

Behind the Counter

The importance of using professionals.

But they said they were an accountant! What do you mean they are not designated? This is a common comment made by clients who were previously working with non-designated accountants. You may wonder, how this can happen?

Lawyers, doctors, engineers, and dentists to name just a few of the regulated professions, are instantly recognized by their title. For example, if you go to see a dentist, you are assured that they have completed the required courses and the training required to do the job. The title Dr, and the term dentist gives you that comfort. In general, professions are highly regulated as to who can use the title and offenders are exposed as such and the public is notified.

Unfortunately that is not true with the Accounting Profession. Anyone, yes anyone can say they are an accountant. The term on its own is not regulated. An accountant, or actually anyone, can do your bookkeeping, your yearend financial statements and even file your personal and corporate tax returns. They can deal with CRA on your behalf and even give you financial advice.

So you ask, what's the problem with that? That's exactly what I need and I really like them.

To answer that question, an understanding what's the difference between designated and non designated accountants needs to be illustrated.

A designated (also sometimes referred to as professional) accountant is someone who has earned the credentials, Certified General Accountant (CGA), Certified Management Accountant (CMA), or Chartered Accountant (CA). While the steps to get to the designation vary, any of these accountants in public practice will have obtained similar knowledge and training. For all programs it generally starts with a degree, usually in accounting or business and progresses through a series of courses and work experience. This process takes many years to complete. Once the course work is complete there are a series of stringent exams that must be passed and sufficient work experience obtained, before the designation is granted. And we are not done yet; all designated accountants have ongoing educational requirements that must be met to stay in good standing.

Even more courses must be taken if the accountant wants to operate an accounting practice and provide tax services to the public. This is often referred to as public practice. Those in public practice also must carry insurance and be subject to a practice review every three years. During a practice review, the practitioners work is reviewed by a very experienced member of the respective association. Deficiencies, if any, must be corrected in a timely manner. Complaints for any designated accountant or even any profession can be directed to the associations and these are not taken lightly. All of the professional accounting groups have a strong ethical component and must respect client privacy. Alternatively, an accountant can practice in industry which means that they work for one specific firm in one specific industry, but are still subject to the ongoing educational requirements.

What courses are required by non designated accountants? None. Who monitors their work? No one. Who can you complain to if you have an issue? There is no group who monitors these individuals, but as with any business you always have the ability to take your complaint to the courts.

So how do you know what you are getting? The short answer is, you don't. A non designated accountant, may have taken the courses, and may in fact be very knowledgeable. But then again, maybe not. The risk is that just you can't tell.

If you're not sure your accountant is certified, just ask. Even better, look for the certificate. All designated accountants and other professionals worked hard for their designation and the proof is usually displayed somewhere quite prominent. If you don't see it just ask.

For more information on professional accountants in British Columbia please visit their respective websites CGA-BC www.cga-bc.com. CMA-BC www.CMABC.COM, CA-BC – www.ica.bc.ca.

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