

# The Year In Review

Greetings and on behalf of the ICANS Council, it's my pleasure to present you with the Institute's 2007-2008 Annual Report.

This past year has been another very busy year for the profession, ICANS' Council, volunteers and staff. In fact, we've seen significant changes that will no doubt set the direction for ICANS and the CA profession in the years to come. That said, I'm pleased to report that collaboration between the various Provincial Institutes/Ordre, the CICA and among members has been outstanding, strengthening the profession and our ability to manage issues and plan for future initiatives. Yes, these are exciting times and proudly, the CA brand – Canada's pre-eminent accounting designation – is leading the way!

## Supporting Standard Setting – Serving our Members

With standards established by the Accounting and Assurance Standards boards, the CA profession performs a critical role in the support of development and implementation of standard setting in Canada and, what an active role this has been in the past year. In February 2008, Canadian standard setters confirmed that Canada would join a global shift to one set of international financial reporting standards (IFRS) for publicly accountable enterprises (profit-oriented). In addition, the profession held discussions across the country with members through the fall and winter of 2007 to determine the kind of accounting standards needed by private enterprises and this important work continues. Concurrently, auditing standards have been undergoing a similar harmonization process with the global standards. As such, standards development and implementation support has been a particular focus of both the national Member Relations Task Force, chaired by ICANS CEO, Michele Wood-Tweel, FCA, and also for ICANS Council and staff.

As these are national changes, ICANS has been working collaboratively with the other Provincial Institutes/Ordre and the CICA to provide you with timely information through articles, web-links, courses and tools. You are likely aware that several PD courses and free information presentations have already been offered to our members to keep us up to date and introduce us to the new standards. As well, the CICA has created an extensive Transition to International Standards website covering IFRS, ISA, and Financial Reporting Strategy for Private Enterprises that can be accessed by the direct 'button' on ICANS' website.

## Expanding Education Opportunities

At ICANS' 2007 Annual Meeting, membership approved Bylaw amendments that broadened the definition of 'qualifying experience' and expanded the range of organizations eligible to become CA Training Offices (CATOs). In keeping with our peers around the world, the profession now allows CA training in high-quality industry and government organizations that have the same commitment to training students as our training offices in public practice. This is indeed an exciting change that is historic for the profession. In addition, training offices in public practice may also now train CA students in taxation, business advisory services and other areas, rather than only through the traditional assurance route. That said, the quality of the CA designation is being upheld through our approval and monitoring process, along with enhanced experience requirements and the requirement that all students continue to write the same UFE. Nationally, several corporate entities have already registered as CA Training Offices under the expanded

definition. On April 3, 2008, we announced that Sobeys Inc. was approved as Nova Scotia's first industry CA Training Office opening new opportunities to bright, aspiring students seeking their CA. Of course, as new students join our ranks, the Atlantic School of Chartered Accountancy (ASCA) will ensure continued educational support to help them excel.

And, on the note of excelling, ICANS was delighted that one of its 2007 UFE graduates -- James Mowbray of Grant Thornton LLP -- placed on the 2007 CICA National Honour Roll, placing first among his peers in Eastern Canada and receiving the Chartered Accountants' of Canada Gold Medal for the highest standing in Eastern Canada on the Uniform Evaluation. Moreover, we had 37 students pass the 2007 UFE and we celebrated their success and that of our newest FCAs at our annual Convocation in February.

## Promoting the CA Brand

This year saw the national adoption of a new Mission and Vision as well as the introduction of a contemporary and stylish CA logo for the profession. All members received a distinctive CA logo pin and for the first time, a new national FCA pin has also been created. The 'CA Advantage', a national advertising campaign launched in 2007, featured print ads and advertising on television, radio, and the Internet and airport billboards. This national advertising campaign has built recognition within the marketplace that CAs are team players who provide financial expertise, business insight, strategic thinking and leadership. Currently, the National Branding Committee is working towards a new advertising campaign, scheduled for launch in the Fall of 2008.

At the provincial level, the Nova Scotia Institute continues to support the CA brand through advertising in the Halifax Chamber of Commerce's *Business Voice* magazine, *The Society Record* (a Nova Scotia Barristers' Society publication), billboards at the Halifax Stanfield International Airport and announcement ads (e.g. Council Executive, UFE grads, CA of the Year and FCAs) in newspapers. The Institute also actively promotes the CA brand through media releases issued throughout the year, sponsorship initiatives, recruitment activities and, by taking opportunities to communicate our progress to a wide range of key external audiences (e.g. through SCAN and the CA of the Year nomination process).

## Acting in the Public Interest – Upholding the CA Designation

Built on a foundation of integrity and ethics, the Canadian CA profession is committed to acting in the public interest. This commitment is exemplified in ICANS' Professional Standards Review and Continuing Professional Development (CPD) programs as well as the Disciplinary process.

As part of ICANS' ongoing efforts to act in the public interest, we continually assess emerging international standards and benchmark our own standards against them. For 2008, our practice review cycle was changed from four years to three, making it consistent with the cycles of other provinces and with our international counterparts. Also this year, we adopted enhanced CPD requirements to better align with both international standards and the standards of other Provincial Institutes. This meant changing our minimum CPD requirements to 20 hours annually, introducing a three-year cycle of 120 hours, 60 hours of which must be verifiable, and also moving towards more nationally harmonized CPD



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administrative practices. Members were provided with a rather fulsome package of information regarding these CPD changes in June 2008.

### Looking Ahead

2007-2008 was a successful year during which ICANS relocated, opened the Learning Centre and enhanced its staffing complement all the while continuing its efforts to promote, regulate, educate and serve our members and students. ICANS staff and volunteers made significant contributions to the collaborative efforts of our provincial and national counterparts to achieve many items on the profession's National Strategic Plan. That said, the next few years promise to be both interesting and challenging. The transition to international accounting and auditing standards and the development of new standards for private companies are likely to be the most significant standards-related changes in our lifetimes. Moreover, there is great interest by Provincial/Federal governments regarding self regulating professions concerning competition, trade and labour mobility and immigration strategies to address Canada's needs for the future.

The CEOs of all the national, provincial and territorial bodies continue to work together through the Council of Senior Executives (CSE) to manage the profession in a spirit of cooperation, commitment and partnership. We will continue to be active participants at the national table, ensuring that both the interests of Nova Scotia and the interests of the profession as a whole are considered and advanced.

While many milestones have been reached in the past year, there are many important issues and decisions yet to be made. ICANS Council and staff welcome your input and, as always, look forward to hearing your views and working with you.

### A Final Thank You

The collaborative efforts of volunteers and dedicated staff members at both the provincial and national levels are essential to our accomplishments. To our Council and CA volunteers who contributed so much to the profession this past year – you embody the CA Advantage with your business insight, leadership, strategic thinking and financial expertise. Thank you so much for your efforts!

It has been an honour to serve ICANS and I thank the membership for the opportunity.



Donald M. Flinn, CA  
President

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### MANAGEMENT DISCUSSION AND ANALYSIS

In keeping with ICANS' newly adopted mission, your Council and Institute staff have worked diligently in the past year to foster public confidence in our profession and to cost-effectively deliver the highest quality of service to members and students. Much has been accomplished as we have regulated and promoted our profession

### Financial Results

Operating results for the year ended April 30, 2008 produced a deficit of approximately \$65K, primarily attributable to salaries and benefits for necessary human resource adjustments during 2007, increased legal fees associated with various regulatory functions, additional spending related to the implementation of the profession's national Strategic Plan and an overall increase in business activity and therefore costs.

### A Prudent Surplus Policy

The Institute continues to maintain a \$150K restricted reserve for exceptional professional conduct matters and has accumulated an unrestricted surplus of approximately \$536K at April 30, 2008. As

communicated to members, ICANS' fees have been increased for 2008-2009 and Council has approved a deficit budget of approximately \$76K for the coming year.

### Management's Responsibility

All information in the Annual Report is the responsibility of management. Complete financial statements of the Institute have been prepared by its management in accordance with Canadian generally accepted accounting principles and are available on request. The significant accounting policies are summarized in the notes to the financial statements.

The accounting systems employed by the Institute include an appropriate system of internal controls to provide reasonable assurance that transactions are properly authorized. Assets are protected from loss and unauthorized use, and financial records are complete and properly maintained to provide reliable information in the preparation of financial statements and other data.

Institute management is responsible for the preparation of timely financial statements that are reviewed in detail by the Treasurer. Any requirements for corrective action are brought to the attention of Council. Council reviews quarterly financial statements at its regular meetings.

Council has approved the annual financial statements on the recommendation of the Audit Committee.



Michele A. Wood-Tweel, FCA CFP TEP  
CEO and Executive Director

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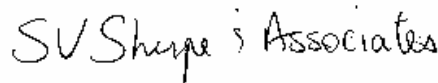
### AUDITOR'S REPORT

#### TO THE MEMBERS OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NOVA SCOTIA

The accompanying summarized statements of financial position and operations are derived from the complete financial statements of THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NOVA SCOTIA as at April 30, 2008 and for the year then ended on which I expressed an opinion without reservation in my report dated May 8, 2008. The fair summarization of the complete financial statements is the responsibility of management. My responsibility, in accordance with the applicable Assurance Guideline of the Canadian Institute of Chartered Accountants, is to report on the summarized financial statements.

In my opinion, the accompanying financial statements fairly summarized, in all material respects, the related complete financial statements in accordance with the criteria described in the Guideline referred to above.

These summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Readers are cautioned that these statements may not be appropriate for their purposes. For more information on the entity's financial position, results of operations and cash flows, reference should be made to the related complete financial statements.



S V Shupe & Associates  
Chartered Accountant  
Dartmouth, Nova Scotia  
May 8, 2008

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**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NOVA SCOTIA**

**Summarized Statement of Financial Position**

April 30, 2008

	2008	2007
<b>ASSETS</b>		
	\$	\$
Cash, accounts receivable and prepaids	1,058,613	905,460
Investments	396,987	390,759
Capital	60,103	24,477
	<b>1,515,703</b>	1,320,696
<b>LIABILITIES</b>		
Accounts payable and unearned fees	769,642	504,744
Deferred lease incentive	-	5,325
	<b>769,642</b>	510,069
<b>NET ASSETS</b>		
Invested in capital assets	60,103	24,477
Internally restricted for Professional Conduct	150,000	150,000
Unrestricted	535,958	636,150
	<b>746,061</b>	810,627
	<b>1,515,703</b>	1,320,696

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NOVA SCOTIA**

**Summarized Statement of Operations**

Year Ended April 30, 2008

	2008 Budget	2008 Actual	2007
<b>Revenues</b>			
		\$	\$
Member fees	696,600	689,093	691,690
Investment and other income	47,100	62,909	71,537
Revenue producing activities and professional standards	528,000	577,599	575,747
Total Revenue	1,271,700	1,329,601	1,338,974
<b>Expenses</b>			
Member services and administration	829,900	891,407	747,129
Revenue producing activities and professional standards	460,300	502,760	496,859
Total Expenses	1,290,200	1,394,167	1,243,988
<b>Excess of Revenue (Expenses) for the year</b>	(18,500)	(64,566)	94,986

Approved on behalf of the Institute:



President



Treasurer

*Complete Audited Financial Statements are available upon request.*

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## ICANS' Council and Committees

### AUDIT

Susan McIsaac *Chair*, Paul Comeau, Ted Doane, Colin MacKinnon *Lay Rep*

### EXECUTIVE

Leo Gallant, *Chair*, Don Flinn, Susan McIsaac, Greg Simpson, Michele Wood-Tweel

### HONORS

Nicola Young, *Chair*, Andrew Hare, Colin MacKinnon *Lay Rep*, Gordon Moore, Jim Trussler

### HUMAN RESOURCES

Leo Gallant, *Chair*, Susan McIsaac, Don Flinn *ex-officiating*

### MEMBERSHIP

Ted Doane *Chair*, Fred Colaiacovo, Joseph Flinn, Peggy Gates-Hammond  
Angela Myers, Lawrence Nestman

### NOMINATING

Gordon Moore *Chair*, Don Flinn, Leo Gallant, Michele Wood-Tweel

### PLANNING COMMITTEE

Don Flinn, *Chair*, Leo Gallant, Susan McIsaac, Greg Simpson, Michele Wood-Tweel

### PRACTITIONERS' COMMITTEE

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Greg Strange, Peter Wilde

### PROFESSIONAL CONDUCT

#### Review

Gary Armstrong, Alan Barkhouse, Colin MacKinnon *Lay Rep*

#### Complaints Committee Panel

Alan Barkhouse *Chair*, Daniel Avery, David Boyd, Alan Bruce, Gordon Caldwell, James Cameron, John Carter, Murray Doehler, Eugene Hurlbert, Claudette Porter, Ross Landers, Brad Langille, Ira MacInnis, James Power, Elaine Sibson, William Slattery, Robert Teale, Gerald Trites, James Trussler, Kent Williams, Paul Willison

#### Conduct Committee Panel

Gary Armstrong *Chair*, Paul Campbell, Roger Carroll, Claude Carter, Alan Conrod, Kevin Dean, Elizabeth Duncan, Paul Goodman, Andrew Hare, William Hayward, Glenn Hynes, Cheryl Inman, Carl Kent, Kenneth Mader, Elaine Morash, Marvyn Robar, Ron Smith, Stan Spavold, Gary Stafford, Peter Wilde, Nicola Young, Stan Spavold

### PROFESSIONAL DEVELOPMENT

Bruce Densmore *Chair*, Owen Barnhill, Ron Harnish, Elizabeth Hicks, Reinhard Jerabek, Kim Paquette, Claudette Porter, Steven Moore

### PROFESSIONAL STANDARDS REVIEW

Mark Winfield *Chair*, Wanda Leese, Cathy MacGregor, Susan McIsaac, Jacklyn Mercer, Lawrence Roche, Stephen Shupe, Randall Smith

### RECRUITMENT

Catherine Johnston *Chair*, Tanya Boudreau, Natasha Fletcher, Scott Ellison, Michele Gerrard, Tanya MacNeil, Peter Nash, Brian Rendell, Donna Singleton

### REGIONAL ADVISORY BOARD

Paul Comeau (Yar), Maureen Gillis, Marcel Godbout (Val), John MacKinnon (CB), Jason Varner (Cen), Mary Oxner (Cen-Antgh), Malcolm Pitman, Paul Richardson (SS)

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## Representatives on other Boards and Committees

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Grant Galbraith, Kirk Higgins

### PUBLIC ACCOUNTANTS BOARD OF NOVA SCOTIA

Gerald Inman, Lauchie McKenzie

### CANADIAN TAX FOUNDATION

Peggy Gates-Hammond

### CANADIAN INSTITUTE OF CERTIFIED PUBLIC

### ACCOUNTANTS

Gerald Trites

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## Nova Scotia CA Representatives to the Canadian Institute of Chartered Accountants and Inter-provincial Committees

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### ACCOUNTING STANDARDS MISCELLANEOUS

Dan Trainor

### ACCOUNTING STANDARDS OVERSIGHT COUNCIL

Ronald Smith

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William Hogg

### ALLIANCE FOR EXCELLENCE IN INFORMATION TECHNOLOGY: BOARD

David Bateman

### ALLIANCE FOR EXCELLENCE IN INFORMATION TECHNOLOGY: EDUCATION COMMITTEE

David Bateman

### ALLIANCE FOR EXCELLENCE IN INVESTIGATIVE AND FORENSIC ACCOUNTING: BOARD

Paul Bradley

### AUDITING & ASSURANCE STANDARDS MISCELLANEOUS

André Vincent

### AUDITOR'S REPORT TASK FORCE

André Vincent

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Ian Hutchinson

### CICA/CICBV LIAISON COMMITTEE

John Carruthers

### COMPETENCY MAP COMMITTEE

Jason Varner

### CORPORATE REPORTING STUDY GROUP

Gerald Trites

### COUNCIL OF PRESIDENTS

Don Flinn

### COUNCIL OF SENIOR EXECUTIVES

Michele Wood-Tweel

### CPD WORKING GROUP

Bruce Densmore

### CSE MEMBER RELATIONS TASK FORCE

Michele Wood-Tweel

### DATA LEVEL ASSURANCE STUDY GROUP

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Suzanne Wile

### FINANCIAL INSTRUMENT TASK FORCE

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### FINANCIAL REPORTING BY FIRST NATIONS STUDY GROUP

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Ira MacInnis

### INFORMATION TECHNOLOGY ADVISORY COMMITTEE

James Murray, Gerald Trites

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### INTRODUCTION TO PSA HANDBOOK – PHASE II

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### JOINT TAXATION COMMITTEE

Bill Vienneau

### MEMBERS ADVISORY SERVICES GROUP

Wenda Bennett

### PRACTICE INSPECTION WORKING GROUP

Wenda Bennett

### PRE-CERTIFICATION LEARNING COMMITTEE

Dan Trainor

### PUBLIC SECTOR ACCOUNTING MISCELLANEOUS

Bruce Densmore, Jacques Lapointe

### REGIONAL EDUCATION DIRECTORS GROUP

Dan Trainor

### RISK MANAGEMENT AND GOVERNANCE BOARD

Susan Payne

### SELECTION COUNCIL

Don Flinn, David Hope

### TAX REVENUE TASK FORCE

Jacques Lapointe

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