

The Year In Review

Greetings! As I reflect on the past year and indeed, the past few years, one thing that remains clear and consistent is the increased activity that prevails throughout the profession. ICANS' Executive, Council and staff have been diligently at work on the regular matters of ICANS and those related to the profession's Strategic Plan.

During 2006-07, the Canadian CA profession made tangible steps to turn our Strategic Plan from vision into reality and ICANS, for its part, has played many important roles. Our staff and volunteers have been active participants in the Council of Senior Executives (CSE) national task forces and working groups considering matters ranging from member advisory services to branding and harmonization of public practice inspection. ICANS' national involvement ensures our voice is heard in the development of our profession's future.

Please find below a brief overview of just some of the profession's and ICANS' accomplishments in the past year. It is clear that much of this progress would not have been possible without collaboration at a national level which has led to new initiatives and solutions that benefit all Chartered Accountants and the public.

Building The CA Brand

In September 2006, a national advertising campaign was launched to build market recognition of the 'CA Advantage'. The campaign was based on extensive research with members and the market that employs them, and was comprised of television, print, airport billboard and internet ads. According to research conducted subsequent to the launch of the advertising campaign, the message that CAs are team players providing financial expertise, business insight, strategic thinking and leadership has been well-received by both the membership and the business community across the country.

At the provincial level, ICANS continues to support the CA brand through 'top up' advertising in local business publications and at the Halifax Stanfield International Airport. In addition, we have strategically highlighted the phrase 'CA Advantage' in our newspaper announcement ads regarding the UFE results, CA of the Year, FCAs, and new Executive Council. As well, the key attributes promoted in the ads (i.e. financial expertise, strategic thinking, business insight and leadership) were consistently incorporated into the text of ICANS' new recruitment brochure, member profiles on the CA Advantage website, media releases and speeches.

In the early fall of 2007, we look forward to the second phase of the advertising campaign and the public launch of the profession's new logo. As another important building block of the CA brand, the new contemporary logo was developed, market tested with positive results and endorsed by all Councils in Canada and Bermuda in the past year.

Excelling In Education

Another significant development this year was that of the proposed Expanded Education Opportunities to allow CA students to train outside of the traditional assurance areas. As is already the practice in many countries, these expanded opportunities developed by the CSE's Education Task Force will allow approved industry and government organizations—those with the same commitment to training CA students as our training offices in public practice — to become CA Training Offices. These changes will also enable CA students to accept training positions in taxation, business advisory services, and other areas, in addition to audit and assurance. All students will continue to write the same UFE, and the value of our CA designation will continue to be upheld.

The By-Law changes to provide for these expanded training opportunities were approved by ICANS members at the 2007

Annual Meeting. It is hoped that these new avenues for training will help to address the business community's demand for CAs, which exceeds our supply in most markets, and provide opportunities to accomplished students who are eager to join our profession.

On November 24, 2006, we learned that the Atlantic School of Chartered Accountancy (ASCA) continued its successful track record: 42 of the 52 Nova Scotia candidates who wrote the 2006 UFE were successful, resulting in an 80.8% success rate in this rigorous national examination written by 2,694 candidates. A Nova Scotia graduate also placed on CICA's National Honour Roll. Registration in ASCA has increased in 2006-07 and this past April, Nova Scotia's registration level of 68 students was approximately 30% higher than the previous year!

Acting in the Public Interest

The Canadian CA profession is built on a foundation of integrity and ethics, and a commitment to protecting the public interest. The CSE's Public Trust Task Force (PTTF) has been developing initiatives and discussing issues ranging from mandatory liability insurance and continuing professional development to professional standards and the discipline process.

Recommendations made regarding Professional Liability Insurance (PLI) and Continuing Professional Development (CPD) minimum requirements were approved and implementation is or will be effective in all jurisdictions by January 2008. ICANS members approved the PLI recommended changes in June 2006 with an effective date of September 1, 2007. The recommended changes to CPD were approved at the 2007 Annual Meeting effective January 1, 2008.

In our ongoing efforts to protect the public, we continually assess our standards against the expectations of provincial, national, and international markets, making sure that our standards are robust. To this end, the PTTF working groups have been investing significant efforts in researching ways of harmonizing the discipline and practice review processes across all Institutes. It is anticipated that tangible recommendations from this research will be received in 2007-08.

Member Relations

The National Member Relations Task Force, chaired by ICANS' CEO and Executive Director, Michele Wood-Tweel, continues to focus its energy on developing ways to enhance member relations -- to increase the two-way communication between members and PICAs, and between the PICAs themselves for the benefit of all Chartered Accountants in Canada and Bermuda.

During the past year, practice advisory staff have fielded thousands of calls and produced many articles and newsletters to assist members with their roles. Increased communication and collaboration is creating a team of professionals across the Institutes with greater resources with which to assist members. The "Managing a Public Practice Survey" was concluded this past year and presentations were made to the Federal Government regarding the concerns of practitioners with respect to the timeliness of T3 information slips identified by a survey conducted by most Institutes in the summer of 2006. The profession will also no doubt look forward to the results this fall from the second national CA compensation survey.

ICANS continues to publish a hard-copy member newsletter, *SCAN*, which is distributed to our members and key stakeholders, a monthly electronic newsletter, *E-SCAN*, and a public practice e-newsletter, *The Practitioner's View*. This past year saw the reinvigoration of the ICANS Practitioners' Committee which met on several occasions and organized the Annual Practitioners' Forum and a half day information session for all members. With Halifax as the location for several conferences in May-June, members also had an opportunity to take advantage of sessions held regarding International Financial Reporting Standards and Financial Reporting Standards for Privately - Owned Companies.



ANNUAL
REPORT
2007

ICANS

Atlantic Region

ICANS has continued to attend and support the Atlantic Region Officer Group meetings. In a region of the country where numbers are smaller but talent looms large, we continue to believe that opportunities for cooperation should be identified and implemented to bring enhanced value to our members and in protecting the public interest.

In Conclusion

Without a doubt, 2006-07 was a busy year for Council and staff. For many years, our staff resources at ICANS have remained relatively unchanged. With the growing number of initiatives and needs of members, however, we now recognize that increased levels of activity will be sustained. Consequently, a new Director of Regulatory Affairs part-time position was approved by Council which should help to ensure ICANS will be in a strong position to continue meeting the needs of our members and the public.

As we celebrate our recent accomplishments and continue to carry out our ongoing responsibilities to promote, educate, regulate, and serve our members and students, I would like to recognize the collaborative efforts of ICANS dedicated staff members, volunteers and those participating at the national levels. To our Council who have contributed to and represented the profession this past year, you have embodied the *CA Advantage* with your business insight, leadership, strategic thinking, and financial expertise. In my opinion, ICANS is better positioned to meet the future than it ever has been and for this we owe a debt of gratitude to all of you. Thank you for the opportunity to serve as your President, it has been my privilege.



Gordon D. Moore, CA
President

MANAGEMENT DISCUSSION AND ANALYSIS

True to the ICANS' mission, your Council and Institute staff continue to work diligently to cost effectively deliver the highest quality of service to members. At the same time, the Institute remains committed to the protection of the public interest and the representation of the high standards and integrity of the CA Profession.

Financial Results

Operating results for the year ended April 30, 2007 produced a excess of revenues over expenses of \$94K, primarily attributable to positive results in our revenue producing activities and prudent management of our expenditures anticipating the continuing implementation of several initiatives in the Profession's Strategic Plan in 2007-2008.

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 \$636K at April 30, 2007. As communicated to members, ICANS' fees have not been increased for 2007-2008 and Council has approved a deficit budget of approximately \$18K 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, CA CFP TEP
CEO and Executive Director

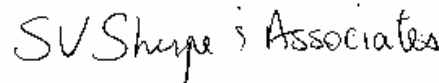
AUDITOR'S REPORT

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, 2007 and for the year then ended on which I expressed an opinion without reservation in my report dated May 9, 2007. 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 9, 2007

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NOVA SCOTIA

Summarized Statement of Financial Position

April 30, 2007

	2007	2006
ASSETS	\$	\$
Cash, accounts receivable and prepaids	905,460	1,024,790
Investments (<i>market value \$394,799; 2006 - \$410,341</i>)	390,759	393,267
Capital	24,477	35,162
	1,320,696	1,453,219
LIABILITIES		
Accounts payable and unearned fees	504,744	721,597
Deferred lease incentive	5,325	15,981
	510,069	737,578
NET ASSETS		
Invested in capital assets	24,477	35,162
Internally restricted for Professional Conduct	150,000	150,000
Unrestricted	636,150	530,479
	810,627	715,641
	1,320,696	1,453,219

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NOVA SCOTIA

Summarized Statement of Operations

Year Ended April 30, 2007

	2007 Budget	2007 Actual	2006 Actual
Revenues	\$	\$	\$
Member fees	681,800	691,690	621,983
Investment and other income	37,100	71,537	37,620
Revenue producing activities and professional standards	551,000	575,747	550,363
Total Revenue	1,269,900	1,338,974	1,209,966
Expenses			
Member services and administration	790,200	747,129	665,762
Revenue producing activities and professional standards	479,700	496,859	466,074
Total Expenses	1,269,900	1,243,988	1,131,836
Excess of Revenue (Expenses) for the year		94,986	78,130

Approved on behalf of the Institute:



President



Treasurer

Complete Audited Financial Statements are available upon request.

ICANS' Council and Committees

AUDIT

Leo Gallant *Chair*, Sue Carson, Greg Simpson, Colin MacKinnon *Lay Rep*, Michele Wood-Tweel

EXECUTIVE

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

HONORS

Nicola Young, *Chair*, Andrew Hare, Colin MacKinnon *Lay Rep*, Sue Payne, Jim Trussler, Michele Wood-Tweel

HUMAN RESOURCES

Don Flinn *Chair*, Leo Gallant, Gordon Moore *ex-officiating*

MEMBERSHIP

Ted Doane *Chair*, Fred Colaiacovo, Joseph Flinn, Peggy Gates-Hammond

Barbara Morton, Lawrence Nestman, Maura Timmons, Michele Wood-Tweel

NOMINATING

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

PLANNING COMMITTEE

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

PRACTITIONERS' COMMITTEE

David Yuill *Chair*, David Bruce, Sue McIsaac, John Nash, Richard Stevens, Greg Strange, Peter Wilde

PROFESSIONAL CONDUCT

Review

Gary Armstrong, Alan Barkhouse, Colin MacKinnon *Lay Rep*, Michele Wood-Tweel

Complaints Committee Panel

Alan Barkhouse *Chair*, Daniel Avery, David Boyd, Alan Bruce, Gordon Caldwell, James Cameron, John Carter, Murray Doehler, Eugene Hurlbert, Claudette Kehoe, 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

PROFESSIONAL DEVELOPMENT

Bruce Densmore *Chair*, Ron Harnish, Elizabeth Hicks, Reinhard Jerabek, Claudette Kehoe, Stephen Moore, Jim Trussler, Michele Wood-Tweel

PROFESSIONAL STANDARDS REVIEW

Mark Winfield *Chair*, Wanda Leese, Cathy MacGregor, Sue McIsaac, Jacklyn Mercer, Lawrence Roche, Stephen Shupe, Randall Smith, Gerald Trites, Wenda Bennett

RECRUITMENT

Catherine Johnston *Chair*, Tanya Boudreau, Natasha Fletcher, Scott Ellison, Michele Gerrard, Tanya MacNeil, Peter Nash, Donna Singleton, Michele Wood-Tweel

REGIONAL ADVISORY BOARD

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Representatives on other Boards and Committees

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Grant Galbraith, Leo Gallant, Kirk Higgins

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Gerald Inman, Lauchie McKenzie

CANADIAN TAX FOUNDATION

Peggy Gates-Hammond

CANADIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Gerald Trites

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

ACADEMIC ADVISORY COUNCIL

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AcSOC

Ronald Smith

ADDRESSING ACCRUAL ISSUES IN CANADIAN GOVERNMENT BUDGETING ADVISORY GROUP

William Hogg

ADVISORY SERVICES WORKING GROUP

Wenda Bennett

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David Bateman

ALLIANCE FOR EXCELLENCE IN INVESTIGATIVE & FORENSIC ACC.

Paul Bradley

AUDITOR'S REPORT TASK FORCE

André Vincent

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CICA/CICBV LIAISON COMMITTEE

John Carruthers

COMPETENCY MAP COMMITTEE

Jason Varner

CORPORATE REPORTING STUDY

Gerald Trites

COUNCIL OF PRESIDENTS

Gordon Moore

COUNCIL OF SENIOR EXECUTIVES

Michele Wood-Tweel

CPD WORKING GROUP

Bruce Densmore

CSE MEMBER RELATIONS TASK FORCE

Michele Wood-Tweel

DIFFERENTIAL REPORTING ADVISORY COMMITTEE

Roger Perry

ETHICS STANDARDS AND HARMONIZATION COMMITTEE

Ted Doane

FINANCIAL INSTRUMENTS TASK FORCE

Claude Carter

FINANCIAL REPORTING BY FIRST NATIONS STUDY GROUP

John MacNeil

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Elaine Sibson

IFRS ADVISORY COMMITTEE

Ira MacInnis

IMPACT CA

Elaine Sibson, Jerry Inman

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James Murray, Gerald Trites

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Leo Gallant

JOINT TAXATION COMMITTEE

Bill Vienneau

PROFESSIONAL LIABILITY INSURANCE COMMITTEE

Phil Gaunce

PRACTICE INSPECTION WORKING GROUP

Wenda Bennett

REGIONAL EDUCATION DIRECTORS GROUP

Dan Trainor

SELECTION COUNCIL

Don Flinn

TAX REVENUE TASK FORCE

Jacques Lapointe
