one month, required to pay costs, and publication of the decision in newspapers;
- for failure to fulfill a mandate with due care and failure to verify information given to the syndic: reprimanded, fined $600, and required to pay costs;
- for failure to discharge obligations with due care: fined $4,000 and required to pay costs;
- for criminal offences: revocation of permit and required to pay costs;
- for failure to fulfill a mandate with due care and failure to respond to the syndic: temporarily struck off the Roll for 30 days, required to pay costs, and publication of the decision in newspapers;
- for failure to respond to the client and failure to respond to the syndic: temporarily struck off the Roll for 30 days, required to pay costs, and publication of the decision in newspapers;
- for assignment of property: temporarily struck off the Roll for one month and required to pay costs but no publication of the decision in newspapers;
- for failure to comply with standards in the course of review engagements: temporarily struck off the Roll for three months, required to pay costs, and publication of the decision in newspapers;
- for assignment of property: temporarily struck off the Roll for three months, required to pay costs but no publication of the decision in newspapers;

Discipline > continued

- for failure to comply with standards in the course of review engagements: temporarily struck off the Roll for one month, required to pay costs but no publication of the decision in newspapers;
- for failure to ensure that a partner complied with the *Code of Ethics*: temporarily struck off the Roll for one week, required to pay costs but no publication of the decision in newspapers;
- for assignment of property: temporarily struck off the Roll for one month, required to pay costs, and publication of the decision in newspapers;
- for conflict of interest: fined $4,000 and required to pay costs, excluding expert costs;
- for violation of an income tax act and false representation: fined $7,000 and required to pay costs.

The Council also issued an order to lift a temporary limitation of the right to engage in all professional activities related to the practice of the chartered accountancy profession. This decision amended a previous order imposing a temporary limitation.

Two decisions were rendered by the Disciplinary Council rejecting two requests: one was a disavowal and the other a retraction of decisions rendered in a case from a previous year.

All decisions were rendered by the Disciplinary Council within 90 days of being taken under advisement.

Professions Tribunal
One decision regarding both guilt and penalties rendered in 2008-2009 was appealed to the Professions Tribunal.

The Professions Tribunal confirmed the decision of the Disciplinary Council concerning a case from the previous year. Four cases are under advisement by the Professions Tribunal.

A petition for judicial review of a decision of the Professions Tribunal concerning a case from a previous year was taken under advisement by the Superior Court.

Pierre Linteau, lawyer
Chair

Illegal Practice and **Unauthorized Use** of the Designation

The Legal Affairs and Records Vice-Presidency conducts investigations into illegal practice and unauthorized use of the designation that are brought to its attention and takes appropriate measures to put a stop to these situations.

In 2008-2009, 36 illegal practice files were opened. Of these, 10 led to complaints, five led to summonses and were settled to the satisfaction of the Ordre, nine cases were closed due to insufficient evidence or lack of recourse and 12 files are under investigation.

As for the 19 files brought forward from last year, convictions were obtained in six cases, one complaint was withdrawn, one case was closed due to insufficient evidence, three led to summonses and were settled to the satisfaction of the Ordre and eight cases are still pending.

Investigations

	Illegal practice	Unauthorized use of the designation	Illegal practice and unauthorized use of the designation
Investigations completed in 2008-2009	11	16	9

Penal proceedings

	Illegal practice	Unauthorized use of the designation	Illegal practice and unauthorized use of the designation
Penal proceedings instituted in 2008-2009	2*	4*	4*

* *With more than one charge laid*

Decisions rendered

	Decisions rendered in 2008-2009	Decisions in which the defendant was found guilty	Decisions in which the defendant was found not guilty	Total amount of fines imposed
Illegal practice	2	2	0	$2,700
Unauthorized use of the designation	2	2	0	$3,535
Illegal practice and unauthorized use of designation	6	6	0	$29,600

Indemnity **Fund**

> Michel Lamarre, CA

In 2008-2009, six claims against two former chartered accountants were examined. The amounts claimed were $449,389.25 and $25,000, respectively, for a total of $474,389.25.

The Indemnity Fund Committee presented two reports, the first recommending the dismissal of four claims and the payment of a $3,035 indemnity to a claimant, the second recommending the dismissal of the $25,000 claim. These recommendations were accepted by the Executive Committee.

Finally, a $177,000 claim was received in 2008-2009 and its review will be finalized next year.

Michel Lamarre, CA
Chair

Committee members

Pierre Gauvreau, FCA
Daniel McMahon, FCA

Secretary: Christiane Brizard, lawyer, C.OCAQ

Mandatory **Continuing Education**

The *Regulation respecting mandatory continuing education for Quebec chartered accountants* came into force on July 13, 2006. The continuing education activities program and the application terms and conditions of the Regulation were approved by the Board of Directors of the Ordre on August 24, 2006.

Under the Regulation, all active members are required to devote at least 120 hours per three-year reference period to continuing education activities, with a minimum of 25 hours per year, and no more than 15 hours per year for self-study activities such as reading. The first three-year reference period extends from September 1, 2006 to August 31, 2009.

Continuing education activities must relate to areas in which the chartered accountant works and be consistent with the professional activities described in section 1 of the *Code of Ethics of Chartered Accountants*.

Of the 16,025 active members subject to the Regulation, 448 were exempted from having to attend continuing education activities in accordance with section 15 of the Regulation, for a total of 9,314 hours.

In 2008-2009, 11 members were subject to a decision rendered by the Executive Committee of the Ordre ordering that they be struck off the Roll of the Ordre for failing to accumulate the continuing education hours prescribed by the Regulation, compared with 42 members in 2007-2008. Their striking off the Roll remains effective until the Ordre receives proof that they have met the requirements of the Regulation.

Continuing education activities consisted in:	**Member participation**	**Number of hours**
Formal activities		
Courses offered or organized by the Ordre	5,515	121,854
Courses offered or organized by the Canadian Institute of Chartered Accountants or by other provincial institutes of chartered accountants	386	9,210
Courses offered or organized by other professional orders or similar organizations	2,326	47,823
Courses offered by educational or specialized institutions that have access to appropriate professional, technical and educational resources	3,740	166,491
Formal courses or continuing education activities offered in the workplace	9,342	251,610
Formal training sessions	1,011	16,568
Symposiums, seminars or conferences with a prevalence of technical or educational content	7,116	118,738
Discussion groups or technical committees	1,878	40,639
Distance learning activities	802	13,886
Authorship of published articles or other publications related to the chartered accountancy profession	217	20,366
Studies or research projects	209	19,314
Subtotal – Formal activities	-	**826,499**
Unstructured activities (self-study)	-	**228,207**
Total	-	**1,054,706**

Education

> Michel Bergeron, CA*

The Education Committee (EC) provides a valuable forum for university representatives and training employers to discuss changes in CA qualification standards. Their analyses and opinions enable the Ordre's Board of Directors to make informed decisions.

The year 2008-2009 was marked by the efforts of all stakeholders to determine how to prepare students for the major challenges involved in transitioning to international accounting standards in 2011. The Ordre offered a free training session on IFRS/IAS to accounting faculty and made continuing education courses available to them.

As it does every year, the Committee carefully reviewed proposals to amend the *UFE Candidates' Competency Map*. The comments expressed will make it possible to gradually introduce international accounting standards into the university curriculum and the professional exam.

The members issued an opinion on the draft *Regulation respecting the standards for diploma and training equivalence for the issue of a permit of the Ordre des comptables agréés du Québec*. This regulation takes into account the Committee's 2007-2008 recommendation to have the graduate diploma recognized as giving access to a CA permit.

The Committee recommended that the Board of Directors approve the revised version of the document entitled *CA Practical Experience Requirements – January 2009*, which is effective September 1, 2009.

In addition, during the public consultation on the draft regulations of the Ordre des CGA and the Ordre des CMA pertaining to the delivery of the public accountancy permit, the Ordre benefited from the exceptional cooperation of the Committee members, who shared their views on the new regulations. The members reviewed and commented on the requirements applicable to the education program and practical experience, as well as the exam and equivalence recognition proposed by these accounting bodies. They also submitted their conclusion to the Office des professions du Québec that the standards proposed by the Ordre des CGA and the Ordre des CMA are not comparable to those governing the practice of public accountancy in Quebec.

The university partner recognition program continued, enabling the members to comment on various Ordre initiatives and to strengthen those focused on ensuring that sufficient faculty is available in the future.

Finally, the 617 first-time 2008 UFE writers achieved a pass rate of more than 70%. Given the 18% increase in the number of first-time writers over last year, we can certainly say that this influx of future members bodes well for the future of the profession!

I would like to thank the Committee members for their cooperation and support throughout the year.

Michel Bergeron, CA
Chair

Committee members

Hélène Bergeron, CA
Danièle Blanchette, CA*
Pierre Charron, CA
Patrick Couture, CA
Pierrette Doré, FCA*
Jacques Fortin, FCA*
Colette Gauthier, FCA
Benoît Guérard, CA
Maurice Gosselin, CA
Trevor Hagyard, CA
Sylvie Héroux, CA
Michel Larouche, CA
Mélanie Leduc, CA
Philippe Levy, CA
Patricia Michaud, CA
Jeason Morin, Representative of the Ministère de l'Éducation, du Loisir et du Sport*

Secretary: Diane Messier, FCA

* Members of the Committee on Training of Chartered Accountants (Order-in-Council 1027-97)

Professional **Inspection**

The main activities of the Professional Inspection Committee are summarized in the following table:

> Gaétan Marceau, CA

Committee members

André Hurtubise, FCA, Vice-Chair
Paule Bouchard, FCA
François Corriveau, CA
André Dugal, CA
Jacques Grandmont, CA
Kenneth Hotton, CA
Guylaine Leclerc, FCA, CA•IFA
Pierre Longpré, CA
Garry Miller, CA
Benoit Riendeau, CA
Louise Roby, CA
François Touchette, CA
Alain Trudeau, CA
Tony Vescio, CA

Secretary: Martine Picard, CA

Year ended March 31	2009	2008
Practicing units inspected during the year	**481**	561
Pending, beginning of year	**68**	56
	549	617
Pending, end of year	**49**	68
Practicing units about which the Ordre's Board of Directors received recommendations	**500**	549
Recommendations ratified by the Board:		
• Practicing units that met the standards	**415**	486
• Practicing units ordered to complete a refresher training period, without limitation or suspension of the right to engage in professional activities	**40**	48
• Practicing units ordered to complete a refresher training period and a refresher course, without limitation or suspension of the right to engage in professional activities	**44**	15
• Practicing units ordered to complete a refresher training period, with limitation of the right to engage in professional activities	**1**	0
	500	549
Number of members ordered to serve a refresher training period, without limitation or suspension of the right to engage in professional activities	**76**	57
Number of members ordered to serve a refresher training period and complete a refresher course, without limitation or suspension of the right to engage in professional activities	**97**	17
Number of members ordered to serve a refresher training period, with limitation of the right to engage in professional activities	**1**	0
Number of members inspected	**1,722**	2,037
Number of meetings of the Professional Inspection Committee	**5**	5
Number of inspections dealing with competence	**0**	1

This year, the inspection of 481 units required approximately 735 inspector/days. Close to 78% of members inspected this year met inspection standards. Following up on practicing units that failed to meet the standards required approximately 111 inspector/days. The increased number of members subject to a refresher training period, with or without a refresher course, is to a significant extent due to additions and major changes made to professional standards in the last two years.

The work was carried out by the inspection team of the Inspection and Professional Practice Vice-Presidency. The team is made up of Martine Picard, CA, Vice-President, Chantal Le Rossignol, CA, Assistant Director, staff inspectors Philippe Bérubé, CA, Julie Choquette, CA, and Kim Lemire, CA, and the following contractual inspectors and supervisors:

Jean-Étienne Blais, CA
Jean Boudreau, CA
Nathalie Brient, CA
André Coutu, CA
Pierre Désilets, CA
Gilles Durand, CA
Sylvie Fortin, CA
Sylvain Moisan, CA
Pierre O. Oligny, CA
Monique Papineau, CA
Sylvie Plante, CA
Dominique Racine, CA
Michel Reinhardt, CA
Louise Trépanier, CA

The 14 Committee members spent more than 29 person/days carrying out their duties, not counting the time needed to review the files and prepare meetings. This year, the Committee was made up of members from the Montreal, Laval, Quebec City and Estrie regions.

Refresher training period with mandatory supervision

Under section 1 of the *Regulation respecting refresher training periods and courses of the Ordre des comptables agréés du Québec*, the Professional Inspection Committee recommended that the Executive Committee impose a refresher training period with mandatory supervision on two members who failed to meet the standards and one member who failed to remedy the weaknesses noted during a previous training period.

Permanent limitation of the right to perform audit engagements

Under section 5 of the *Regulation respecting refresher training periods and courses of the Ordre des comptables agréés du Québec*, the Professional Inspection Committee recommended that the Executive Committee limit the right to perform audit engagements of one member who failed to meet the standards.

Summary of files forwarded to the syndic

The 303 departures included in the 215 files forwarded to the syndic by the Committee during the year, in accordance with section 112 of the *Professional Code*, break down as follows:

Departures from the *Code of Ethics*	
Breach of section 25.2 requiring a member who provides professional services other than assurance engagements to disclose in any report or other document addressed to a person other than his employer, the nature and extent of any influence that may be perceived as impairing his professional judgment or objectivity.	113
Breach of section 36.8(12)(a) requiring a member who performs an assurance engagement to obtain management's approval when preparing journal entries.	95
Breach of section 36.10 requiring a member who performs an assurance engagement to identify threats to his independence and evaluate their significance.	45
Breach of section 48 respecting professional secrecy.	10
Breach of section 63 requiring that before accepting an assurance or compilation engagement where he is replacing another accountant, a member must first communicate with such accountant and enquire whether there are any circumstances he should take into account which might influence his decision to accept or refuse the engagement.	8
Failure to fulfill professional obligations and failure to perform a mandate in keeping with professional standards (section 19).	6
Limitation of personal civil liability (section 21).	5
Breach of section 7 requiring a member to have the personal charge and management of any place of business of a partnership or company holding itself out as a partnership or company of chartered accountants or within which one or more members offer assurance services.	5
Breach of section 36.4 requiring a member to remain free of any influence, interest or relationship which may impair or be perceived as impairing his professional judgment.	3
Breach of section 76 prohibiting a member from carrying on his profession within a partnership or company under a firm name or any other designation which is misleading.	2
Breach of section 36.9(7) prohibiting a member, in the context of an audit of a listed enterprise, from providing professional services such as accounting or bookkeeping services related to financial statements to be audited.	2
Breach of section 34 prohibiting a member from signing, preparing, producing or associating himself with any letter, report, statement, representation or financial statement which he knows, or should know, is false or misleading.	2
Breach of section 23 requiring a member to discharge his duties with integrity and objectivity.	1
Breach of section 36.8.12(b) specifying that a member or the partnership or company within which he practices his profession performs an assurance engagement when, during either the period covered by the financial statements subject to audit or review or the engagement period, the member or another person within the partnership or company or within a network partnership or company prepares a source document or originating data, or makes a change to such a document or data.	1
Departures from the *Chartered Accountants Act*	
Breach of section 24 specifying that no person may practice public accountancy unless he is a chartered accountant.	4
Breach of section 25 specifying that the CA initials may be used only by members of the Ordre.	1

Professional **Inspection** > continued

General program of inspection
On June 12, 2008, the Ordre's Board of Directors approved the recommendations of the Public Trust Task Force respecting the evaluation of departures from specified procedures, following the analysis by the Professional Inspection Committee. These recommendations establish an objective and structured approach to the categorization and assessment of deficiencies and will help in achieving the practice inspection program objective of protecting the public. During this meeting, the Board of Directors also approved the recommendations respecting the composition of the Professional Inspection Committee.

On December 4, 2008, the Board of Directors of the Ordre approved in principle the recommendations of the Public Trust Task Force dealing with the qualifications and competencies required of a professional inspector.

The Practice Inspection Program (PIP) Working Group is working on harmonizing provincial inspection questionnaires and files as well as the inspection of the conditions for approving a firm as a training employer. The PIP Working Group is also finalizing the application guide for evaluating departures from prescribed standards. The new inspection program incorporating the new evaluation process will come into effect next year.

During the year, we continued inspecting firms in cooperation with the Canadian Public Accountability Board.

The Committee plans to inspect and re-inspect 556 practicing units in 2009-2010. These inspections should require 909 inspector/days. The Committee also intends to monitor those practicing units that failed to meet the standards. This work should require around 80 inspector/days.

Other activities and achievements
We planned and organized the interprovincial meeting of the heads of professional inspection of the provincial CA institutes across Canada. During this meeting, we worked, among other things, on the new process for assessing inspection files and on future projects.

The inspection questionnaires and specialized questionnaires were updated during the year to make them available to inspectors in the next fiscal year. The professional inspectors also received IFRS-related training during the year.

We maintained the nationwide compilation of weaknesses identified during inspections and submitted the findings to those in charge of training programs and technical support for members in each province. Presentations were made to Ordre instructors as well as to members and the public to inform them about weaknesses noted during inspections and about changes made and future changes to the general program of inspection. In addition, an article entitled "Summary of the main weaknesses identified during 2007-2008 inspections" was published in *Inf@CA*.

Gaétan Marceau, CA
Chair

Professional **Products and Services**

> Sophie Joncas, CA

Role
The mandate of the Professional Products and Services Committee is to identify the needs of CAs and develop a professional products and services plan or program compatible with those needs. This mandate is in line with Area 3 of the Ordre's strategic directions and with the mission of the Professional Products and Services Vice-Presidency, which is "to become the primary reference source for meeting the professional needs of CAs throughout their career by offering professional products and services that will help them comply with professional standards and provide quality services to their organization or clients."

New chair
Sophie Joncas, CA, officially took over as Committee chair from Michel Mathieu, CA, in September 2008.

Committee task forces
The following task forces work under the Committee:

- Professional Products and Services Plan or Program task force;
- Task force on increasing CA participation rate in Ordre education activities;
- Task force on increasing member satisfaction with Ordre education activities;
- Sustainable development task force;
- Distance learning task force;
- PPS portal task force.

Committee members

Éric Allard, CA
Francis Belzile, CA
Johanne Bertrand, CA
Gilles Demers, CA
Raymond Drouin, FCA
Guy Dufour, CA
Daniel Gosselin, FCA
Diane Lanciault-Fortier, CA
Jean-Paul Lauly, CA
André Leblanc, CA
Daniel Leblanc, CA
Michel Mathieu, CA
André Mignault, CA
Robert Papineau, CA
Hélène Racine, CA
Annie Smargiassi
Daniel Tétreault, CA

Secretary: Daniel Benard, CA
Maryse Samson, M.Ed.

Professional Products and Services Plan or Program
In February 2009, the Committee validated and approved the professional products and services, proposed by the Professional Products and Services Vice-Presidency, likely to meet the needs of CAs in 2009-2010. Most of these products and services had already been accepted by a number of committees.

Member participation in optional continuing education activities
For the fiscal year ended March 31, 2009, CAs counted for a total of 22,652 registrations for the continuing education program developed by the Professional Products and Services Vice-Presidency. Many members participate in continuing education activities developed by the Vice-Presidency or offered in association, which are proposed in the course catalogue and on the Ordre's website. Since the program includes close to 500 courses, for the sake of brevity, the table that follows presents a breakdown of registrations by area of expertise. The table also groups registrations according to course duration in hours. For each area of expertise, different courses are offered in various formats (half-day, full day, two days, etc.). The duration of each course depends on the objectives to be achieved and the organization offering the course (in the case of courses offered by the Ordre or in association). The table does not include registrations for in-house training activities, since we are currently unable to separately track CA participation in these activities.

Professional **Products and Services** > continued

Total member registration

Area of expertise	Duration (hours)	Organization	Number of registrations
Assurance and practice management	3.5	Ordre	846
	7.0	Ordre	1,998
Total - Assurance and practice management			**2,844**
Personal and organizational competencies	7.0	In association	535
	7.0	Ordre	3,852
	14.0	In association	5
Total - Personal and organizational competencies			**4,392**
Accounting and financial reporting	3.5	Ordre	1,225
	7.0	In association	44
	7.0	Ordre	4,352
	14.0	In association	5
Total - Accounting and financial reporting			**5,626**
Events	3.5	In association	1
	3.5	Ordre	42
	7.0	Ordre	892
	14.0	In association	1
Total - Events			**936**
Finance	3.5	In association	16
	3.5	Ordre	96
	7.0	Ordre	1,277
	14.0	Ordre	68
Total - Finance			**1,457**
Taxation	3.5	In association	90
	3.5	Ordre	310
	7.0	In association	3
	7.0	Ordre	3,589
	14.0	In association	5
Total - Taxation			**3,997**

Area of expertise	Duration (hours)	Organization	Number of registrations
Management and areas of activity	3.5	In association	8
	3.5	Ordre	49
	7.0	In association	151
	7.0	Ordre	1,124
	14.0	In association	9
	18.0	In association	5
Total - Management and areas of activity			**1,346**
Governance, control, management and areas of activity	3.5	In association	35
	3.5	Ordre	20
	7.0	In association	78
	7.0	Ordre	976
	14.0	In association	17
	18.0	In association	1
Total - Governance, control, management and areas of activity			**1,127**
Governance, risks and controls	3.5	Ordre	31
	7.0	In association	3
	7.0	Ordre	229
	14.0	In association	2
Total - Governance, risks and controls			**265**
Personal financial planning	7.0	Ordre	15
Total - Personal financial planning			**15**
Public sector	7.0	In association	17
	14.0	In association	2
Total - Public sector			**19**
Commodity taxes	3.5	In association	5
	3.5	Ordre	393
	7.0	In association	6
	7.0	Ordre	221
	14.0	In association	3
Total - Commodity taxes			**628**
Total			**22,652**

Reference guides, model files and model financial statements

In the past four years, a number of reference guides and model files were developed and handed out to participants who attended various activities, particularly update and refresher courses. Once again this year, new reference guides and model files were developed to better meet the needs of our clients.

Reference guides

- *IFRS (in French only)*
- *Gouvernance (governance – in French only)*
- *Gestion des risques et des contrôles (risk and controls management – in French only)*

Model files

- *Vérification interne (internal audit – in French only)*
- *Organismes municipaux (municipal organizations – in French only)*
- *Réseau de la santé et des services sociaux (RSSS) (health and social services network – in French only)*

Model financial statements

- *IFRS*

Increase in the participation rate in Ordre education activities

This year, CAs once again relied on us for their continuing education. In the last year, we sold over 3,400 season passes and achieved a record of more than 27,180 registrations (including non-members) for both classroom and in-house training activities. The members of the Professional Products and Services Committee are pleased to have contributed to this success.

Classroom training

- Over 480 courses, including over 92 new courses and over 230 courses developed by the Ordre;
- More than 3,365 season passes sold;
- Over 1,980 individual registrations;
- Over 23,960 registrations for Ordre courses;
- More than 7,850 different clients, including approximately 5,400 CAs.

In-house training

In-house training allows organizations to offer Ordre courses to their CA and non-CA employees on their own premises. Firms and companies find this formula very appealing, and the number of participating CAs increases every year. Close to 2,300 participants attended in-house training activities in 2008-2009.

Courses in association

- Over 930 registrations in 2008-2009.

Publications, products and services

- Over 500 publications available (Ordre and CICA) and more than 5,600 copies sold.

Increasing participant satisfaction with Ordre education activities

Classroom training

The overall satisfaction rate of participants was 4.67/5 in 2008-2009 (as at March 31, 2009).

Sustainable development

Created last year, this task force began its activities by conducting a survey among more than 7,000 CA clients (consumers of products and services such as courses or publications) to determine their level of awareness about environmentally responsible behaviour.

The second step was the creation of a list of various environmentally responsible measures that have already been implemented within the Ordre's Professional Products and Services Vice-Presidency or that could be implemented in the coming years.

Distance learning

In February, the members of this task force launched a distance learning pilot project that was very successful. It resulted in about 10 distance learning courses being offered as part of the 2009-2010 program. The approach adopted is a blended, three-step training solution: self-study, preparatory work and real-time presentation with the instructor via an online conference tool.

PPS portal

This task force was created in 2007-2008. In the past year, the task force developed and approved a preliminary PPS portal structure.

Information workshops

For a second year in a row, a number of information workshops were offered to CAs free of charge and were a great success. The workshops focused on:

- the exposure draft entitled *Adopting IFRSs in Canada*;
- inspection and professional practice;
- legal affairs and the syndic;
- issues relating to private enterprises.

In addition, other workshops on the invitation to comment on financial reporting by not-for-profit organizations have been planned for spring 2009.

Professional products and services
The *Professional Products and Services Catalogue* sent out to CAs in May 2008 complements the *Course Catalogue* issued in August. A third edition of the *Professional Products and Services Catalogue* will be sent to CAs in May 2009.

The catalogue features the "PPS Discovery" pass, technical and ethics reference services, the advisory services launched in 2006-2007, and the publications of the Ordre and the CICA.

Sophie Joncas, CA
Chair

Equivalence Recognition

Under the *Regulation respecting the standards for equivalence of diplomas for the issue of a permit of the Ordre des comptables agréés du Québec*, the Ordre applies an equivalence recognition process to applications from persons who wish to have a diploma issued by an educational institution outside Quebec recognized as equivalent in order to obtain a permit.

Activities relating to the recognition of the equivalence of diplomas issued by educational institutions outside Quebec in 2008-2009

Applications • Equivalence of diplomas	Diplomas issued in Canada	Diplomas issued outside Canada
Received	9	57
Full equivalence granted	8	1
Rejected	1	56

The Ordre agrees to recognize the partial equivalence of diplomas. Therefore, all applications to have the equivalence of diplomas recognized that are listed as "rejected" in the above table are reflected in the data on training equivalence as having been granted partial equivalence.

Applications • Training equivalence	Diplomas issued in Canada	Diplomas issued outside Canada
Received	3	71
Full equivalence granted	2	15
Partial equivalence granted	1	56
Rejected	0	0

Agreement between France and Quebec on the mutual recognition of professional qualifications
On April 27, 2009, the Ordre signed an agreement respecting the mutual recognition of professional qualifications of France's experts-comptables and Quebec's chartered accountants.

Mutual recognition agreements
In addition to the reciprocity agreement with France, the Ordre has signed mutual recognition agreements with 12 accounting bodies in other countries in the last few years. All members in good standing of these organizations may take advantage of this route to the CA designation, which takes their professional qualifications into account.

Issuance of temporary, restrictive or special permits
For several years now, the Ordre has had the authority, under the *Chartered Accountants Act*, to issue permits to members of a CA institute in Canada or Bermuda who hold a permit from such institute.

Regulations

> Jacques Filion, CA

The mandate of the Regulations Committee is to update existing regulations, draft new regulations, and make recommendations regarding their approval by the Board of Directors. The Committee's mandate covers all Ordre regulations, including the *Code of Ethics of Chartered Accountants*, and all drafts of new regulations.

The role of the Working Group on the *Code of Ethics,* which reports to the Committee, includes drafting proposed amendments to the *Code of Ethics of Chartered Accountants,* as well as reviewing and commenting on proposed amendments to the harmonized rules of professional conduct.

Amendments to Ordre regulations arising from the adoption of the *Act to amend the Professional Code and the Chartered Accountants Act in respect of public accountancy* were a primary focus of the Committee's work during the past year.

The Committee also reviewed the draft *Regulation respecting the standards for diploma and training equivalence for the issue of a permit of the Ordre des comptables agréés du Québec* and the draft *Regulation respecting refresher training periods and courses of the Ordre des comptables agréés du Québec* in order to recommend their approval by the Ordre's Board of Directors.

As regards the *Code of Ethics of Chartered Accountants*, the Committee considered a proposal to amend the supervision of CAs practicing public accountancy that also offered solutions to some pressing issues, in order to recommend its approval by the Ordre's Board of Directors. The Committee also analyzed the possible incorporation into the *Code of Ethics of Chartered Accountants* of certain aspects of the harmonized rules of professional conduct adopted by the Public Trust Committee.

Finally, throughout the year, the Committee closely monitored numerous developments pertaining to legislation and regulations governing our profession.

The Working Group on the *Code of Ethics* analyzed the proposed changes to the *Code of Ethics of Chartered Accountants* before forwarding them to the Regulations Committee. It also reviewed and commented on a certain number of proposals aimed at amending the harmonized rules of professional conduct that relate to independence and their interpretations, including the concept of objectivity in the rules and prohibiting chartered accountants engaged in the practice of public accountancy from borrowing money from a client. It also reviewed and commented on the provisions respecting advertising by CA firms.

Jacques Filion, CA
Chair

Committee members

Christiane Brizard, lawyer, C.OCAQ
Martin Duhaime, CA
Bertrand Lachance, CA
Ginette Lussier-Price, FCA
Daniel McMahon, FCA
Christine Montamat, MBA, CA
Donald Petit
Diane Racine, CA
Denis Savard, CA

Secretary: Ginette Champagne

Working Group on the *Code of Ethics*

Serge Allard, FCA
Christiane Brizard, lawyer, C.OCAQ
Frank Di Tomaso, FCA
Charles Jacobs, CA
Diane Lanciault-Fortier, CA
Ginette Lussier-Price, FCA
Donald Petit
Martine Picard, CA
Ed Victor, FCA

Secretary: Christine Montamat, MBA, CA

Review Committee

> Paul Dumas, CA

The Review Committee was established under section 123.3 of the *Professional Code* in order to provide individuals who have requested an inquiry into the conduct of a member of the Ordre des comptables agréés du Québec or of a person who was a member of the Ordre at the time the acts were committed, with an opinion regarding the decision of the syndic not to lodge a complaint before the Disciplinary Council. The Committee sits in groups of three persons, at least one of whom is a representative of the public appointed from a list provided by the Office des professions.

In 2008-2009, the Committee received nine applications to review the decision of the syndic. The Committee met 11 times to process 11 applications. No late applications for review were received.

The Committee issued 11 opinions. In 10 cases, it upheld the syndic's decision not to lodge a complaint. In one case, it asked the syndic to complete her inquiry and render a new decision regarding the lodging of a complaint. The Committee issued all opinions within the prescribed 90-day timeframe.

In addition, the Committee held a plenary session to discuss various topics respecting the procedure followed by its members during meetings.

Paul Dumas, CA
Chair

Committee members

Clément Beaupré, CA
Benoît Boivin, FCA
Danielle Boucher, Representative of the public
Alain Chassé, CA
Martin Langlois, CA
Marie-Andrée Pilon, Representative of the public
Robert St-Aubin, FCA
Gary Wechsler, CA

Secretary: Claudette Roberge

Staff of the **Ordre**

Management Committee

From left to right: **Daniel McMahon, FCA • Christine Montamat, MBA, CA • Christiane Brizard, lawyer, C.OCAQ • Ginette Lussier-Price, FCA • Martine Picard, CA • André Richard, MBA • Évelyn Paquin, FCA • Marie-France Langlois, CA • Diane Messier, FCA • Daniel Benard, CA**

Staff of the **Ordre**

Executive Office

President, CEO and Secretary
Daniel McMahon, FCA
Executive Secretary
Laurence Hurtubise

Administration

Chief Operating Officer and Vice-President, Administration
Évelyn Paquin, FCA

Human Resources

Coordinator
Lyne Lemieux, CRHA

Finance

Director
Marie-France Langlois, CA
Accounting Clerk
Nelly-Sehan Carlos
Accounting Technician
Pascale Paradis
Administrative Assistant, Administration and Finance
Renée Lortie
Assistant Controller
Mélanie Charbonneau, CA
Clerk, Annual Fees
Lise Cousineau (temporary)
Clerk, Roll of the Ordre
Carole Pharand
Controller
Sonya Guilbault, CA
Controller's Assistants
Joanne Legendre
Iulia Raihert (ad interim)
Coordinator, Administration and Finance
Loraine Young
Manager, Collection of Annual Fees
Diane Paquette
Receptionists
Rachel Bigras
Solange Rousseau (ad interim)
Shipping Clerks
Sylvie Cuerrier
Michel Magny

Information Systems

Director
André Richard, MBA
Analyst-Programmer, Development
David Dorsett
Analyst-Programmer, Implementation
Daniela Bungardean
Computer Technician
Éric Pesant
Coordinator, Information Technology
Patricia Annesley
Network Administrator
Michel Yafalian
Programmers
Reda Ennajih
Fabien Peret
Webmaster
Philippe Laurin

Legal Affairs and Records

Vice-President
Christiane Brizard, lawyer, C.OCAQ
Assistant Counsel
Position vacant
Clerk, Roll of the Ordre
Claudette Custeau
Coordinator, Roll of the Ordre and Legal Affairs
Évelyne Tessier
Paralegal Administrative Assistant
Isabelle Ledroit
Secretary to the Disciplinary Council, the Council for the Arbitration of Accounts and the Review Committee
Claudette Roberge

Education and Recruitment

Vice-President
Diane Messier, FCA
Assistant Director, Candidates and Recruitment
Jasmine Marcoux, CA
Assistant Director, Education
Andrée Daoust, CA
Administrative Assistant
Mélissa Zdaniak
Administrative Assistant, Professional Education Program
Anne-Marie Marois
Clerk, Candidate Roll
Éric Nolet
Coordinator, UFE and Recruitment
Marie-Josée Hamel
Education and Recruitment Counsellor
Isabelle Forget, CA

Inspection and Professional Practice

Vice-President
Martine Picard, CA
Assistant Director, Professional Inspection
Chantal Le Rossignol, CA
Assistant Director, Professional Practice
Lyne Lépine, CA
Administrative Assistant
Caroline Bouchard
Administrative Assistants, Mandatory Continuing Education
Marie-Jo St-Pierre
Mary Young
Coordinating Assistant, Roll of CA Firms
Cornelia Cazan
Operations Assistant, Professional Inspection
Pauline Duguay
Operations Officer, Professional Inspection
Danielle Arcudi
Professional Inspectors
Philippe Bérubé, CA
Julie Choquette, CA
Kim Lemire, CA

Professional Products and Services

Vice-President
Daniel Benard, CA
Assistant Director, Continuing Education
Maryse Samson
Administrative Assistants
Evelyne Cossette
Manon Dumouchel
Monica Hachey
Diane Lafortune
Administrative Assistants, Coordination of Activities, Continuing Education
Martine Primeau
Julie Vézina
Jessica Duret (ad interim)
Administrative Assistants, Customer Service, Continuing Education
Julie Beaulac
Geneviève Trudel
Mallely Beltre (ad interim)
Stéphanie Sisto (ad interim)
Administrative Assistant, Publications
Karine Gagné
Advisor to CAs in Business and in the Public Sector
Josée Prévost, CA
Advisor to CAs, Professional Products and Services
Diane Boudreau, CA
Advisor to CAs in Public Practice
Position vacant
Coordinators, Continuing Education
Marie-Claude Cardinal
Liselène Dind
Louise Moreau

Strategy, External Affairs and Communications

Vice-President
Christine Montamat, MBA, CA
Assistant Director, Marketing and Promotion
Julie Péloquin, CA
Administrative Assistant
Suzanne Racette
Administrative Assistant, Marketing and Events
Nancy Alexandre
Communications Manager
Erika Vaugeois
Events Planner
José Boucher
External Relations Manager
Caroline Emmanuel
Graphic Designers
Louise Castonguay
Guylaine Thiboutot
Julie Milette (ad interim)
Manager, Marketing and Events
Maryse Dumais

Syndic

Syndic
Ginette Lussier-Price, FCA
Executive Secretary, Office of the Syndic
Carole Manseau
Paralegal Administrative Assistant
Thérèse Coutu

To **find** out more...

The reports of the committees and regional groups are available in the electronic annual report, which can be downloaded from the Ordre's website at www.ocaq.qc.ca.

In addition, Ordre members can consult the 2008-2009 activity report, presented in accordance with the Ordre's strategic directions, on the USB key handed out during the Annual General Meeting or by visiting the Ordre's website and logging on as a member.

2008-2009 Activity Report

Committee Reports
CAs in Business
CAs in Public Practice
CAs in Taxation
CAs in the Education Child Care Services Network
CAs in the Health and Social Service Network
CAs in the Public Sector
CAs Working with Cooperatives
CAs Working with Educational Institutions
CAs Working with Municipal Governments
Commercial Products and Services
Evaluation
Exposure Draft Review
Finance
French Terminology
Governance
Government Relations
Human Resources Compensation
Insurance
Regional Groups

Regional Group Reports
Abitibi-Témiscamingue
Eastern Quebec
Eastern Townships
Laval, Laurentians, Lanaudière
Mauricie and Central Quebec
Montérégie
Montreal
Outaouais
Quebec City
Saguenay–Lac-Saint-Jean