UNITING THE CANADIAN ACCOUNTING PROFESSION

LATEST NEWS — QUEBEC CA-CMA-CGA MERGER UPDATE

ICANS has received notification that the CA, CMA and CGA Orders in Quebec announced that their respective boards of directors have recommended moving forward with a merger of their organizations. With this favourable recommendation to the Office des professions, the provincial government is expected to introduce legislation in early 2012 that would establish a new professional accounting order representing more than 34,000 Quebec CAs, CGAs and CMAs.

As you will see in the news release issued on October 4, 2011 — http://ocaq.qc.ca/documents/pdf/ANG/Membre/ActualitesEItEventements/Communiques/20111004CommuniqueConjointFavorableDesConseilsFINALEN.pdf — the Quebec Orders concluded that uniting the profession is in the best interests of their members and the public, citing the emergence of international accounting standards and the blurring differences among the designations.

This is a significant development for our colleagues in Quebec, and one that we have been watching very closely, as we explore the merits and feasibility of unifying the CA and CMA bodies across the country. Having concluded the national consultation with members, candidates and registered students, the national and provincial boards and councils are currently reviewing all the feedback received. Should the provincial councils and boards of the national bodies agree to move the merger discussions ahead to the next level, a concrete proposal will be prepared for member consideration and support.

As always, if you have any questions or comments, please share them with us at ICANS, via email at communication@icans.ns.ca or by calling (902) 425-3291. Thank you.

THE 2011 UFE

September 13 to 15 has come and gone and for the 72 Nova Scotia CA students and their colleagues throughout Canada and Bermuda who wrote the 2011 Uniform Evaluation (UFE), it’s now all about the waiting.

The UFE is a reportedly intense experience and the intensity will likely grow as December 2, 2011 approaches and the results are communicated.

Of course, organizing the UFE exam is a huge effort that relies on the expertise and time of many staff and volunteers. In Nova Scotia, we’d like to thank MGM & Associates who provided IT support for the students who wrote the UFE in Sydney. As well, we thank KPMG LLP and Grant Thornton LLP for providing similar support at the Halifax exam centre, and Gary Armstrong, FCA, President, Eldercare Atlantic Inc., who sponsored the post-UFE party at the Halifax exam centre.

IN THIS ISSUE . . .

- Unification Update
- UFE 2011
- Members’ Luncheon Notice
- 2011 Practitioners’ Forum
- CICA Session at ICANS to Support Practitioners
- AEFNS ‘Call for Proposals’
- ICANS By-Law Changes
- IIF Global Study Results
- ICANS Recruitment Activities
- New CICA Publications
- CICA Media Release re: report on SMEs and Sustainability
- CICA/AcSB Media Release re: IASB Vice-Chair’s Visit to Canada
- PSAB Invitation to Comment: Related Party Transactions
- Intro to ASPE: Free Online Course
- ICANS’ Fall/Winter 2011/2012 PD Program
- AASB Guide re: IFRS
- AcSB Exposure Draft re: Improvements to IFRS
- AcSB Exposure Draft re: Proposal to Delay IFRS 9 Adoption Date
- PSAB Exposure Draft re: Improvements to Handbook
- Investment Entities-Roundtable/Conference Call
- AcSB Seeking New IFRS Discussion Group Members
- Article re: Compliance with U.S. Personal Income Tax Filings
- Events of Interest
- More Events of Interest
- And More Events of Interest
- Member Updates
- Career Opportunities
- Reminders and Important Dates

MARK YOUR CALENDAR

ICANS will host a Members’ Luncheon in Halifax on December 16th at the Marriott Harbourfront.

Registration details to follow shortly; hope to see you there!
LAST CALL REMINDER . . . ICANS’ 2011 PRACTITIONERS’ FORUM

The 2011 ICANS Practitioners’ Forum, to be held on October 27th at the Glengarry Inn in Truro, features a full agenda of practical and interesting topics to help practitioners in managing their practice and meeting client’s needs. Topics include:

- Financing the Business Owner’s Succession Plan: A Discussion on Cash Flow Lending
- Moving to “Paperless” - Dos and Don’ts
- Professional Standards Review - Program Changes
- Practitioner’s Survey - Results
- Tax - New CICA VP Tax: Role and Initiatives
- Tax - Valuation and Litigation Issues

Participants will receive ICANS CPD credits of six hours for attendance. Registration forms can be accessed at: http://www.icans.ns.ca/media/documents/PractitionersForumRegistration.pdf. Note: Registrations will be accepted until 5 pm October 24th.

The 2011 Practitioners’ Forum Participant Survey

Attached to the registration form is the 2011 Practitioners’ Survey. Please complete one survey per office and return completed surveys to ICANS by October 24th. In order to have a meaningful discussion of the survey results over lunch at the Forum, we need as many surveys completed and returned to ICANS in advance of the Forum, as possible, so please take a moment to complete this important task.

Finally, the Glengarry Inn is offering a corporate rate for the evenings of October 26th and 27th; rooms are limited and will be based on availability. If you are interested in making a reservation, please call ASAP — 1-800-567-4276 — to guarantee your reservation.

Questions? Please contact Wenda Bennett, CA, at wbennett@icans.ns.ca or by calling (902) 425-3291 ext. 26.

CICA INITIATIVES SUPPORTING PRACTITIONERS - CICA WANTS YOUR INPUT

Andrée Lavigne, CA, CICA’s National Practice Area Leader for SMEs and SMPs, and Gordon Beal, CA, Director of CICA’s Guidance and Support Group, will present an overview of current and planned initiatives that are intended to support our member practitioners in their professional practice. Being held on November 4, 2011 from 9 to 11 am in the ICANS Learning Centre, the focus of the session will be on the technical and other support that our members need.

The CICA looks forward to hearing input from the participants during the session. As a result, the session will be interactive. The objective is for the CICA to provide information on existing and planned resources and, more importantly, to give the participants an opportunity to provide input on current and emerging challenges and needs for technical guidance and other support. This input will help the CICA develop and tailor its initiatives to support our member practitioners.

If you are interested in attending or have any questions, please contact Wenda Bennett, CA, at wbennett@icans.ns.ca or by calling (902) 425-3291 ext. 26.

AEFNS CALL FOR PROPOSALS

The Accounting Education Foundation of Nova Scotia (AEFNS) is looking for proposals or suggestions for projects which will help achieve its objectives. Members are invited to submit ideas by October 31, 2011 for projects or programs that will provide Nova Scotia educational institutions with the additional resources needed to strengthen the quality of accounting education in the province; and, improve communication with the academic community and help attract outstanding candidates to the accounting profession.

To this end, there are a wide variety of projects that fit our mission. Ideas may include curriculum development, research assistance, teaching awards, students awards, support for accounting activities and sponsorship of guest speakers, among others. Requests for support does not need to be detailed at this time — a description of the project, approximate amount of required funding and a time frame of the project will suffice.

Further information on the Foundation and the guidelines for proposal submissions are available on ICANS’ website at http://www.icans.ns.ca/events.asp?cmPageID=316 or by contacting Wenda Bennett, CA, ICANS’ Director of Professional Standards, at wbennett@icans.ns.ca or at (902) 425-3291 ext. 26.
At the Annual Meeting held on June 20, 2011, the membership approved Council’s recommended changes to the By-Laws as follows:

- Definition for the following terms were added to the Definition section:
  - “Executive Director”
  - “extra-provincial LLP”
  - “LLP”
  - “Nova Scotia LLP”
  - “Nova Scotia partner”
  - “Registrar of Joint Stock Companies”

- **By-law 1** was amended to provide for recording in the membership register the members’ and registered students’ email addresses, as well as such other information as Council may require.

- **By-law 20(1)** was amended to allow the annual Council nomination document to be sent to the membership by mail, by courier, electronically or by any other means approved by Council.

- A new **By-law 31A** was added to allow the notices to the membership as called for in By-laws 28 and 29 to be sent by courier, electronically or by any other means approved by Council.

- A new **By-law 31B** was added to allow Council and committee meetings to be held in person or by teleconference, video conference or other means of electronic communication approved by Council.

- **By-law 46** was amended to allow the educational requirements adopted by Council pursuant to By-law 45(2)(b) to be sent to the membership by mail, by courier, electronically or by any other means approved by Council.

- **By-law 56** was amended to allow the notice of the time and place of the UFE to be sent to the students by mail, by courier, electronically or by any other means approved by Council.

- A new **By-law 68A** was added for purposes of regulating Nova Scotia LLPs and extra-provincial LLPs.

The changes approved by the membership were as set forth in the information package mailed to the membership in June 2011 — except that the wording related to the proposed changes to By-law 1 was amended, so as to include registered students.

The approved changes were submitted to the Province of Nova Scotia and were approved by the Governor in Council on September 27, 2011. The changes became effective on September 27, 2011.

Copies of the updated By-laws are available on the ICANS website at: [http://www.icans.ns.ca/media/documents/Bylaws.pdf](http://www.icans.ns.ca/media/documents/Bylaws.pdf).

If you would like a printed copy, please contact ICANS at (902) 425-3291.

---

**FINANCIAL SERVICES SECTOR NEWS**

*The Future of Fund Administration to 2015 Global Research Results and Panel Discussion Video Release*

This summer, Nova Scotia Business Inc. (NSBI) hosted a financial services event in Halifax on the future of fund administration to 2015. The event featured UK-based media and research group, International Fund Investment (IFI), as they released the results from their global study about the future of fund administration. The results were delivered by Simon Osborn, CEO of IFI, and followed by a panel discussion with local participants contributing to the development of the sector who provided their outlook on the future of fund administration in Nova Scotia. The panelists included:

- **Patrick Donnelly**, CA, President, Meridian Fund Services (Canada) Limited;
- **Scott Montreuil**, CA, Managing Director, Citco Fund Services (Canada); and
- **Michele Wood-Tweed**, FCA, CFP, TEP, CEO and Executive Director, ICANS.

The survey results and panel discussion were taped and are available online at: [http://www.novascotiabusiness.com/en/home/locate/](http://www.novascotiabusiness.com/en/home/locate/)
ICANS PARTICIPATES IN FALL RECRUITMENT EVENTS

Halifax Career Fair

Once again, ICANS served as a Gold Sponsor and a member of the Nova Scotia Government Pavilion at the 2011 Halifax Career Fair, held September 27th at the Cunard Centre in Halifax. This premier recruiting event attracts more than 1,000 students from Dalhousie, Mount Saint Vincent, Saint Mary’s, Acadia and St. Francis Xavier universities.

Volunteering to represent the CA profession at the ICANS booth were: Terry Arthur, Registrar, Atlantic School of Chartered Accountancy (ASCA); Robert Bourgeois, CA, Financial Accountant, Nova Scotia Department of Finance; Donna Bourque, CA; and Peter Nash, CA, Controller, Strum Environmental. Throughout the day, students dropped by the ICANS booth to talk with our volunteers, pick up recruitment brochures and course information from ASCA, and to learn more about becoming Chartered Accountants. This is the province’s largest career fair and as such, ICANS is honored to participate and extremely appreciative of the time our volunteers devote to this important event. Thank you!

46th Annual Acadia University Business Banquet

Representing ICANS at Acadia University’s 46th Annual Business Banquet on October 13th was Michael Kennedy, CA, Audit Manager, Province of Nova Scotia. Michael graduated from Acadia in 2005 with his Bachelor of Business Administration. He was also the Institute’s 2010 CA of the Year, an award he received for his extensive community volunteer work. That said, Michael has much to offer students in terms of insight into the CA profession, having worked in public practice, as well as the non-profit and government sectors. Moreover, his enthusiasm for the profession and for being an active community volunteer is truly infectious. In fact, he shared his spirited approach to work and life with members of the Acadia Accounting Society at a special reception prior to attending the banquet, where he networked and socialized with students and distributed ICANS recruitment brochures and material from ASCA.

NEW CICA PUBLICATIONS

Whether you are a CA in public practice or industry, it’s important that you have access to the most up-to-date, reliable information available. To this end, below is a synopsis of new CICA publications:

- **Building Value in Your Company**, Howard E. Johnson, MBA, FCA, FCMA, CBV, CPA, CFA, ASA, CF, C.DIR
  This publication provides a practical, hands-on explanation of how business value is measured; how this value can be increased; and how business owners and executives can realize on that increased value by focusing on cash flow, risk management and invested capital. It shows readers how developing a competitive advantage generates intangible value, which ultimately leads to value creation. For more information and/or to order, visit: [http://www.castore.ca/product/building-value-in-your-company/852?urcode=buildingvalue-pica](http://www.castore.ca/product/building-value-in-your-company/852?urcode=buildingvalue-pica).

- **The Personal Tax Planner Guide, 2011-2012**
  Published in the fall of each year for distribution to clients of CA firms, this informative CICA client guide can help reinforce your relationship with clients, as well as attract new ones. For more information and/or to order, visit: [http://www.castore.ca/product/personal-tax-planner-guide-2011-2012/147?urlcode=ptp-pica](http://www.castore.ca/product/personal-tax-planner-guide-2011-2012/147?urlcode=ptp-pica).

- **The Personal Automobile Log**
  Designed to support your client development and retention efforts, *The Personal Automobile Log* is designed to help those who use either their own or a leased automobile for business purposes keep complete and accurate records to support their automobile expense claims. For more information and/or to order, visit: [http://www.castore.ca/product/personal-automobile-log/146?urlcode=pal-pica](http://www.castore.ca/product/personal-automobile-log/146?urlcode=pal-pica).

- **Canadian Business Compliance Manual - new update now available!**
  For over 25 years, small and medium-sized businesses have turned to CICA’s *Canadian Business Compliance Manual* for up-to-date, reliable answers to their accounting, legal and financial questions.* Covering the issues that matter, it is your essential guide for critical information on the legal and business requirements, and the administrative and compliance issues every Canadian business must know. For more information and/or to order, visit: [http://www.castore.ca/product/canadian-business-compliance-manual/124?urlcode=cbcm-pica](http://www.castore.ca/product/canadian-business-compliance-manual/124?urlcode=cbcm-pica).
  *Formerly The Accountant’s Manual.*

- **Model Financial Statements - Private Enterprises; Part II of the CICA Handbook - Accounting**

- **Ernst & Young’s Federal Income Tax Act, 2011 (9th) Edition**
  Edited by tax professionals for tax professionals, FITA provides complete coverage of Canada’s Income Tax Act and Regulations. Now also available as an eBook (for download to your BlackBerry®, computer or other device) that is updated up to four times per year with proposed and passed legislation. For more information and/or to order, visit: [http://www.castore.ca/product/ernst-and-youngs-federal-income-tax-act/852?urlcode=fita-pica](http://www.castore.ca/product/ernst-and-youngs-federal-income-tax-act/852?urlcode=fita-pica).
LEADING ACCOUNTING BODIES RELEASE REPORT HIGHLIGHTING HOW SMALL– AND MEDIUM-SIZED COMPANIES CAN PROFIT FROM SUSTAINABILITY

The CICA issued a media release on September 28, 2011 to announce that it, along with the Chartered Institute of Management Accountants (CIMA) and the American Institute of Certified Public Accountants (AICPA) released a comprehensive international research report underlining the growing emphasis small– and medium-sized enterprises (SMEs) are placing on sustainability as it becomes increasingly crucial to business performance.

SMEs Set Their Sights on Sustainability: Case Studies from the UK, US and Canada, uses concrete examples to show how similar companies can lead the market and become champions of sustainable practice. It also reveals how the finance function can play a central role in this process.

The report focuses on nine case studies — three each from the UK, US and Canada — showing similar companies who are taking different approaches to the same core issues, all using sustainable practices to their advantage. While compliance with regulatory requirements remains the most common driver of business sustainability, profitability and other strategic factors are increasingly significant. A sustainable business is more robust and more efficient; it appeals to customers’ changing values, strengthens relationships with suppliers and positions the brand as a good corporate citizen. It can reduce the variable costs of running a business while driving profitability.

The report builds on a joint survey completed at the end of last year. The survey by the three accounting bodies revealed that 33 per cent of smaller companies involved had a sustainability strategy in place, and an additional 23 per cent had plans to formulate a strategy in the next two years, emphasizing that sustainability is a growing priority.

Sandra Rapacioli, Head of Sustainability at CIMA, said: "We are seeing a shift in culture. SMEs are looking past survival and recognizing that successful sustainability performance translates to long-term success. Many are maximizing sustainability practices by also linking them to short-term goals, such as cost efficiency and competitor differentiation."

She goes on to say that, “One leading UK stationery and business supplies provider is a great example. Initially skeptical, the company has not only reduced energy costs by an average of five per cent year-on-year for the last four years, but has also increased sales and profits by differentiating itself as a sustainable supplier.”

Sue Coffey, AICPA Senior Vice President, Public Practice and Global Alliance, said: “One of the lessons from the case studies is that finance professionals often play a key role in defining and guiding sustainability strategies, in part because they are used to navigating different parts of a business and keeping an eye on the big picture. It’s one more example of the value the finance function can bring to an organization.”

By ‘walking the talk’, one US midsize bank has reduced its power consumption by 40 per cent with a solar installation, while maintaining a profitable business model making commercially viable loans to customers financing renewable and energy-efficient projects.

“Collaborative studies provide a valuable snapshot of what is happening across several jurisdictions,” stressed Nicholas Cheung, National Practice Area Leader for Sustainability at CICA. “SMEs are interesting to study, because they usually have more agility than large multinationals to make meaningful change and clearly demonstrate the benefits that come with sustainable business practices.”

A multifaceted Canadian food company profiled in the publication maintains that sustainability is beneficial as people are looking for companies that are doing something positive. The company makes a profit, but it also goes into schools to teach children about growing food and making healthy snacks, sources 90 per cent of its produce locally, consults with urban gardeners and funds community projects. The company notes that people are less tolerant of operations just seeking to maximize profit, and are looking for enterprises that are environmentally and socially aware.

In many SMEs, finance professionals play a critical role in formulating and implementing a sustainability strategy. They have the skills and tools required to define the metrics that determine the effort’s goals and progress, and help foster the vital link between investment in the strategy and the commercial benefit that accrues.

IASB VICE-CHAIR IN CANADA: CANADIAN’S FEEDBACK CRITICAL TO FUTURE OF FINANCIAL REPORTING
The CICA and the Accounting Standards Board (AcSB) issued a media release on October 11, 2011 to announce that Ian Mackintosh, Vice-Chair of the International Accounting Standards Board (IASB), will be in Toronto later this month, meeting with Canadian stakeholders to hear what they have to say about the future of financial reporting and the development of International Financial Reporting Standards (IFRSs).

Mr. Mackintosh’s visit comes during the IASB’s first-ever public agenda consultation. The IASB’s Request for Views is now out for public comment — a paper that outlines the strategies and priorities the IASB proposes to focus on over the next three years. Canada’s Accounting Standards Board (AcSB) will be commenting on it and recently issued an Invitation to Comment seeking feedback from Canadian stakeholders to help develop its response.

“Canadians’ views in response to our Invitation to Comment will help to ensure our comments to the IASB are well thought out and reflect what our country needs,” said Gord Fowler, Chair, AcSB. “Feedback from the AcSB and other Canadians is critical. The priorities the IASB sets will determine how IFRSs are changed and, as a result, will affect the financial information investors and other market participants are provided with to make economic resource allocation decisions.”

Mr. Mackintosh will attend one of the many AcSB-hosted roundtables and conference calls being held to gather feedback. “With the transition to IFRSs this year by Canadian publicly accountable enterprises, I look forward to feedback from Canadian stakeholders,” said Mr. Mackintosh. “This consultation is an opportunity for Canadians to get their voices heard and influence what the IASB will give priority to, directly affecting financial reporting on an international scale.”

The AcSB Invitation to Comment on the IASB Agenda Consultation 2011 is available for comment until October 24, 2011, with conference calls and roundtables occurring. Canadians are encouraged to submit responses to the IASB by November 30, 2011. For further information, please contact Daniella Girgenti, Communications Manager, Standards, Accounting Standards Board, at (416) 204-3482 or at daniella.girgenti@cica.ca or by going to www.acsbcanada.org.

PUBLIC SECTOR ACCOUNTING BOARD (PSAB) INVITATION TO COMMENT RELATED PARTY TRANSACTIONS — DEFINITION AND DISCLOSURE
The Invitation to Comment on Related Party Transactions provides PSAB’s preliminary views on proposed standards that should be applied in:

- Defining a related party in the public sector;
- Identifying the circumstances in which disclosure of related party transactions is required; and
- Determining the information to be disclosed.

This Invitation to Comment is accompanied by an Issues Paper, entitled, “Related Party Transactions - Recognition and Measurement,” that seeks views on recognition and measurement of related party transactions.

To help PSAB assess the nature and breadth of related party transactions encountered by public sector entities, the Issues Paper also requests respondents to provide specific examples, as well as current accounting practice regarding recognition and measurement.

“Governments commonly conduct activities through separate entities they control,” explained Carol Devenny, Partner, Audit & Assurance, PwC and PSAB’s Related Party Transactions Task Force Chair. “The ability of one entity to control the financial and operating policies adopted by another can have an effect on the financial position and performance reported by an entity. At a minimum, disclosure of that effect is useful information.”

The Invitation to Comment (http://www.psab-ccsp.ca/documents-for-comment/item53040.pdf) and Issues Paper (http://www.psab-ccsp.ca/documents-for-comment/item53055.pdf) are available for comment until November 14, 2011.

INTRO TO ASPE - free online course
A new CICA online course offers a one-hour overview of the new accounting standards for private enterprises (ASPE). “Introduction to Accounting Standards for Private Enterprises,” introduces you to the standards and identifies significant application issues that should be considered. The course is available free of charge and CAs can earn one-hour CPD credit upon successful completion of the course quiz. Check it out at: http://www.cica.ca/privateenterprises/.
ICANS’ 2011/2012 FALL & WINTER PD PROGRAM
While the deadline has passed to purchase PD Passports for ICANS’ Fall/Winter 2011/2012 PD sessions, there’s still time to register for courses. ICANS’ 2011 Fall PD Week in Halifax will be held at the World Trade & Convention Centre, November 14 to 18 and the Cape Breton PD Week will be held November 21 to 25 at the Delta Sydney. To view an updated PD calendar, please visit: http://www.icans.ns.ca/media//documents/PDCalendars.pdf. And, as always, if you have any questions, please contact Danielle Roode at droode@icans.ns.ca or Kathie Slaunwhite at kslaunwhite@icans.ns.ca or call the Institute at (902) 425-3291.

ASSURANCE IMPLICATIONS OF THE CHANGEOVER TO IFRSs - 8th EDITION
Made available this September, this publication from the Auditing and Assurance Standards Board (AASB) staff provides guidance to auditors dealing with auditing and assurance matters arising from the changeover from existing Canadian GAAP to IFRSs. To learn more, click on: http://www.aasbcanada.ca/reference-material-for-practitioners/legal-commentaries/item44310.pdf.

IMPROVEMENTS TO IFRSs
The Accounting Standards Board (AcSB) has issued an Exposure Draft that corresponds to the IASB’s Exposure Draft on this topic. This Exposure Draft — which can be found at http://www.acsbcanada.org/documents-for-comment/item51241.pdf — consists of proposed International Financial Reporting Standards reflecting proposals made by the IASB that the AcSB intends to adopt as Canadian generally accepted accounting principles. Individuals and organizations are invited to send written comments on the Exposure Draft proposals by October 21, 2011 to Peter Martin, CA, Director, Accounting Standards, Accounting Standards Board, 277 Wellington Street West, Toronto, ON, M5V 3H2.

ACCOUNTING STANDARDS BOARD (AcSB) EXPOSURE DRAFT AVAILABLE
MANDATORY EFFECTIVE DATE OF IFRS 9
The recently released AcSB Exposure Draft supports an International Accounting Standards Board (IASB) proposal to delay the mandatory adoption date for International Financial Reporting Standards (IFRS) 9, Financial Instruments, to periods beginning on or after January 1, 2015.

So, what would the Exposure Draft proposals do for Canada?
The delay proposed will allow entities to assess new guidance on impairment of financial assets, accounting for insurance contracts and hedge accounting before implementing new requirements for classification and measurement. However, the relief from restating comparative amounts available if IFRS 9 is adopted in periods beginning before January 1, 2012, will not be extended.

“This proposed change will provide entities the ability to make informed choices about the new accounting standards for financial instruments,” said Kate Ward, Principal, AcSB. “This flexibility may compromise comparability between entities until the new mandatory adoption date.”

The Exposure Draft is available for comment until October 21, 2011; it can be accessed at: http://www.acsbcanada.org/documents-for-comment/item51813.pdf.

PSAB EXPOSURE DRAFT AVAILABLE: HANDBOOK IMPROVEMENTS
The Public Sector Accounting Board (PSAB) has issued an Exposure Draft regarding proposed amendments to improve accounting standards for public sector entities in the CICA Public Sector Accounting (PSA) Handbook. Recently, changes have been made to Canadian assurance standards and PSAB has issued standards that apply when reporting on financial instruments. As a result, it is proposed that a number of Sections in the PSA Handbook be updated to ensure clarity and prevent misinterpretation.

“PSAB is proposing changes to integrate recently issued pronouncements that affect legacy Sections in the PSA Handbook,” said Robert Correll, Consultant to PSAB. “This new round of improvements is intended to provide clarity and further help users apply the standards consistently and appropriately.”

The Exposure Draft can be accessed at http://www.psab-ccsp.ca/documents-for-comment/item51813.pdf and is available for comments until October 28, 2011.

In other PSAB business . . .
The webcast by PSAB staff on the Conceptual Framework is now available at: http://www.snwebcastcenter.com/event/?event_id=2136.
INVESTMENT ENTITIES - ROUNDTABLE AND CONFERENCE CALL DISCUSSIONS OF IASB PROPOSALS

Are the proposed new requirements for exempting investment entities from consolidation requirements appropriate for adoption in Canada? Share your views at a roundtable or in a conference call discussion.

The International Accounting Standards Board (IASB) has published an Exposure Draft entitled, “Investment Entities,” proposing criteria that an entity would have to meet to qualify as an investment entity. These entities would be exempt from the consolidation requirements in IFRS 10 Consolidated Financial Statements and, instead, would be required to measure its investments in controlled entities at fair value. The Accounting Standards Board (AcSB) has also issued an Exposure Draft proposing to adopt the final version of these proposals into Part 1 of the CICA Handbook - Accounting. Comments to the IASB and AcSB are due by January 5, 2012.

The AcSB encourages Canadian stakeholders to provide their views directly to the IASB on its Exposure Draft. The AcSB will be doing the same. The AcSB is holding a roundtable and conference call to provide participants who have reviewed and considered the application of the proposals in Canada with the opportunity to share their views before finalizing their responses. These consultations will assist the AcSB in developing an informed comment letter.

To evaluate the proposals, the AcSB is seeking views on whether:
- The proposals will result in the appropriate entities qualifying as investment entities;
- The investment criteria are practical; and
- A parent that is not itself an investment entity should consolidate all of its controlled entities, including those it holds through entities that are investment entities.

Roundtable
- Toronto - November 10, 2011, 10 am to 12 noon (EST)

Conference Call
- November 14, 2011, 2 to 3:30 pm (EST)

To participate in the roundtable or conference call, register by November 3, 2011, by contacting Florita Dinglasan at florita.dinglasan@cica.ca or Marites Alvarez at marites.alvarez@cica.ca. When registering, please identify your organization and location. In case of oversubscription, the AcSB might need to limit attendance to one individual per organization.

INTERESTED IN BECOMING A MEMBER OF THE AcSB’s IFRS DISCUSSION GROUP?

Are you interested in debating accounting standards issues arising from the application of International Financial Reporting Standards (IFRSs) in Canada? Would you like to participate in Canada’s contribution to international accounting standard setting? If so, submit an ‘expression of interest’ to the Accounting Standards Board (AcSB) to volunteer for the IFRS Discussion Group.

The purpose of the group is to assist the AcSB regarding issues arising from the application of IFRSs in Canada. The group discusses these issues in a public forum to raise awareness and make recommendations to the AcSB to refer particular issues to the International Accounting Standards Board (IASB) or the IFRS Interpretations Committee. Group members are from a variety of backgrounds, including financial statement preparers, users and auditors involved with a range of entities from large to small.

Requirements
Group members are required to:
- Have in-depth knowledge of IFRSs;
- Be aware of the challenges of that the application of IFRSs are creating in Canadian financial reporting; and
- Identify issues arising in their own experience, as well as discuss issues identified by others.

Commitment
Group members are expected to participate in four, one-day meetings per year and to prepare for those meetings. Out-of-pocket expenses will be reimbursed. The working language of the Group is English.

Expressions of interest, together with a current resume, should be submitted to Florita Dinglasan at florita.dinglasan@cica.ca; to be received no later than November 15, 2011. For more info about the group, contact Kathryn Ingram, CA, Principal, Accounting Standards Board, at (416) 204-3475.
COMPLIANCE WITH U.S. PERSONAL INCOME TAX FILINGS
~ by Sean Johnson, CA, ICAA Director, Professional Services

Unlike most other countries, including Canada, the United States requires U.S. citizens, dual citizens and green card holders, irrespective of their place of residence, to not only file an income tax return, but also to annually report holdings in “foreign financial accounts” and ownership of certain non-U.S. corporations, partnerships and other entities. For some, this requirement to file a return may have been unknown. For others, the filing requirement may have been known, but ignored — largely on the perception that no benefit would be achieved by filing a nil return. However, irrespective of whether or not any U.S. tax may have been due, there are penalties associated with the failure to file. This failure to comply, and the related penalties, has now become a huge issue due to the recent push by the IRS, under the U.S. Foreign Account Tax Compliance Act (FATCA), to search out those individuals who are not complying. Potentially impacting as many as one million Americans and green-card holders residing in Canada, this enforcement by the IRS could also have a significant impact on Canadian CAs.

The enforcement efforts by the IRS are not only directed to ensure filing compliance of the federal income tax returns; non-resident U.S. citizens (including those with dual citizenship) and green-card holders are also required to annually report the following:

1) “Foreign Financial Accounts”: Where the cumulative balance in all foreign financial accounts held outside of the U.S. exceeds $10,000 at any time of the year, a detailed listing of each account must be provided and reported on U.S. Department of Treasury Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts (FBAR). The definition of a financial account is far-reaching and includes Canadian bank accountants — chequing and savings accounts — securities and brokerage accounts, RRSPs, RESPs, TFSAs, insurance and annuity policies with a cash surrender value, commodity futures or options accounts, mutual accounts, etc. The penalty for “non-willful failure” to report this information is significant (up to $10,000 per account per year). If the IRS deems the non-compliance to be a “willful failure”, the penalty is significantly higher. It can be as much as the greater of:
   A) $100,000; and
   B) 50 per cent of the amount in the account at the time of violation.

2) If the U.S. citizen owns 10 per cent or more of a Canadian or other non-U.S. corporation, partnership or other entity, this ownership must also be disclosed. Again, the penalties for failure to comply are harsh, up to $10,000 per year for each entity.

The statute of limitations does not run for an unfiled return. Therefore, technically, a non-filer would be required to file for all years when the U.S. person had income exceeding a small threshold amount. However, under the recent U.S. 2011 Offshore Voluntary Disclosure Initiative (which expired on September 9, 2011), the IRS accepted returns for the period 2003 through to 2010 and did not look back further. Neither the filing of a Canadian income tax return nor paying taxes in Canada during this time will mitigate your obligation to file in the United States. Furthermore, renouncing your U.S. citizenship may alleviate your obligations to file on a go-forward basis, but does not eliminate any past obligations owing to the IRS. However, even renouncing your citizenship will not reduce your obligation to file in the future until you have filed for at least five years.

If you are in public practice, and have not already done so, it would be prudent to review your client list to determine whether any are American citizens, dual citizens or green-card holders. Should any fall into this category, ensure that they are aware of the IRS reporting initiative. If in industry, review your employee list for individuals that may be caught in this compliance effort. Remember that it is not only the client or employee potentially impacted by the legislation; it may also extend to spouses and dependents, depending on their individual citizenship status. For example, if children have RESPs and Canadian bank accounts, the cumulative total of which was more than $10,000 at any time during the year, and the child is either an American citizen or dual citizen, the child would also have been required to report these accounts as foreign financial accounts on the FBAR. Furthermore, since an RESP is a Canadian trust, there are also various U.S. foreign trust reporting obligations.

It is important that you encourage individuals potentially impacted by the IRS compliance initiative to:
   1) investigate and understand the implications of the compliance enforcement actions of the IRS;
   2) establish an action plan to understand the options available to become compliant;
   3) understand the potential costs associated with those options; and
   4) commence the process of preparing the necessary filings to come into compliance with the U.S. reporting requirements.

Since failing to file U.S. income tax returns could be a criminal offense, you may want to seek guidance from a lawyer who has experience with such issues.

Unfortunately, this matter will not be going away and ignoring the situation is not a rational option — to ignore the reporting requirements may only result in significantly increasing the exposure of the individual to potential penalties. Such legal obligations may ultimately fall on executors or beneficiaries of estates of U.S. persons. If they fail to comply for the decedent, they may be liable for the U.S. tax obligation.
Special Pass on October 25 for CAs at 23rd XBRL International Conference

XBRL International (eXtensible Business Reporting Language) is offering a special ‘one-day pass’ for CAs to attend part of its 23rd International Conference, being held October 25 to 27, 2011 in Montreal. Entitled, “Enhancing Business Performance,” the 23rd XBRL International Conference offers a wealth of information and insight for the Canadian financial professional. To promote greater understanding and awareness of XBRL in Canada, XBRL International and Ordre des comptables agréés du Québec are inviting CAs to attend a full conference day (October 25th) free of charge.

XBRL is a language for the electronic communication of business and financial data — an open standard for business reporting — developed by XBRL International, a not-for-profit consortium of leading companies and organizations from around the world. Conference presenters will share their experience and insight on the improvement of the business information supply chain through the use of XBRL. Case studies, panel discussions and keynote sessions by technology, business and regulatory leaders will bring to life the tangible benefits of XBRL and demonstrate how it can be used to enhance business performance.

Full conference information is available at: http://conference.xbrl.org. To register for the conference, visit: http://conference.xbrl.org/registration/about; use code CICA26 to attend the October 25th sessions and luncheon at no charge.

Invitation to AcSB Roundtable – Developing an Accounting Standard on Agriculture

The Accounting Standards Board (AcSB) has commenced a project to develop a standard on agriculture for Part II of the Handbook, the accounting standards for private enterprises. This project is currently in the research phase. Accordingly, the AcSB is holding a roundtable on November 1, 2011 from 9 to 11 am, in the ICANS Learning Centre, to both identify and discuss the issues and seek out preliminary views.

Based on the working definitions, the standard will address accounting for biological assets and agricultural produce at the point of harvest. Accordingly, the following activities will be within the scope of this project: Aquaculture; All manners of Field Crops (e.g. wheat, soy, corn, potatoes, etc.); Long Lived Plants (e.g. trees — both for fruit production and timber, vines, and nursery stock); and Animals, both for market and long term production (e.g. dairy, beef, sheep, poultry, swine, etc.).

Issues identified to date are largely in respect of ‘measurement’; i.e. whether a ‘cost’ or ‘market’ value should be used to measure biological assets. For example, individuals have expressed divergent views on whether unharvested crops, long lived plants, and animals should be carried at a market value or cost. Recognition issues have also been noted; e.g. whether an asset should be recognized for certain plantings such as ‘winter wheat’ and other related inputs.

If you are interested in attending this roundtable, please contact Wenda Bennett at wbennett@icans.ns.ca or by calling (902) 425-3291, ext. 26. Roundtable meetings will last no longer than two hours. The session will begin with a short presentation by AcSB staff and then proceed to an open discussion of the issues. Attendees are expected to participate in this discussion.

Atlantic Provinces Tax Conference

Mark your calendar for the 2011 Atlantic Provinces Tax Conference. Being held November 4 - 5, 2011 at Saint Mary’s University’s Sobey School of Business, this year’s conference is entitled, “Keeping Tax Practitioners Informed,” and features the following sessions/presenters:

HST Issues (Maurice Chiasson, Stewart McKelvey and Ted Sawa, Grant Thornton LLP); Dispute Resolution Process: Basic Corporate Reorganizations (Steven Moore, CA, KPMG LLP and Cheryl Scholten, Mclnnes Cooper); Current Issues Forum (Denis St-Pierre, EPR; Dean Landry, CA, PricewaterhouseCoopers LLP; and Marcel Godbout, CA, Bishop & Company Chartered Accountants); U.S. Non-Compliance (Todd King, CA, CPA, Deloitte & Touche LLP and Jim Creaser, CA, Grant Thornton LLP); Hot Issues in Estate Planning (Ruth March, CA, KPMG LLP; John Oakey, CA, Collins Barrow Nova Scotia Inc.; and Catherine Watson, Mclnnes Cooper); Purchase and Sale of a Business (Christine Pound, Stewart McKelvey; Rob Arkin, Cox & Palmer; and Bill Vienneau, CA-CBV, WBLI Chartered Accountants); Notices of Objection (Dale Briggs, Cox & Palmer); Owner-Managed Remuneration Update (Carl Kent, Kent & Duffett); Provincial Incentive Programs (Keith MacIntyre, CA, Grant Thornton LLP; Duncan Ferguson, CA, Grant Thornton LLP; and Pam Whitnall, Deloitte & Touche LLP); and Tax Administration Panel (Bruce Russell, Mclnnes Cooper and a CRA representative).

To register online or to access a PDF registration form, please click on: http://www.ctf.ca/CTFWEB/EN/Conferences_Events/2011/Programs/2011APTCProgram.aspx.
CONFERENCE ON SOCIAL ENTERPRISE
The Social Enterprise Council of Canada (SECC) and the Atlantic Council for Community and Social Enterprise (ACCSE) invite you to join hundreds of experienced and prospective social enterprise practitioners from across Canada to attend the “4th Canadian Conference on Social Enterprise” in Halifax, November 20 to 22, 2011. Training sessions at the conference will cover the following themes: introduction to social enterprise; demonstrating value; governance for social enterprise; business planning skills; marketing; financial analysis; social enterprise franchising; and supporting and building social enterprise in Canada. There’s even a social enterprise competition where you could win a chance to help finance your social enterprise. To access a conference schedule, which includes a list of activities and presenters, and/or to register, click on: http://accse.ca/eventregistration-inscription/.

PD EVENTS: HALIFAX CHAPTER OF THE FINANCIAL MANAGEMENT INSTITUTE OF CANADA
Upcoming events, being held at The Halifax Club and organized by the Halifax Chapter of the Financial Management Institute of Canada (fmi*igf), include:

November 2, 2011: David Amirault, Atlantic Canada Senior Representative, Bank of Canada, Research Department, and Fred Morely, Executive Vice-President and Senior Economist with the Greater Halifax Partnership, will present a workshop on the economy — globally, regionally and locally.

December 7, 2011: Jacques Lapointe, CA, Auditor General for the Province of Nova Scotia, will present on Auditor Independence following the Chapter’s annual Christmas lunch.

February 1, 2012: Kevin Page, Parliamentary Budget Officer, Government of Canada.

The deadline for registration is October 28th. To access a registration form or if you have questions, contact Angela Porter at (902) 897-8920 or send an email to halifax@fmi.ca. You may also want to visit the fmi*igf website at: http://www.fmi.ca/pages/halifax/EventsHAL.shtml.

THE CANADIAN INNOVATION CONVERSATION
Are you a small or medium size business? Do you have an innovative product or service that you are interested in selling to government? If yes, the Office of Small & Medium Enterprises (OSME) invites you to attend “The Canadian Innovation Conversation,” being hosted throughout Atlantic Canada during November 2011 and January 2012.

The Canadian Innovation Commercialization Program (CICP) is a new, $40 million procurement program, launched as part of the Government of Canada’s commitment to promote Canada’s economic growth, as announced in Budget 2010. Events like those listed below will provide the opportunity for companies to showcase their innovative goods and services to federal departments, as well as allow federal departments to share information on their operations and priorities, and any challenges or needs they are experiencing in program delivery.

The CICP targets innovators in four priority areas: environment, health, enabling technologies, and safety and security. The CICP is managed by Public Works and Government Services Canada (PWGSC) and implemented by the OSME. “The Canadian Innovation Conversation” events are being held:

- November 9, 2011 at the Delta St. John’s in St. John’s, NL
- November 16, 2011 at the Delta Prince Edward in Charlottetown, PEI
- November 23, 2011 at the Delta Beauséjour in Moncton, NB
- January 17, 2012 at the Canadian Museum of Immigration, Pier 21, in Halifax, NS

There is no cost to attend these events, but registration is mandatory. Attendees may also register for afternoon networking meetings with federal department representatives on site. These meetings will be on a first-come, first-serve basis, each lasting 15 minutes. For more info about these events, click on: CICP@eSourceEvent.com or call (902) 445-4846. The official source for info on the Canadian Innovation Commercialization Program is: www.buyandsell.gc.ca/innovation.
CICA CONTINUING EDUCATION 2011

The gateway to your continuing education is just a click away! Click through CICA’s web communities and what you’ll find is a diverse range in class and online learning in core areas such as income tax and financial reporting, and in unique practice areas and industries such as information security and corporate finance. In Q1, the Centre was replaced by the new CICA Learning Centre (see ad at right) where you’ll find weekly information updates on key tax, technology, financial reporting, practice management and other topics, easy registration options, and improved access to hundreds of hours of verifiable CPD credits in convenient, easily accessible and affordable e-Learning formats: the current and always popular X tensions products, new corporate finance modules, the Select Series of information technology topics and new e-Learning courses.

Coming Up Next . . .

- **NEW** Nov. 16 - 19 in Niagara Falls, ON — Foundations in International Tax [http://www.cpd.cica.ca/InternationalTax/about.cfm](http://www.cpd.cica.ca/InternationalTax/about.cfm)
- Nov. 21 - 22 in Toronto, ON — Conference for Audit Committees — [http://cpd.cica.ca/CFAC/](http://cpd.cica.ca/CFAC/)
- Dec. 5 - 8 in Toronto, ON — IFRS Immersion 2 Course — [http://cpd.cica.ca/IFRSImmersion2/](http://cpd.cica.ca/IFRSImmersion2/)

For information on all CICA Continuing Education courses and products, visit: [www.cpd.cica.ca](http://www.cpd.cica.ca).

---

RECRUITMENT BROCHURES

If you are interested in having copies of ICANS’ Recruitment Brochure to distribute to students, please contact Cindy Mombourquette at [cmombourquette@icans.ns.ca](mailto:cmombourquette@icans.ns.ca) or by calling (902) 425-3291 (ext. 21)

---

AND MORE EVENTS OF INTEREST
HERE AND THERE WITH MEMBERS

Larry Hood, CA, has joined the Board of Clearwater Seafoods Inc. and is Chair of the company’s Audit Committee.

Paul Jewer, CA, Senior VP Finance and Treasury with Sobeys Inc., has been appointed to the position of CFO.

PriceWaterhouseCoopers LLP recently announced the appointment of 55 new partners, including ICANS members Brenda Belliveau, CA (who recently moved to the firm’s Ottawa office) and Stephanie Maritz, CA.

Susan Payne, FCA, was recently appointed as a Director of the Nova Scotia Liquor Corporation.

KPMG LLP Halifax recently announced that Louie Velocci, CA+CISA, CISSP, GCFA, CGEIT, has been appointed a Partner in the firm’s advisory practice.

MEMBERS IN THE NEWS

As respected business leaders, CAs are often sought for their opinions on issues. To this end . . .

Grant Galbraith, FCA, Managing Partner, Collins Barrow Nova Scotia Inc., was interviewed for an article in CAMagazine (October 2011, pg. 26-31) about client relationships, entitled, “The Good, The Bad and The Ugly.”

CONGRATULATIONS TO . . .

Team Collins Barrow Nova Scotia Inc. (pictured below) on winning first place at the Halifax Chamber of Commerce’s 16th Annual Golf Challenge, held September 8, 2011, at the Glen Arbour Golf Course.

L to R: Peter Nash, CA; Randy Ansems; Mark Marshall, CA, CFP, TEP; and Jeff Hovell.

CAREER OPPORTUNITIES ON THE WEB

Employment and volunteer opportunities can be found at http://www.icans.ns.ca/events.asp?cmPageID=192. Check out the following:

VOLUNTEER OPPORTUNITIES
- Treasurer - Avalon Sexual Assault Centre
- Treasurer - Ecology Action Centre
- Volunteer CA - ElderDog Canada Inc.
- Treasurer - Photopolis Society

EMPLOYMENT OPPORTUNITIES
- Chief Financial Officer - Halifax, NS
- Consultant/Senior Consultant, Risk & Management Consulting - Halifax, NS
- Tax Manager or Senior Tax Manager - Dartmouth, NS
- Finance/HR Manager - Lunenburg, NS
- Director, Corporate Services - Halifax, NS
- Accountant - Dartmouth, NS
- Accountant - Western Newfoundland
- Manager, Financial Analysis - Halifax, NS
- CA - Partnership Opportunity - Halifax Regional Municipality
- Chief Financial Officer - Halifax, NS
- Senior Accountant/Manager - Dartmouth, NS
- Accounting/Finance Officer - Colchester Co., NS
- Corporate Controller - Halifax, NS

Note: Other career opportunities, together with valuable information and guidance on career counseling, etc., can be found at “CA Source.”

REMINDEERS AND IMPORTANT DATES

- Practitioners’ Forum
  Oct. 27 - Glengarry Inn, Truro
- PD Week - Halifax
  Nov. 14 - 18
- PD Week - Sydney
  Nov. 21 - 25
- 2011 UFE Results Release Date
  Dec. 2
- 2011 Members’ Luncheon
  Dec. 16 - Marriott Harbourfront Hotel, Halifax
- 2012 Convocation
  Feb. 11 - WTCC

ARE YOU ON THE MOVE?

If so, be sure to update ICANS with your new address. Just email your info to ICANS’ Membership Registrar, Danielle Roode at droode@icans.ns.ca.