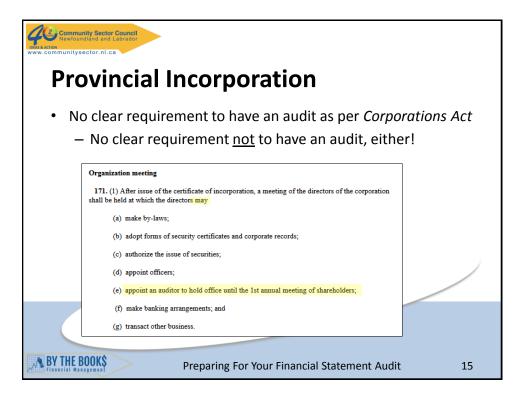
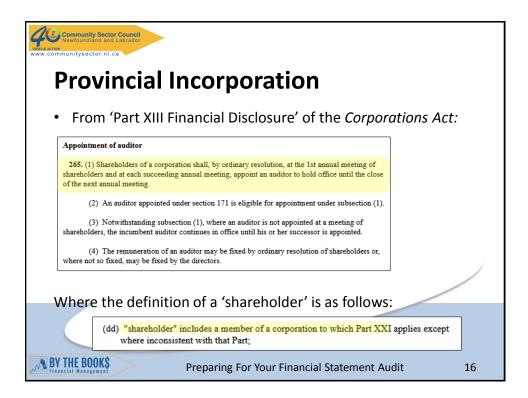


cuciu	l Incorporatio	ווע	
	eview required will depend on whether the co	prporation is a soliciting or non-soliciting corporation	
see <u>Requirements for</u>	soliciting corporations under the Canada No	· · · · · · · · · · · · · · · · · · ·	
Gross annual revenues	Appointment of public accountant	Review engagement or audit	
\$50,000 or less	Members must appoint a public accountant (PA) by ordinary resolution at each annual meeting. Exception – Members may waive appointment by annual unanimous resolution.	PA must conduct a <u>review engagement</u> , but members may pass an ordinary resolution to require an audit instead. (If no PA is appointed, then only a <u>compilation</u> is necessary.)	
More than \$50,000 and up to \$250,000	Members must appoint a PA by ordinary resolution at each annual meeting.	PA must conduct an audit, but members can pass a special resolution to require a review engagement instead.	/
More than \$250,000	Members must appoint a PA by ordinary resolution at each annual meeting.	PA must conduct an audit.	

Level of financial review for non-soliciting corporations				
Gross annual revenues	Appointment of public accountant	Review engagement or audit		
\$1 million or less	Members must appoint a PA by ordinary resolution at each annual meeting. Exception – Members may waive appointment by annual unanimous resolution.	PA must conduct a <u>review engagement</u> , but members may pass an ordinary resolution to require an audit instead. (If no PA is appointed, then only a <u>compilation</u> is necessary.)		
More than \$1 million	Members must appoint a <u>PA</u> by ordinary resolution at each annual meeting.	PA must conduct an audit.		





Community Sector Council NewFoundland and Labrador www.communitysector.nl.ca	
Provincial Incorporation	
However Part XIII also states:	
Dispensing with auditor	
<b>266.</b> (1) Notwithstanding section 265, the shareholders of a corporation other than a corporation mentioned in subsection 263(1) may resolve not to appoint an auditor.	
(2) A resolution under subsection (1) is valid only until the next succeeding annual meeting of shareholders.	
(3) A resolution under subsection (1) is not valid unless it is consented to by all the shareholders, including shareholders not otherwise entitled to vote.	
(4) Upon the application of a corporation that is a wholly owned subsidiary of a holding body corporate, the registrar may exempt the corporation from appointing an auditor in the circumstances that may be prescribed.	$\geq$
Preparing For Your Financial Statement Audit	17

