

E-SCAN is a regular newsletter distributed electronically as a means of maintaining timely communication of, and encouraging a dialogue on, topics relevant to Chartered Accountants and students of the Nova Scotia Institute. Copies of recent issues can be obtained from the Institute website at www.icans.ns.ca

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Annual Members' Luncheons Continue to Be A Big Success

This year's Annual Members Luncheon in Halifax was another success, with over 320 members and graduates in attendance. Premier Hamm congratulated the graduates on behalf of the government, noting that this was one audience that seemed particularly receptive to the government's frequent speeches about the importance of the province demonstrating fiscal accountability by adopting "GAAP" reporting – in fact it was one of the few audiences which seemed to actually be excited to hear such terms.

In accepting the 2003 Ross L. Towler CA Of The Year Award, Judy Steele spoke passionately about her community involvement, as well as acknowledging the support she had received from her professional colleagues and employers over the years. She encouraged each member of the CA profession to play a role in making a difference.



Premier Hamm speaking to a group receptive on GAAP discussions



CICA Chair Pierre Brunet encourages the new graduates to show leadership in ethics

CICA Chair Pierre Brunet presented the keynote address "Being Leaders". He spoke warmly to the graduates on their success but also challenged them to be leaders throughout their future careers: "In the years to come, when you find yourself in situations that test you and threaten to compromise your integrity, as surely you will, do not hesitate to stand up and be counted. Being a CA is about leadership. It's about building trust. It's about how we act as a person, as a chartered accountant, as a community participant."

A week earlier, President Bob Bean and the Executive Director Bob Caswill had attended the Annual Luncheon in Sydney to honor the two successful UFE writers in Cape Breton. Although this year's numbers were down slightly, members in attendance enjoyed the event, and it was agreed that similar functions should be held during the year to encourage greater interaction.

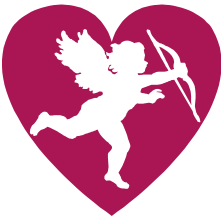


Some of the over 320 in attendance at the Halifax Luncheon



*Two FCAs and a CA Of The Year
Ross Towler FCA, Judy Steele and
Bruce Towler FCA*

ICANS Convocation Dinner and Dance – 14 February 2004



Come celebrate Valentine's Day in a big way, by attending the ICANS Convocation Dinner and Dance, which will again be held at the World Trade and Convention Centre. Ticket order forms are being sent out to members by mail this week, but will also be available for downloading from the website later this month.

Need (or want) a hotel room? The Prince George Hotel has blocked off a limited number of rooms for the nights of February 13 and 14 for our use, but reservations must be made by January 13th. Download more information at <http://www.icans.ns.ca/media/documents/PGH2004.pdf>.

Certificate Frames Available For CA Graduates and Members

Frame your diploma and membership certificate without tools, literally within seconds, in a high quality, Canadian-made polished gold colour, walnut wood, coloured or dark stained wood frame with an elegant green mat and an elegant gold foil stamp of the official logo of the Institute. Details are available on the website using the following link:

<http://www.icans.ns.ca/newsandpublications.asp?cmPageID=151>



Promote Your Profession – Wear The Ring

You've worked hard for it, and are proud of your CA designation and what it stands for. Why not promote it? This distinctive ring, displaying a stylized CA, has been produced for over 25 years. There has been a strong resurgence in interest for the CA ring in recent years, and thousands of CAs are proudly wearing it and receiving compliments on its unique style.

Rings are available in either **10k** or **14k** yellow or white gold, in both men's and women's designs. Details are available on the website using the following link:

<http://www.icans.ns.ca/newsandpublications.asp?cmPageID=151>.

Canadian Insolvency Foundation Appoints First Board Of Directors

Prominent jurists, lawyers, lenders, academics and insolvency and restructuring professionals have agreed to serve on the first Board of Directors of a foundation formed in late November that will foster independent research and analysis of the bankruptcy and insolvency system.

The Canadian Insolvency Foundation ("CIF") is a not-for-profit multi-disciplinary organization founded by the Canadian Association of Insolvency and Restructuring Professionals ("CAIRP"). It is dedicated to research and education related to insolvency and bankruptcy legislation and practices, both corporate and personal, and to the skills of restructuring, refinancing, corporate rescues and turnarounds. CIF is also to make reports and suggestions to Governments for improvements to laws affecting the effective operation of the system.

Sunday Shopping Legislation Changes Yielded An Unexpected Result for CAs

When amendments were made to the Labor Standard Act in conjunction with the passage of amendments to the Retail Uniform Closing Day Act, the government clearly did not realize the full implications of the changes. Whereas the existing Labor Standards Act essentially precluded CAs and other professionals from mandatory overtime pay (since the existing requirement was a multiple of the minimum wage), the new amendments had the unintended result of requiring all professionals, including doctors, lawyers, and CAs, to be paid overtime wages. Obviously, CAs may have had differing opinions on whether this would have been "a good thing", but regardless, the government acted quickly to correct this unintended result by introducing new regulations to the Code which restored the pre-existing exemptions for professionals from overtime.



Managing For Growth — Useful Information for NS SMEs

According to the Canadian Federation of Independent Business, almost three quarters of Nova Scotia's businesses employ fewer than five people, and more than 90 per cent of NS businesses have fewer than 50 employees—the upper limit most often used in defining small business. Businesses with more than 50 employees make up nearly eight per cent of Nova Scotia's business population. Recent surveys indicate that small and medium-sized enterprises (SMEs) accounted for the majority of total employment in Nova Scotia, and that this percentage has grown.

Given this fact, a recently released Report "Managing for Growth – Enabling Sustainable Success in Canadian SMEs" should be of interest to many CAs who hold senior positions with SMEs or serve as accountants or advisors to these businesses. The Report, a second in a series, was produced by Queen University's School of Business, together with RBC Financial Group and the Canadian Manufacturers and Exporters (CME) and deals specifically with the internal barriers to growth that are faced by many SMEs. The report makes a number of recommendations on steps which might be taken to foster sustainable success for SMEs, and can be downloaded from <http://business.queensu.ca/sme/SMEFullReport.pdf>.

Watch For — 2003 Salary Survey To Be Completed On-Line This Year

This year's December 2003 salary survey will be completed on-line for the first time, which should make for a higher response rate and therefore more representative results. The last ICANS salary survey, completed as at December 2001, had a 16.2% response rate. The on-line capability has been made possible through the cooperation of the Manitoba Institute, which has allowed ICANS to use its existing platform to gather and summarize the data.

Significant UFE Changes To Continue in 2004

Until recently, the last major change to the UFE was in the early 1970s, which resulted in a four-day, 400-mark examination. However, significant changes have been made in recent years, to more appropriately reflect the changing environment and needs of the profession. While the UFE has still retained its earned international reputation for being one of the most well-respected professional examinations, many CAs may not be aware that recent students are writing far different examinations than they completed five or ten years ago.

In 2002, the examination shortened to a three-day exam with the elimination of the multiple choice component; and 2003 saw a competency-based assessment approach which resulted in a pass/fail assessment and no marks. These changes will continue to take place, as 2004 writers will be able to bring computers into the writing centres. While the writers will currently only be able to use the computers for reference and analysis, and will still have to submit their responses in a written format, the 2004 changes are seen as a natural evolution to a time when the candidates will be submitting their responses in an electronic format, reflecting the reality that computers are now an essential aspect of being a professional.

Allowing computers in the writing centres has significant implications to the writers, to their employers (although it has become mandatory in the ASCA program that all students have access to notebook computers, there are some special requirements which must be met to ensure that the UFE process security can be protected), and to the Institutes in terms of the writing centre environments. In the Atlantic Region, ASCA has agreed to take a lead role in ensuring that all necessary preparations will be made. To date, ASCA has distributed the *SecureExamCA* software to all potential 2004 writers to allow them to become familiar with it and ensure that their computers will be compatible.

Bottom line? Members who wrote the UFE sometime ago might be surprised to realize just how much the examination process has changed over the past few years – however, they should be assured that the UFE still provides the rigorous high standard for admission into the profession that is synonymous with the CA designation.

Other Education Changes To Impact Training Offices

Consistent with the CA profession's transition to a competency-based qualification process, the CA profession has taken steps to strengthen the link between the competency requirements reflected in the formal CA education programs and the practical experience completed during the qualification process. The revised practical experience requirements, which have been approved by the national Qualification Committee, will come into effect for students entering the program after March 31, 2004. While it is not expected that the new requirements will cause any significant difficulty for Nova Scotia's

current training offices, or those offices who wish to train students in the future, there will be some changes as a result of increased emphasis on ensuring that students have the opportunity to gain the required competencies throughout their practical experience. Again, ASCA has agreed to serve a key role in communicating any changes required to the current practical experience requirements over the months ahead.

Workshop on Municipal Accounting and Financial Statements

On January 28 and 29, Service Nova Scotia and Municipal Relations will host a two-day workshop designed to assist municipalities in understanding the recent changes to the Canadian Institute of Chartered Accountants Assurance Standards and the implications for municipalities' financial statements and tax rate calculations. The workshop will be presented by Tim Beauchamp, CA, of the Canadian Institute of Chartered Accountants. He will provide information on the major areas in which municipalities currently may not comply with generally accepted accounting principles for local governments, as set out in the Public Sector Accounting Handbook.

Invitations have been sent to administrators and financial staff of each municipality, registered municipal auditors, and the Utility and Review Board. Further information can be obtained by contacting Wendy Dauphinee at Service Nova Scotia (wdauphin@gov.ns.ca or 424-6338).

Privacy of Information — ICANS Respects and Protects Your Privacy

As you are aware, the 2004 year brings with it increased requirements for entities to comply with new privacy laws that came into effect on January 1, 2004 as a result of the federal government's Personal Information Protection & Electronic Documents Act (PIPEDA). All businesses that collect, use or disclose personal information about their employees, customers or others in the course of commercial activities will be subject to the PIPEDA (or to provincial legislation deemed to be substantially similar to the federal act).

Despite considerable advance warning, it is uncertain whether Nova Scotia businesses have taken the necessary steps to be compliant with the new Act, and all members are encouraged to ensure that their employers, businesses and clients are fully compliant, or at least well along with their compliance. Due to the nature of their services, and the related required high degree of confidentiality, it is not likely that there were significant changes necessary to the manner in which CA firms operate, although there will be an increased obligation to disclose policies and communicate with clients over the use of personal information. This topic has been communicated in recent issues of The Practitioners View, CICA materials and Risk Alerts, and in Professional Engagement Manual updates.

The Provincial Institutes have also considered the impact that PIPEDA may have on their own policies and procedures. They have received a legal opinion that, as self-regulating professional associations that only carry out commercial activities in accordance with the self-regulatory nature of their operations, PIPEDA does not likely apply to them. Moreover, existing stringent policies on respecting member privacy and confidentiality would likely result in little need to change any operations in any event. Despite this fact, the Nova Scotia Institute, and other Institutes, are adopting a position of more formally documenting and communicating its policies on the collection, use and disclosure of personal information to more closely align existing policies with the requirements of PIPEDA on a voluntary basis. A Policy Statement is being developed for public disclosure, and Council has appointed the Vice-President as the ex-officio Chief Privacy Officer of the Institute. Should you have any questions or concerns over the manner in which the Institute handles your personal information, please feel free to contact either the Executive Director at rcaswill@icans.ns.ca or the Chief Privacy Officer c/o icans@icans.ns.ca.

The Practitioners' View—A Newsletter Geared to Public Accountants

Many members may not be aware that the Institute provides a regular newsletter to all practitioners and the offices of all public accounting firms on issues relating to public practice in Nova Scotia. This newsletter is being written by Wenda Bennett, Director of Professional Standards, and consists of timely reminders on new standards and other publications, the results of PSR reviews, and extracts of articles that have appeared in similar newsletters in other provinces. While not intended to be an award-winning publication, the newsletter appears to be meeting the objective of being a valuable resource to its readers, as indicated in the recent feedback received:

"Excellent job on the newsletter. Thanks for sending it in electronic form. It doesn't get missed in my pile of papers now."





"Congratulations on the most informative and easy-to-read newsletter that helps us to stay on the straight and narrow! (becoming narrower). This is so important to smaller practitioners - a lifeline!"

"This is one of the most outstanding professional updates that I receive. They are read religiously and our senior staff here keeps them in binders for reference."

While the newsletters are specifically targeted to members in public accounting, all members can reference each current and all back issues of the publication on the website under "Publications".

Have you recently moved or changed your mailing address?

In order to make sure that your Institute mail gets to you on a timely basis, and to avoid Institute staff having to track you down, please make sure that you let the Institute know about all changes. You can either phone the Institute, send an e-mail to the Membership Registrar, Soula Keramaris, at skeramaris@icans.ns.ca or even more conveniently use the Change of Address form on the Institute website at <http://www.icans.ns.ca/forourmembers.asp?cmPageID=137>. Updating our records also updates the CICA records—one stop processing!

Membership Changes

The following individuals were recently reinstated as members upon payment of member dues and a reinstatement fee:

Bernadette Christie CA

Barry King CA

Chantal MacIsaac CA (effective October 2003)

Here And There With Members

Leo Gallant FCA, professor at St. Francis Xavier University, has been appointed the Eastern Region representative on the CA profession's national International Qualifications Appraisal Board, replacing Ann MacGillivray CA, professor at Mount St. Vincent University, whose term has been completed.

David Reid CA, formerly with KPMG in Bermuda, has now relocated to that firm's Transaction Services Practice in New York.

Ann Sutherland CA, a partner with Harnish Sutherland Watt Chartered Accountants in Halifax, has been appointed by the CCRA to serve on its national Tax Professionals Advisory Committee.

Career Opportunities On The Website

Check the site for recent career postings that are added to the site on a weekly basis. Current postings are:

Director of Finance – Service Provider, Dartmouth

Audit Seniors – Bermuda

Audit Senior – Cayman Islands

Audit Senior – British Virgin Islands

Financial Controller – British Virgin Islands

Other career opportunities, together with valuable information and guidance on career counseling, etc., can be found at CA Source, on the CICA Website (www.cica.ca).

Volunteer Opportunities

Volunteer Opportunities are posted regularly on the ICANS website under Members. At the present time, the following opportunities are available:

Board Members and officers – AISH Network of Alberta (AISH) - Edmonton

Provincial Treasurer – Girl Guides of Canada, Nova Scotia Council

Volunteer Opportunities (Cont'd)

Treasurer – The Epilepsy Association of Nova Scotia (EANS)

Chair, Finance Committee — East Coast Festival 2004 with Franklin Graham

Treasurer – Planned Parenthood Metro Clinic (PPMC) – Halifax

Treasurer – Wee Care Developmental Day Care

Secretary – Scotia Chapter – Canadian Cystic Fibrosis Foundation

Advisor to the Executive – Osteoporosis Society of Canada, Nova Scotia Chapter

Reminder — Important Upcoming Dates

Deadline for Hotel Reservations for Convocation

January 13, 2004

SNSMR Municipal Accounting Workshop

January 28-29, 2004

Convocation Dinner and Dance - WTCC

February 14, 2004

Joint FEI / ICANS Dinner

February 18, 2004



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