

CHAPTER C-4.2

CHARTERED PROFESSIONAL ACCOUNTANTS AND PUBLIC ACCOUNTING ACT

Excerpts pertaining to Public Accounting

1. (1) In this Act

Definitions

public accounting

- (r) “public accounting” means any of the following:
- (i) the performance or offer to perform any of the following services for the public:
 - (A) an assurance engagement as defined in the CPA Canada Handbook,
 - (B) a specified auditing procedures engagement as defined in the CPA Canada Handbook,
 - (C) a compilation engagement as defined in the CPA Canada Handbook,
 - (D) an accounting service involving summarization, analysis, advice, counsel or interpretation, unless it is part of, but incidental to, the performer’s primary occupation, if other than accounting,
 - (E) a forensic accounting, financial investigation or financial litigation support service,
 - (ii) the provision or offer of opinion, advice, counsel or interpretation with respect to a taxation matter in conjunction with a service described in subclause (i),
 - (iii) the preparation of, or offer to prepare, a tax return or other statutory information filing in conjunction with a service described in subclause (i)

(2) For greater certainty, the following are not considered public accounting:

Not public accounting

- (a) management consulting, including investigating and identifying management and business problems related to the policy, technical, organizational, operational, financial, systems, procedures or administrative aspects of organizations and recommending appropriate solutions;
- (b) administering insolvent or bankrupt companies or the estates of insolvent or bankrupt individuals, including acting on receiverships as a trustee in bankruptcy or acting in the liquidation and administration of insolvent or bankrupt companies and estates;
- (c) financial record keeping;
- (d) administratorship, insofar as it involves the management of affairs on behalf of others;
- (e) computer systems consulting;
- (f) business brokerage, or negotiating and advising on the sale, financing, merger or acquisition of business organizations;
- (g) executorship and estate administration;
- (h) personal financial planning;
- (i) investment counselling;
- (j) insurance counselling;
- (k) valuation.

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(3) For greater certainty, the following persons doing the following activities are not considered to be practising public accounting:

Not practicing
public accounting

(a) a person employed as an accountant or auditor performing functions of his or her employment with,

(i) a municipality as defined in the Municipalities Act R.S.P.E.I. 1988, Cap. M-13,

(ii) the Government of Prince Edward Island,

(iii) the Government of Canada, or

(iv) a Crown corporation;

(b) a member, or an employee of an accounting firm or professional accounting corporation, assisting a public accountant in his or her practice, provided that the member or employee

(i) acts under the direct supervision of the public accountant, and

(ii) does not give opinion, advice, counsel or interpretation, whether verbally or in writing, to the public in relation to any service or activity described in clause (1)(r). 2014,c.2,s.1.