

2013

**Chartered Accountants of Manitoba**  
2013 Annual Report



# Contents

Members of Council 2012-13 . . . . .	1
From the President and the Chief Executive Officer . . . . .	2
Management Discussion and Analysis . . . . .	5
Report of the Independent Auditors . . . . .	8
Financial Statements . . . . .	9
Notes to Financial Statements . . . . .	12
Student Awards and Scholarships . . . . .	18
Student and Membership Information . . . . .	19
Committees and Task Forces . . . . .	20
Representatives on Other Bodies . . . . .	21
Member Recognition Awards . . . . .	22
Honorary Members and FCAs . . . . .	24
Past Presidents . . . . .	24

## Management Team

The Institute is managed under the direction of the following Executive staff:

Gary B. Hannaford, FCA  
*Chief Executive Officer*

Kathy K. Zaplitny, CA  
*Senior Director of Professional Services & Operations*

Kim J. Metcalfe, CA  
*Director of Student Recruitment and Ethics*

Shirley D. Sommer, CA  
*Registrar*

M. Dianne Laidler, CMA  
*Director of Administration*

Tanya L. Beck  
*Manager of Communications*

# Members of Council 2012-13

## Elected Officers



Rick M. MacKay, FCA  
*President & Chair*



Teresa L. Okerlund, CA  
*First Vice-President*



David Loewen, FCA  
*Second Vice-President*



Kevin E. Regan, FCA  
*Secretary-Treasurer*

## Other Members of Council



Cheryl A. Atchison, CA



K. Dean Austin, CA



Sandra F. Cohen, CA•CIA



Gordon A. Dowhan, CA



Douglas J. Einarson, CA



Derek B. Innis, CA



C. Stuart McKelvie, FCA



Brenna J. Minish-Kichuk, CA



Janet B.A. Morrill, CA



Heather D. Reichert, FCA



Scott D. Sissons, CA



Elaine Goldie  
*Public Representative*



Anita R. Wortzman, LLB  
*Public Representative*

# From the President and the CEO

While we have continued to focus on the strategic ends of the Institute and to fulfil our legislative mandate to protect the public interest over the past year, a considerable amount of effort and attention has been spent on the possible unification of the accounting profession and the impact that any such unification would have on the future of the profession, not only in Manitoba but also within the Canadian and global contexts.

## Unification of the accounting profession

There has been considerable progress made toward the unification of the accounting profession at both the national and provincial levels during the past year. It is important to note that any possible unification needs to be considered at both the provincial and national levels. Regulation of the accounting profession is a provincial responsibility but each of the accounting professions works collaboratively across provincial borders with the support of the national bodies.

Manitoba has continued to play an important role in these developments as the Institute and our colleagues at CMA Manitoba were the first to issue a merger proposal for members to consider in January 2012. In March 2012, we were also the first province to hold an advisory vote of members to seek their advice and support for the merger.

Since that time, most other provincial CA and CMA bodies have held similar votes. With each subsequent advisory vote there was more support expressed by members in favour of merging with the CMAs. In some provinces, where the CGAs have been involved in the unification discussions, advisory votes were taken by all three bodies and in every case the majority of members who voted indicated their support for unification.

This past year has also seen some bodies withdraw from unification discussions only to rejoin discussions at a later date when there was more clarity.

While the Institute of Chartered Accountants of Alberta (ICAA) had withdrawn from discussions in early 2012, they rejoined discussions with their CMA and CGA counterparts earlier this year and in late April the three Alberta accounting bodies signed a unification proposal. The ICAA expects to hold a member vote in June 2013.

In Ontario, the CMAs rejoined the discussions earlier this year and on May 1 the Ontario Institute and CMA Ontario signed a Memorandum of Understanding to pursue a merger agreement. They hope to issue a merger proposal to members by mid-May with a view to holding a member advisory vote in June.

At the national level, CICA and CMA Canada joined forces to form CPA Canada effective January 1, 2013. On April 1, 2013, the assets and liabilities of both legacy bodies became the assets and liabilities of CPA Canada. CPA Canada will support those provincial accounting bodies that have unified and those who intend to unify under the CPA banner. Among CPA Canada's top priorities is the development of the new CPA certification program.

In April 2013, CGA Canada announced its desire to rejoin the unification discussions with CPA Canada. At the same time,



Rick M. MacKay, FCA  
*President & Chair*



Gary B. Hannaford, FCA  
*Chief Executive Officer*

a number of other provincial CGA bodies, as well as a number of CGA Canada's international affiliates in Asia and the Caribbean, rejoined the discussion.

In Manitoba, CPA Manitoba cannot be formed without the proclamation of new legislation by the Manitoba Government and we have been meeting throughout the past fiscal year with representatives from the Ministry of Finance to provide information and to assist in the development of such legislation.

In the meantime, your Council appointed representatives (with equal representation from CMA Manitoba) to serve on a Transition Steering Committee (TSC) to develop a plan to integrate CA and CMA Manitoba. To assist us, we engaged the services of a project manager to help develop a Directional Plan that would allow us to become CPA Manitoba when legislation is passed. A number of important developments have been accomplished under the leadership of the TSC including:

- Drafting and signing a formal agreement to pursue a merger on February 7;
- Signing a lease for shared space with CMA Manitoba in the Richardson Building starting this Fall;
- Actively recruiting prospective candidates into the new CPA certification program;
- Supporting CPA Canada in the development of the new certification program to start this year in Western Canada;
- Developing a draft agreement to form an unincorporated Joint Venture that will allow CA Manitoba and CMA Manitoba to integrate operations; hopefully in place effective July 1, 2013;
- Appointing Gary Hannaford as the CEO of the soon-to-be-established Joint Venture and for the new CPA Manitoba body (once legislation is proclaimed); and
- Preparing proposed new draft CPA legislation that the Government of Manitoba may wish to consider during their review and drafting process.

It is noteworthy that, at this point in time, the third professional accounting body in Manitoba – the CGAs – have decided not to participate in the discussions to unify the accounting profession in this province. Our consultations with our members included the discussion of the implications of the possible unification of all three accounting bodies in Manitoba and we continue to welcome discussions with CGA Manitoba.

# From the President and the CEO

In addition to the very extensive amount of effort by Council and staff relating to the unification process, the business of the Institute has continued to focus on the strategic ends of the Institute in five key areas:

- Ensuring public trust and confidence in the profession by fulfilling our regulatory responsibilities under the CA Act;
- Attracting exceptional people to become CAs;
- Supporting all members throughout their careers;
- Enhancing, promoting and protecting the CA profession; and
- Ensuring effective and efficient processes for the Institute.

## Ensuring public trust and confidence in the profession

At the core of the CA profession is our commitment to protecting the public interest.

Over the years, the Institute has established strong self-regulatory processes and has continued to work with the other Provincial Institutes to achieve greater consistency in those processes. Institute CEO Gary Hannaford is Chair of the profession's Public Trust Committee (PTC) which is responsible for identifying where the profession needs to raise the bar in its self-regulatory processes.

Over the past year, the PTC and its various working groups, task forces and committees continued to develop recommendations that would result in greater congruence in how the self-regulatory processes function.

One area that received considerable attention this past year is the independence standards for professional accountants. The PTC formed an Independence Task Force (ITF) to review the current independence requirements included in the Rules of Professional Conduct (RPCs). This review was precipitated by changes made in 2009 to the independence standards included in the Code of Ethics of the International Federation of Accountants (IFAC). As a member of IFAC, the Canadian CA profession monitors IFAC developments to facilitate the convergence of national and international standards.

At the end of February 2013, an Exposure Draft on proposed changes to the independence rules was released with a response date of May 31, 2013. It is anticipated that final changes to the Rules of Professional Conduct will be reviewed by Council this fall with those changes being brought to the membership for approval at a Special General Meeting later this year.

Meanwhile, our disciplinary and practice review processes continue to function well as we incorporate recommendations made by the Practice Inspection Program Working Group and the Discipline Working Group.

We also note that Gary Hannaford is co-chairing the National Regulatory Steering Committee (NRSC) that has been developing recommendations regarding the regulation of the new CPA profession. A preliminary report was provided to all the provincial bodies involved in unification discussions and the feedback is now under consideration by the NRSC.

## Attracting exceptional people

Attracting exceptional people to the profession is considered a high priority for the profession, not only in Manitoba but across all jurisdictions this past year. With the baby boomer generation entering or approaching retirement, a challenge that all professions will face in the years ahead is, "How can we attract our fair share of the best and brightest talent?"

As well, in considering the global context, we have observed a growing number of foreign-trained professionals immigrating to Canada and we need to ensure that our profession is open to accepting those who can demonstrate that they meet our rigorous standards for entry into the profession.

Meanwhile, we continue to encourage more employers outside of the traditional audit and assurance area to obtain approval to train CA students. The bylaws were changed in 2007 to allow employers to train students in a variety of streams outside of audit and assurance, provided the employers were able to demonstrate that a student would receive training that was substantially equivalent to that received in public accounting. These employers are commonly referred to as Expanded Experience Opportunities (EEOs). The one proviso was that any students who did not train in public accounting would not be allowed to practice in public accounting unless they subsequently obtained the necessary practical experience in that area.

In Manitoba, 12 employers have been approved as EEO CA Training Offices, including three that were approved by Council this past year. Several other potential EEOs are considering the opportunity to train CA students.

## Support all members throughout their careers

Support for members begins at the time that they first enter the profession as students and includes helping to prepare them to become exceptional professionals. The Institute continues to work with the universities and the CA School of Business to provide an outstanding education program for those aspiring to be CAs. Our results on the Uniform Evaluation demonstrate that our students are well prepared to pursue their careers as CAs.

Professional learning goes well beyond one's days as a student and the CA profession embraces the concept of lifelong learning. While it is not possible for the Institute to meet all the learning needs of its members, it continues to offer a wide array of courses in such areas as financial reporting, assurance, corporate finance, information technology, taxation, wealth management, and management, leadership and personal development.

In addition, the Institute continues to support the work of the national Member Relations Task Force (MRTF). The MRTF is responsible for ensuring that services are being provided to members to help them excel in what they do. It continues to develop a variety of products and publications for use by members across the country. As well, the MRTF has established an advisory services subcommittee that meets on a regular basis to discuss items of common interest in order to respond to current issues from members.

# From the President and the CEO

## Enhance, promote and protect the brand

We continue to collaborate with the national profession and our counterparts in other provinces in much of our branding activities.

Over the course of the past year much of the national branding work for the profession was put on hold until the profession determined what the new brand for the profession should look like. A committee was formed at the national level with representation from many of the provincial bodies involved in the unification. As an important first step, a CPA unique brand value proposition was prepared. Once agreed upon by the provincial bodies, the unique value proposition formed the basis for the development of a new branding campaign that will be launched this year.

The branding campaign began with the development of a number of recruitment materials under the banner of CPA One. It was used by both CA and CMA Manitoba in our recruitment efforts in both high schools and universities this past year and you may have noted the series of billboards and radio ads this spring.

The new CPA logo was launched on April 1. The new logo sports a contemporary interpretation of the iconic Canadian maple leaf and a strong word mark adopted from CPA Quebec. It projects the Canadian CPA designation's leadership, confidence, and its reputation and influence in the global financial community.

A new advertising campaign is currently under development and is expected to be launched in the Fall.

## Efficient and effective structures and processes

Many years ago, Council adopted the Policy Governance model and has found it to be very effective. Consistent with this approach to governance, Council regularly monitors its own structures and processes as well as those of the committees reporting to it. Finally, Council is responsible for establishing the strategic direction for the Institute and for providing oversight to management. As part of its governance responsibilities, Council rigorously monitors management's progress toward attaining the Ends it has established within the parameters defined by Council.

The Transition Steering Committee formed a Governance Working Group that is considering what approach the new CPA body should take with respect to its governance. It has begun to consider matters such as the Vision, Mission and Values for CPA Manitoba as well as the strategic priorities it wishes to emphasize over the next year or two. A more formal review of its governance structures and processes will take place this fall.

## Other

One of the highlights on the annual calendar of the Institute is our Annual Convocation Exercises and Dinner Dance where we celebrate the successful completion of the Uniform Evaluation. In February, nearly 500 family and friends attended the afternoon Convocation Exercises while over 750 joined us for the dinner and dance at the Winnipeg Convention Centre.

Our other major annual event is the Member Recognition Dinner. Congratulations to all members who were recipients of the 2012 Member Recognition Awards. The Awards Dinner, held in early November, attracted a crowd of just under 300 members, family and friends.

Awards presented included the Early Achievement Award, the Community Service Award, new FCAs, recognition of the 50 Year Club, and the Lifetime Achievement Award. Names and photos of all recipients are included on pages 22 and 23 of this report. Don't forget that nomination forms for the 2013 awards are available at [www.icam.mb.ca](http://www.icam.mb.ca).

We are at a time of significant and important change within the accounting profession in Canada. We are proud to say that Manitoba continues to play a key role in the future direction of the profession and we hope you will provide your comments and support as we move forward in this bold new direction.



Rick M. MacKay, FCA  
President & Chair of Council



Gary B. Hannaford, FCA  
Chief Executive Officer

# Management Discussion and Analysis

Founded in 1886, The Institute of Chartered Accountants of Manitoba (Institute) is a self-regulatory professional body incorporated under *The Chartered Accountants Act* to serve the public interest through the development and enforcement of high standards of qualification and practice.

## Governance

The Institute is governed by a Council of 17 members including 15 CAs elected by the membership as well as two public representatives appointed by the President of The University of Manitoba.

To assist with governance, there are four Committees of Council – Audit, Executive, Corporate Governance and Nominating, and Membership Linkages. As well there are a number of Self-Regulatory Committees including Bylaws Advisory, Discipline and the Complaint Review Panel, Membership, Office Practice Assistance and Professional Conduct that help Council fulfill the Institute's regulatory mandate.

In addition, other special and advisory committees and task forces are established from time to time. Volunteers serving on these committees are acknowledged elsewhere in the Annual Report.

Council follows the Policy Governance model in governing the affairs of the Institute. As such, it sets the Ends, Executive Limitations, Governance Process and Council-Staff Relationship Policies. These policies are reviewed regularly.

## Management's responsibility

Management is responsible for developing and implementing a business plan to achieve the Ends as well as to manage the ongoing operations of the Institute and financial reporting. It fulfills its financial reporting obligation with quarterly reporting to Council as well as through publication of the Annual Report. The information contained in the Annual Report, which includes the financial statements, is management's responsibility.

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include estimates based on management's best judgment. Management is also responsible for having appropriate internal controls in place necessary to enable the preparation of financial statements that are free from material misstatement.

Information contained elsewhere in this report is consistent, where applicable, with that contained in the financial statements. The information contained in the management discussion and analysis of the financial statements is not audited.

The Audit Committee meets periodically with management and the external auditors. The Audit Committee also meets with the auditors without management present to discuss the auditors' comments on the adequacy of risk management, internal controls, quality of financial reporting, and other audit issues. This information is subsequently reported to Council.

The Audit Committee reviews the financial statements and recommends approval to Council. The Audit Committee is also responsible for evaluation of the auditors and recommending appointment of the auditors to Council.

## 2012-13 financial information

At March 31, 2013, the Institute's assets were \$2,486,200 compared with \$2,494,000 at March 31, 2012. The most significant asset is the investment balance which represents 47% of total assets at March 31, 2013. These investments, which are recorded at fair value, are managed within policies established by Council.

The Institute had cash of \$980,100 at March 31, 2013 versus \$910,200 at March 31, 2012. Operating activities generated \$109,400 in cash during the year while investing and financing (capital lease payments) activities utilized \$39,500. Management believes that the cash balance as well as the expected cash flow from operations and investing activities are sufficient to meet its working capital and capital expenditure requirements.

The Institute entered into a joint lease for office space with the Society of Management Accountants of Manitoba (CMA Manitoba) which will commence no later than January 1, 2014. The new lease, which coincides with the surrender of the existing lease, has resulted in a change in the amortization period of the current deferred lease inducements and leasehold improvements.

Net assets at March 31, 2013 amounted to \$1,224,200 and were composed of internally restricted net assets of \$93,200 and unrestricted net assets of \$1,131,000. Internally restricted net assets consist of amounts invested in capital assets and those restricted for implementation of strategic plans. In 2006, Council had restricted \$100,000 in net assets to implement strategic plans. Since that time, \$58,900 has been used, leaving \$41,100 to be used to help offset future strategic initiatives.

Results from operations were favourable again this year with excess revenue of \$145,100, compared with \$53,800 in 2012. The Institute receives income from several sources to carry out its operations. These sources include member fees and assessments, member events, investment and other income, as well as the self-funding programs of member education and practice review.

Member fees, the largest component of revenue, increased from \$1,433,700 to \$1,470,900. The change is the result of an increased number of members paying resident fees. There were no member fee increases in 2013.

Membership and student statistics are provided elsewhere in the Annual Report. There continues to be modest growth in the number of members. The number of students has been well in excess of 350 for the past five years.

Member education revenue increased slightly from the previous year due to increased attendance. The number of offerings and pricing were consistent with the previous year.

Practitioner assessments, which are the additional assessments on members and students in public practice, have increased marginally from \$223,500 to \$225,500.

Practice review revenue has decreased from \$84,800 to \$76,700. Practice reviews are done on a three-year cycle, with not all years generating the same revenue.

Net investment and other revenue increased this year from \$41,700 to \$118,000. Investments are recorded at fair value, which can result in fluctuations in net investment revenue as net gains and losses arising from changes in fair value are recognized in operations. The current year's income includes \$57,200 in unrealized gains, compared with \$13,300 in unrealized losses in 2012.

# Management Discussion and Analysis

Total expenses declined from \$2,244,700 in the previous year to \$2,236,600. Salaries and benefits is the most significant component of expenses. The increase in salaries and benefits this year from \$831,500 to \$892,600, results from a return to normal staff complement during the year as well as annual increases to maintain salaries at market levels. Salary costs are shown net of recoveries for three staff members. A portion of salaries were recovered from the Canadian Institute of Chartered Accountants for two staff members. A portion of the third staff member's time is spent working for the Manitoba Chartered Accountants Foundation Inc. (Foundation).

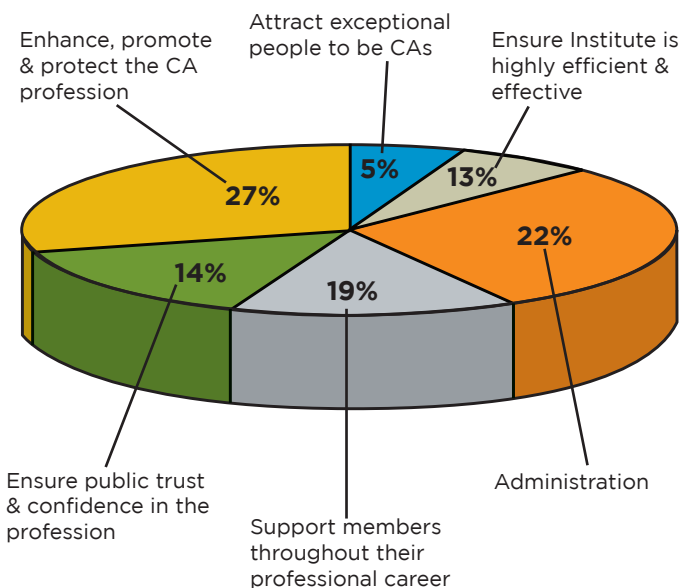
External communications, which has increased from \$180,600 to \$260,700 includes the first payment toward the \$500,000 commitment to the Asper School Downtown Campus and Executive Development Program. The payment in the amount of \$179,800 was funded by a special assessment of resident members. The previous commitment to the I.H. Asper School of Business, which was also funded in the same manner, is included in the 2012 pre-certification education support expense. That commitment ended in 2012.

External communications normally includes Manitoba's proportional share of national branding costs as well as local advertising expenses. Both of these initiatives have been on hold for two years due to the profession's involvement in unification discussions. Branding and advertising costs are expected to return to normal expense levels in the coming year.

As previously noted, the new joint lease for office space has resulted in additional amortization of leasehold improvements of \$136,900 in 2013. The additional amortization of lease inducements of \$150,600 is included in office occupancy, resulting in a credit of \$42,300 for the year in this expense category.

## Achieving the Ends

The following graph illustrates expenditures broken out by Ends policies for 2013. The report of the President & CEO provides an update on how these strategic priorities are being addressed.



The following categories include an allocation of salaries and benefits for staff time directly attributable to these initiatives. Other administrative costs such as office occupancy and amortization have not been allocated for this purpose and remain categorized as administration expenses, along with the unallocated salaries and benefits.

The area of largest expenditure is enhancing, promoting and protecting the CA profession. The largest expenditure in this category is the promotion to the business community through support of the Asper School Downtown Campus. Typically this expense area also includes our share of national branding expenses and our own local advertising which, as previously noted, was on hold this year.

Members are supported throughout their professional careers through offerings of various professional development programs. This represents 19% of the total expenditures.

Allocation of staff time comprises the largest part of ensuring public trust and confidence in the profession. This area, which represents 14% of the total expenditures, also includes the costs for the practice review program as well as support of the disciplinary processes to ensure the public is well protected.

Attracting exceptional people to be CAs represents 5% of the total expenses, with over half of this expense being the allocation of staff time. This area has received a considerable amount of focus at the national and regional levels as the new education program has been developed. This will continue to be a key area as the new CPA certification program is rolled out later this year. Also, work continues at the national level on exploring new pathways into the profession.

The Institute works closely with the Foundation, providing administrative assistance, in its efforts to attract exceptional people to the profession and enhance the quality of accounting education in Manitoba. The Foundation's annual report is available on the Institute's website.

## Compliance with Executive Limitations

Operations are carried out in compliance with a number of Executive Limitations established in the governing policies. One of these is break-even operations.

The Institute's results from operations for 2013 is excess revenue of \$145,100, compared with the budgeted deficit of \$41,900. The budget had assumed the remaining \$41,100 of internally restricted net assets would be used to fund strategic initiatives during the year. However, due to favourable results from operations, this was not required.

Budget variances occurred in a number of areas, with one of the largest positive variances being in external communications. This variance was in large part due to national and local branding and advertising being on hold during the year, which resulted in variances in excess of \$100,000.

Member fee revenue exceeded budget by approximately \$50,000 due to higher than anticipated numbers of members paying resident fees during the year. A number of factors impacted this including fewer than budgeted members requesting exempt status, fewer resignations, and a higher than anticipated number of members joining by affiliation from other provinces.



As noted earlier, the signing of the new lease has created large variances from budget in amortization expense and office occupancy, however, the net effect of the two adjustments resulted in a credit of \$13,700.

Executive Limitations also require that two programs be operated on a break-even basis after direct costs and an allocation of salaries and other expenses normally associated with the program. These programs are member education and practice review.

Revenue from the member education program exceeded costs by approximately \$3,500. Revenue and the direct costs of the program are shown separately on the Statement of Operations.

Expenses from the practice review program exceeded costs by approximately \$4,400. Revenue is shown separately, while the direct expenses of the program are included in regulatory in the Statement of Operations.

Member events are also required to break-even, however, the Executive Limitations provide for certain expenses for events such as Convocation and the Member Recognition Dinner. These continue to be our most well attended events as we recognize the accomplishments of our new graduates as well as those who have distinguished themselves in their careers and the community.

Executive Limitations also require that unrestricted net assets be maintained at a range of 60-80% of members' annual fees, but in any event, not less than \$500,000, and excluding the impact caused by the unrealized gains or losses on long term investments that impact investment revenue.

The targeted range (based on members' fees at March 31, 2013) is \$729,800 to \$973,000. When the impact of unrealized gains and losses are removed, the level is \$966,100, which leaves us well-positioned for the coming year.

## Identification and mitigation of risks

A summary addressing the strategic, reputational, and operational risks facing the Institute and CA profession is provided annually to the Audit Committee. In addition to this, a number of merger/transition risks were addressed this year.

The President's and CEO's report provides detailed information on the strategic initiatives of the Institute. These initiatives address the challenges facing the profession. While much time has been spent on merger initiatives during the past year, our strategic priorities continue to include sustained growth of the profession, competition in the global economy, protection of the public, as well as communication with members.

Unification of the profession is a major step in achieving a number of these goals. Significant progress continues to be made in merging the accounting professions across Canada. In Manitoba, a Merger Agreement was signed with CMA Manitoba. We are continuing to work toward the ultimate goal of new CPA legislation in Manitoba and formation of CPA Manitoba.

During the year, both CA Manitoba and CMA Manitoba, along with the participating western accounting bodies, have worked together to ensure the delivery systems of the new CPA certification programs are rolled out later this year.

As we have in the past, the Manitoba Institute continues to align its strategies where possible with national initiatives. Manitoba plays a significant role in developing national strategies through its participation of members of the management

team, and a number of volunteer CAs in a variety of capacities on national committees.

The Institute, as a self-regulatory body, is required to protect the public. It accomplishes this through its Rules of Professional Conduct, which are developed collaboratively by the national Rules Harmonization Committee. The Professional Conduct Committee and Discipline and Complaint Review Panel also assist with this process. The roles of these committees are defined in the Governance Policy Manual. In addition to this, members in public practice are subject to the requirements of the Practice Review Program.

During the time that new legislation is being developed, the responsibilities and authority under our existing legislation, bylaws, regulations, rules of professional conduct, and governing policies will remain in place.

Operationally, the Institute relies on member fees for approximately 70% of its funding. The current fee structure acknowledges members' abilities to pay fees at various points throughout their careers, by considering factors such as income level and a combination of a member's age and years of service.

We are currently working to align provincial fees with CMA Manitoba over the next few years. Similar efforts are being made at the national level.

The Institute also relies on investment income to help fund its operations. The Institute's investments, along with those of the Foundation, are held by GLC Asset Management Group in compliance with the Council approved Investment Policy. The policy allows for investments in fixed income, mortgage, equity and real estate funds within specified ranges. Although the portfolios are subject to market fluctuations, the diversification of the portfolios allows us to meet the long term objectives of protecting the investment capital, while still achieving a targeted return on investment. Ongoing monitoring of the investment portfolio is conducted by management with regular reporting to the Investment Advisory Committee, which is made up of representatives of both the Institute and Foundation.

## Conclusion

The coming year will bring considerable change. A Joint Venture Agreement is currently being developed to assist us through the transition stage until such time as CPA legislation is enacted. The process is being guided by the Transition Steering Committee, with the assistance of a Project Manager, along with a number of working groups in the governance, regulatory and management areas.

We will be sharing office space with CMA Manitoba no later than January 1, 2014 and look forward to working toward integration of office operations. During the year, a combined business plan and budget will be developed. A number of staff initiatives are currently in progress.

We look forward to an exciting new year as we work toward the formation of CPA Manitoba.

M. Dianne Laidler, CMA  
Director of Administration

Gary B. Hannaford, FCA  
Chief Executive Officer

# Independent Auditors' Report

TO THE MEMBERS,

The Institute of Chartered Accountants of Manitoba

We have audited the accompanying financial statements of the Institute of Chartered Accountants of Manitoba, which comprise the statement of financial position as at March 31, 2013 and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institute's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Institute as at March 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Winnipeg, Manitoba  
May 9, 2013

BOOKE & PARTNERS  
CHARTERED ACCOUNTANTS

# The Institute of Chartered Accountants of Manitoba

(Incorporated by *The Chartered Accountants Act of Manitoba*)

## Statement of Financial Position as at March 31

	2013	2012
<b>Assets</b>		
Current		
Cash	\$ 980,100	\$ 910,200
Accounts receivable	88,500	71,900
Prepays	56,200	37,700
	<b>1,124,800</b>	1,019,800
Long term investments (note 3)	1,176,000	1,089,300
Capital assets (note 6)	185,400	384,900
	<b>\$2,486,200</b>	\$2,494,000
<b>Liabilities</b>		
Current		
Accounts payable and accruals (note 7)	\$ 517,200	\$ 432,100
Unearned fees	592,300	622,500
Obligation under capital lease	-	4,600
	<b>1,109,500</b>	1,059,200
Deferred lease inducements (note 9)	152,500	355,700
	<b>1,224,200</b>	1,079,100
<b>Net Assets</b>		
Internally restricted (note 10)	93,200	110,400
Unrestricted	1,131,000	968,700
	<b>1,224,200</b>	1,079,100
	<b>\$2,486,200</b>	\$2,494,000

Commitments (note 8)

Approved by Council



Rick M. MacKay, FCA  
President & Chair



Kevin E. Regan, FCA  
Secretary-Treasurer

# The Institute of Chartered Accountants of Manitoba

## Statement of Operations

For the Year Ended March 31

	2013	2012
<b>Revenue</b>		
Member fees	<b>\$2,394,700</b>	\$2,336,400
Less CICA portion	<b>923,800</b>	902,700
	<b>1,470,900</b>	1,433,700
Member education	<b>414,100</b>	407,300
Practitioner assessments	<b>225,500</b>	223,500
Net investment and other (note 3)	<b>118,000</b>	41,700
Practice review	<b>76,700</b>	84,800
Member events	<b>76,500</b>	107,500
	<b>2,381,700</b>	2,298,500
<b>Expense</b>		
Salaries and benefits	<b>892,600</b>	831,500
Member education	<b>297,900</b>	260,100
External communications	<b>260,700</b>	180,600
Amortization (note 6)	<b>210,400</b>	77,300
Member events	<b>131,900</b>	165,400
Governance	<b>129,300</b>	91,900
Office operations	<b>124,400</b>	126,300
Regulatory	<b>105,600</b>	105,200
Member communication and services	<b>82,100</b>	100,100
Pre-certification education support	<b>44,000</b>	207,100
Office occupancy (recovery) (note 9)	<b>(42,300)</b>	99,200
	<b>2,236,600</b>	2,244,700
<b>Excess revenue</b>	<b>\$ 145,100</b>	\$ 53,800

## Statement of Changes in Net Assets

For the Year Ended March 31

	Internally Restricted (note 10)	Unrestricted	2013	2012
Net assets, beginning of year	\$110,400	\$ 968,700	<b>\$1,079,100</b>	\$1,025,300
Excess revenue (expense)	(32,700)	177,800	<b>145,100</b>	53,800
Investment in capital assets	15,500	(15,500)	-	-
Net assets, end of year	<b>\$ 93,200</b>	<b>\$1,131,000</b>	<b>\$1,224,200</b>	\$1,079,100

# The Institute of Chartered Accountants of Manitoba

## Statement of Cash Flows

For the Year Ended March 31

	2013	2012
<b>Operating Activities</b>		
<b>Cash Receipts</b>		
Member fees	<b>\$1,744,000</b>	\$1,784,300
Self funding activities	<b>488,000</b>	495,500
Investment and other	<b>55,700</b>	48,600
	<b>2,287,700</b>	2,328,400
<b>Cash Disbursements</b>	<b>2,178,300</b>	2,189,400
	<b>109,400</b>	139,000
<b>Investing Activities</b>		
Investments acquired	<b>(64,600)</b>	(81,600)
Investments sold	<b>40,600</b>	58,200
Capital assets acquired	<b>(10,900)</b>	(13,900)
	<b>(34,900)</b>	(37,300)
<b>Financing Activities</b>		
Capital lease payments	<b>(4,600)</b>	(5,700)
	<b>(4,600)</b>	(5,700)
<b>Change in cash</b>	<b>69,900</b>	96,000
<b>Cash, beginning of year</b>	<b>910,200</b>	814,200
<b>Cash, end of year</b>	<b>\$ 980,100</b>	\$ 910,200

# The Institute of Chartered Accountants of Manitoba

## Notes to Financial Statements for the Year Ended March 31, 2013

### 1. Purpose and objectives

The Institute of Chartered Accountants of Manitoba (Institute) is the self-regulating body for all Chartered Accountants in Manitoba. Its mission is to foster public confidence in the CA profession by acting in the public interest and helping its members excel.

The Institute was incorporated by *The Chartered Accountants Act*, a special act of the Manitoba Legislature. As a not-for-profit association, the Institute is exempt from tax under the *Income Tax Act*.

### 2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. Preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

The financial statements include the following significant accounting policies:

a) Long term investments

Long term investments, which comprise units of pooled funds, are initially recognized and subsequently measured at fair value, determined using quoted market prices. Transaction costs and net gains and losses arising from changes in fair value are immediately recognized in operations.

b) Capital assets

Amortization is provided on a straight-line basis over the estimated useful lives of the capital assets:

- Equipment under capital lease 5 years
- Office furniture and equipment 5-10 years
- Computer equipment 3 years
- Leasehold improvements Over the life of the lease
- Computer database system 3 years
- Communications initiatives 3 years

c) Deferred lease inducements

Lease inducements are amortized on a straight line basis over the life of the lease.

d) Revenue recognition

Member fees, practitioner assessments, and practice review revenue are recognized in the year to which they relate. Member education and events revenue are recognized when the event is presented.

Investment income is recorded on a proportionate share of revenue, gains, losses, and expenses within the pooled funds, as well as on disposition of units owned. Investment income includes dividend and interest income and realized and unrealized gains and losses.

e) Donated services

The work of the Institute is dependent on the voluntary service of many members and public representatives. The value of donated services is not recognized in these statements.

## Notes to Financial Statements for the Year Ended March 31, 2013

### 3. Financial instruments

The Institute's financial instruments consist of cash, accounts receivable, long term investments, accounts payable and accruals. The Institute initially measures its financial assets and liabilities at fair value. The Institute subsequently measures all financial assets and liabilities at amortized cost, except for long term investments which are measured at fair value.

The fair value of long term investments is disclosed below:

	2013	2012
Canadian fixed income funds	\$ 343,200	\$ 342,800
Equity funds	644,800	585,900
Canadian real estate funds	188,000	160,600
	<b>\$1,176,000</b>	<b>\$1,089,300</b>

Investments are in pooled funds, which are managed by GLC Asset Management Group.

The Institute is exposed to various risks through its long term investments. The following analysis provides a measure of the Institute's exposure to credit, market, currency and interest rate risks and concentrations.

The fixed income funds invest primarily in federal and provincial government debt obligations, medium to high quality corporate debt securities and mortgages on Canadian property. The government debt obligations and corporate debt securities have credit ratings of AAA, AA, or A, with at least 50% having a credit rating of AA or higher. The government debt obligations and corporate debt securities within the fixed income funds have a weighted average yield of 2.4% (2012-2.7%), with maturity dates ranging from 3 to 20 years.

Approximately 58% (2012-60%) of the fixed income funds consist of mortgage investments. The mortgage portfolio is diversified across regional markets, with 43% (2012-45%) of mortgages located in Ontario and the remainder spread across Canada. The portfolio is also diversified by type of mortgage, with 35% (2012-38%) being retail mortgages, 28% (2012-30%) being industrial mortgages, and the remainder being office, residential and other. These investments have a weighted average yield of 2.8% (2012-3.2%) and a duration of 4.1 years (2012-4.0 years).

The equity funds invest predominantly in shares of publicly traded Canadian medium and large capitalized companies, publicly traded shares in the United States (U.S.) market, and a combination of common shares and other equity investments issued by non-North American companies which are traded primarily outside Canada and the U.S.

The Institute's equity funds include the following currencies:

	2013	2012
Canadian	\$350,400	\$331,900
U.S.	178,600	137,500
Various European	79,900	79,200
Japanese	19,700	19,800
Other	16,200	17,500
Total Market Value	<b>\$644,800</b>	<b>\$585,900</b>

The real estate funds consist of income producing real estate properties diversified by both location and type. Approximately 53% (2012-51%) of the portfolio was located in Ontario, with the remainder spread across Canada and 55% (2012-54%) was invested in office real estate.

## Notes to Financial Statements for the Year Ended March 31, 2013

### 3. Financial instruments *continued*

Investment and other income is composed of the following:

	2013	2012
Interest from cash	\$ 7,300	\$ 6,300
Interest and dividends from pooled funds	32,300	31,100
Realized gains on sales of investments	5,500	7,200
Unrealized gains (losses) on investments	57,200	(13,300)
Other non investment income	15,700	10,400
	<b>\$118,000</b>	<b>\$41,700</b>

The Institute manages its exposure to the risks associated with financial instruments that have the potential to affect its operating and financial performance in accordance with its Governance Policies. The objective of these policies is to reduce volatility in cash flow and earnings. The Council monitors compliance with risk management policies and reviews these policies on an annual basis. The Institute does not use derivative financial instruments to manage its risks.

### 4. Disclosure of controlled entity

The Institute controls the Manitoba Chartered Accountants Foundation Inc. (Foundation) by its right to approve the Foundation's strategic plans. The purpose of the Foundation is to enhance the quality of accounting education in Manitoba. The Foundation is incorporated under *The Corporations Act of Manitoba* and is a registered charity under the *Income Tax Act*.

The Foundation has not been consolidated in the Institute's financial statements. Financial summaries are as follows:

#### Financial Position

	2013	2012
Total assets	\$2,315,100	\$2,077,900
Total liabilities	6,700	-
Net assets	<b>\$2,308,400</b>	<b>\$2,077,900</b>

Net assets are comprised of restricted funds of \$1,931,800 (2012-\$1,614,800) and general funds of \$376,600 (2012-\$463,100). The restricted funds are managed by the Foundation as directed by the donors in accordance with Board approved criteria to provide bursaries, student awards, benevolence and member education.

#### Results of Operations

	2013	2012
Total revenue	\$348,400	\$130,800
Total expenditure	117,900	91,800
Excess revenue	<b>\$230,500</b>	<b>\$ 39,000</b>

#### Cash Flows

	2013	2012
Cash from operations	\$122,000	\$ 50,000
Cash used in investing activities	(44,000)	(42,800)
Change in cash	<b>\$ 78,000</b>	<b>\$ 7,200</b>

### 5. Related party information

#### CA School of Business

In June 2000, the Institute, along with the Institutes of Chartered Accountants of British Columbia, Alberta and Saskatchewan, entered into an agreement with the CA School of Business (CASB) to have CASB develop, deliver and administer pre-certification education for students in the four western provinces and the territories. CASB was incorporated under the *Canada Corporations Act* and is a registered charity under the *Income Tax Act*. CASB is governed by a nine member Board consisting of one member appointed by each participating Institute and the balance appointed by a nominating committee, comprised of the Presidents of the participating Institutes.



## Notes to Financial Statements for the Year Ended March 31, 2013

### 5. Related party information *continued*

CASB's assets are for the sole use of CASB and would become available to the Institutes only upon CASB's ceasing operations. The Agreement between CASB and the participating Institutes provides for CASB's net assets to be distributed to qualified donees, as defined in the *Income Tax Act*, chosen by the participating Institutes, proportionate to the number of CASB registrants resident in the province of that participating Institute at the date of the most recent CASB year end. However, if a participating Institute opts out of the Agreement before operations cease, that Institute would have no right to any of the net assets.

#### CA Insurance Plans West

CA Insurance Plans West (CAIPW) is responsible for the operation of Chartered Accountants' benefit plans for the Institutes of Chartered Accountants of Manitoba, Saskatchewan, Alberta, British Columbia, Northwest Territories and Yukon. CAIPW is a not-for-profit organization under the *Income Tax Act*. The Manitoba Institute nominates two of the eight members of the Board of CAIPW. During the year, the Institute purchased benefit plan services from CAIPW for its employees at a cost of \$39,600 (2012-\$43,500). These costs are included in salaries and benefit expenses in the statement of operations. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

### 6. Capital assets

	Cost	Accumulated Amortization	Net Book Value 2013
Equipment under capital lease	\$ 26,000	\$ 26,000	\$ -
Office furniture and equipment	185,600	154,400	31,200
Computer equipment	71,200	55,600	15,600
Leasehold improvements	447,000	308,400	138,600
Computer database system	41,000	41,000	-
Communications initiatives	13,900	13,900	-
	<u>\$784,700</u>	<u>\$599,300</u>	<u>\$185,400</u>

	Cost	Accumulated Amortization	Net Book Value 2012
Equipment under capital lease	\$ 26,000	\$ 21,200	\$ 4,800
Office furniture and equipment	183,900	145,800	38,100
Computer equipment	97,700	79,200	18,500
Leasehold improvements	447,000	123,500	323,500
Computer database system	41,000	41,000	-
Communications initiatives	13,900	13,900	-
	<u>\$809,500</u>	<u>\$424,600</u>	<u>\$384,900</u>

During the year additional amortization of \$136,900 was recorded for leasehold improvements to reflect the new termination date of the existing lease (see note 8).

### 7. Accounts payable and accruals

	2013	2012
Trade payables	\$147,500	\$ 82,800
Government remittances	16,100	19,000
Accruals and other	353,600	330,300
	<u>\$517,200</u>	<u>\$432,100</u>

## Notes to Financial Statements for the Year Ended March 31, 2013

### 8. Lease obligations and other commitments

#### Merger agreement

During the year, the Institute signed a formal agreement to pursue a merger with the Society of Management Accountants of Manitoba (CMA Manitoba). The two organizations are working together to form a new accounting body under the name of Chartered Professional Accountants of Manitoba, which is to be established by legislation.

#### Office space

In 2013, the Institute entered into an agreement with CMA Manitoba to lease office space. The lease will commence no later than January 1, 2014. The existing lease will end commensurate with the effective date of the new lease.

The following schedule includes future lease payments under the existing lease and the Institute's share under the new lease:

2014 - \$	71,700
2015 -	69,700
2016 -	69,700
2017 -	69,700
2018 -	69,700
2019-2028 -	923,100
	<hr/>
	\$1,273,600

#### University support

During the year, the Institute made the first payment toward its \$500,000 commitment to the Asper School Downtown Campus and Executive Development Program in the amount of \$179,800. The payment is included in external communications. The commitment will be fully satisfied in September 2014.

The pledge is being funded by a special assessment of members.

#### Database support

Annual costs for database support are \$30,000. The Institute's commitment extends through to December 2013 and is renewable annually thereafter.

#### Other

The Institute has contracted for advertising services totalling \$9,400 through to October 2013 and communication services totalling \$6,800 through to March 2016.

## Notes to Financial Statements for the Year Ended March 31, 2013

### 9. Deferred lease inducements

In 2011, the Institute received lease inducements which included leasehold improvements, free rent and reimbursement of certain costs.

During the year, additional amortization of \$150,600 was recorded for lease inducements to reflect the new termination date of the existing lease (see note 8).

	<b>Tenant Inducements</b>	<b>Reduced Rent and Cost Recoveries</b>	<b>2013</b>	2012
Balance, beginning of year	\$311,000	\$44,700	<b>\$355,700</b>	\$408,500
Amortization	(177,700)	(25,500)	<b>(203,200)</b>	(52,800)
Balance, end of year	\$133,300	\$19,200	<b>\$152,500</b>	\$355,700

Office occupancy comprises rent and operating costs less amortization of lease inducements.

### 10. Internally restricted net assets

Internally restricted net assets includes two components - investment in capital assets and restricted for implementation of strategic plans.

	<b>Investment in Capital Assets</b>	<b>Strategic Initiatives</b>	<b>2013</b>	2012
Balance, beginning of year	\$69,300	\$41,100	<b>\$110,400</b>	\$122,000
Excess expense	(32,700)	-	<b>(32,700)</b>	(31,200)
Investment in capital assets	15,500	-	<b>15,500</b>	19,600
Balance, end of year	\$52,100	\$41,100	<b>\$ 93,200</b>	\$110,400

In 2006, Council restricted net assets to help fund implementation costs for Manitoba's portion of the strategic plan approved by the CICA and the provincial Institutes in 2004. These internally restricted amounts are not available for other purposes without approval of the Council of the Institute. No funds were required for this purpose in 2013 and 2012.

# Student Awards and Scholarships

## CA Medal of Excellence & National Honour Roll



Brian Pidhirniak

One Manitoba student placed among the top 59 candidates across Canada on the 2012 UFE and was named to the National Honour Roll. He received the CA Medal of Excellence and a cash prize, provided by the Manitoba Chartered Accountants Foundation.

Congratulations to Brian Pidhirniak.

## High School Scholarships

Four Manitoba high school students were chosen to each receive a \$1,000 scholarship. They excelled academically while maintaining work and volunteer commitments at school and in their communities. They all plan to attend university and have shown keen interest in becoming Chartered Accountants or Chartered Professional Accountants.



Brady Bouchard



Andrew Chudley



Mitchell Etkin



Taylor Mitchell



# Student and Membership Information

## Student Enrolment at March 31

by Academic Background	2013	2012	2011	2010	2009
Canadian					
Baccalaureate	284	301	308	330	322
Graduate	16	3	5	5	10
Co-op Program	44	61	57	38	21
International					
University Degree	9	9	1	-	-
Professional Designation	12	11	4	4	6
Mature/Other	2	3	3	3	2
	<b>367</b>	<b>388</b>	<b>378</b>	<b>380</b>	<b>361</b>

## Membership

### Changes During the Year

	2013	2012	2011	2010	2009
Membership at beginning of the year	2,907	2,869	2,835	2,796	2,777
Admitted during the year by					
Examination	83	87	95	89	67
Affiliation	10	6	9	4	7
Elected to honorary membership	-	-	-	-	-
Reinstated/Readmitted	2	2	2	2	2
	<b>3,002</b>	<b>2,964</b>	<b>2,941</b>	<b>2,891</b>	<b>2,853</b>
Decrease in membership					
Deaths	22	24	32	17	17
Resignations	25	31	36	33	37
Removed	-	2	4	6	3
Membership at the end of the year	<b>2,955</b>	<b>2,907</b>	<b>2,869</b>	<b>2,835</b>	<b>2,796</b>

## Membership

### Employment by Region

	Winnipeg	Outside Winnipeg	Canada	Outside Canada	2013 Total	2009 Comparative
Public Practice						
Employee	316	79	60	38	493	402
Partner	180	64	38	3	285	294
Sole Practitioner	67	28	25	1	121	120
Associate	12	5	-	-	17	20
Total in Public Accounting	575	176	123	42	916	836
Industry	733	134	219	119	1,205	1,107
Government	158	20	21	2	201	193
Education and Other	9	4	3	5	21	58
Retired	316	58	198	35	607	596
Honorary	5	-	-	-	5	6
Total	1,796	392	564	203	2,955	2,796

# Committees and Task Forces

## Committees of Council

### Audit

K.D. Austin, *Chair*  
W.G. Eamer  
D.B. Innis  
C.S. McKelvie  
E. Goldie, *Public Rep*

### Corporate Governance & Nominating

R.M. MacKay, *Chair*  
C.A. Atchison  
T.L. Okerlund  
H.D. Reichert  
S.D. Sissons  
A.R. Wortzman, *Public Rep*

### CA-CMA Transition Steering Committee

R.M. MacKay, *Co-Chair*  
J.D. Doer  
G.B. Hannaford  
D. Loewen  
T.L. Okerlund

## Self-Regulatory Committees

### Bylaws Advisory

D.J. Carefoot, *Chair*  
J.D. Erickson  
M.S. Gandhi  
M.S. Giles  
M.S. Rai

### Discipline & Complaint Review

P. Dueck, *Chair, Discipline*  
J.W. Kraemer, *Chair, Complaint*  
*Review*  
C.A. Bellringer  
B.J. Davies  
S.L. Deleau  
G.M. Dyrda  
G.A. Garland  
D.G. Glass  
J.E. Goldberg  
G.A. Horne  
R.A. Lafreniere  
R.D. Olfert  
M.W. Safiniuk  
D.L. Waterman  
J. Carr, *Public Rep*  
J.L. Gray, *Public Rep*  
T. Vowell, *Public Rep*

### Executive

R.M. MacKay, *Chair*  
T.L. Okerlund  
D. Loewen  
K.E. Regan

### Membership Linkages

D. Loewen, *Chair*  
S.F. Cohen  
B.J. Minish-Kichuk  
J.B.A. Morrill  
K.E. Regan  
E. Goldie, *Public Rep*

### Membership

P.G. Debenham, *Chair*  
C.L.M. Barnabe  
M.L. Graham  
J.D. Jabs  
B.G.M.F. Lazarko

### Professional Conduct

J.K.A. Campbell, *Chair*  
T.M. Cascisa  
C.J. Kauenhofen  
J.A. Lamothe  
J.A. McClellan  
C.A. Paradine  
R.D. Pope  
B.A. Riordan  
R.H. Vandewater, *Public Rep*

### Office Practice Assistance

A.H. Kennedy, *Chair*  
K.D. Austin  
M.L. Delaurier  
D.R. Jenkyns  
G.R. MacBeth  
A.E. Nychuk  
M.L. Pernarowski  
R.K. Peterson  
S.D. Sissons

## Operating and Other Committees

### High School Scholarships

C.A. Arason  
W.G. Eamer  
H.J. Thomas  
D.L. Waterman

### Honours & Awards

J.G. Morton, *Chair*  
P.H.L. Dupuis  
K.J. Haugen  
F.J. Horbaty  
D.E. Sachvie  
I.R. Seymour  
I. Merie, *Public Rep*

### Investment Advisory

T.A. Bryk  
L.H. Frostiak  
E.R. Johnstone  
J.W. Kraemer  
I.R. Seymour  
R.H. Vandewater, *Public Rep*

### Members' Activities

S.B. Quesnel, *Chair*  
R. Balachandra  
K.P. Kwong  
M.S. Pilloud  
K.R. Prins  
K.A. Shwaluke  
M.L. Zurba

### Taxation

C.M. Roskos, *Chair*  
J.J. Bomhof  
S.M. Byers  
J.K. Eyolfson  
L.H. Frostiak  
M.F.L. Loepky  
G.J. Meger  
N.L. Perras  
B.Z. Rubinstein

### University Recruitment

T.E. Hayward, *Chair*  
C.A. Atchison  
J.E. Brown  
M.S. Craig  
T. Cross  
J.A. Griffiths  
C.R. Hayward  
B.T. Highfield  
R.S. Kowalchuk  
S.T. Kroeker  
C.J. MacLean  
S.C. Marek  
M.J. Millis  
D.C. Paulsen  
G.M. Perras  
R.K. Peterson  
L.L.M. Ricard  
I. Schechter  
G.C. Smith  
S.D.M. Smith  
F. Torchia  
K.D. Ukrainec  
T.B. Walker  
D. Hull, *University Rep*  
K. Kirkpatrick, *University Rep*  
K. Mahoney, *University Rep*  
A. Mikkelsen, *University Rep*  
D. Pople, *University Rep*  
P. Mangat, *Observer*  
H. Ritchie, *Observer*  
S. Rogers, *University Rep*  
K. Schneider, *Observer*  
T. Tollefson, *Observer*

# Representatives on Other Bodies

## Members on Committees of the Canadian Institute of Chartered Accountants

### CICA Board of Directors

C.D.H. Henaire

#### AUDIT COMMITTEE

- C.D.H. Henaire

### Council of Presidents

R.M. MacKay

### Leadership Group

G.B. Hannaford

R.M. MacKay

T.L. Okerlund

### Selection Council

R.M. MacKay

### Council of Senior Executives

G.B. Hannaford

### CSE Member Relations Task Force

#### MEMBER ADVISORY SERVICES GROUP

- K.K. Zaplitny

#### PUBLICATIONS AND PRODUCTS WORKING GROUP

- K.K. Zaplitny

### CSE Public Trust Committee

G.B. Hannaford, *Chair*

S.D. Sommer, *Secretary*

#### DISCIPLINE RESOURCE GROUP

- S.D. Sommer

#### INDEPENDENCE TASK FORCE

- G.B. Hannaford, *Chair*

#### PRACTICE INSPECTION PROGRAM STANDING SUB-COMMITTEE

- K.K. Zaplitny

#### RULES HARMONIZATION COMMITTEE

- S.D. Sommer

### CSE Professional Learning Committee

#### CA POOLED PROFESSIONAL DEVELOPMENT GROUP

- K.K. Zaplitny

### Alliance for Excellence in Investigative and Forensic Accounting

V.G. Neufeld

#### EDUCATION COMMITTEE

- V.G. Neufeld, *Chair*

### Auditing and Assurance Standards Board

C.A. Bellringer

### Board of Evaluators

J.F. Kelly

### CICA/CICBV Liaison Committee

M.L. Radcliffe

### Competency Map Committee

H.C. Andersen

### Information Technology Advisory Committee

R.J. Reimer

### Investment Funds Standing Committee

B.J. Reid

## Representatives on Regional Bodies

### CA Insurance Plans West

H.L. Clarke

E.B. Krahn

### CA School of Business Board of Directors

R.D. Potter

#### ADMISSION AND STANDARDS APPEAL COMMITTEE

T. Scott

### Western First Officers

R.M. MacKay, *Chair*

G. B. Hannaford

D. Loewen

T.L. Okerlund

## Representatives on Other Organizations

### Advisory Board for the Companies Office

G.B. Hannaford

### Advisory Committee of The Manitoba Securities Commission

B.W.J. Jack

T.N. Catanese

### Centre for Accounting Research and Education

D.J. Einarson, *Chair*

K.J. Metcalfe

### International Ethics Standards Board for Accountants

G.B. Hannaford

### International Federation of Accountants

C.A. Bellringer

### Manitoba Chartered Accountants Foundation Inc.

D.J. Einarson, *Chair*

S.R. Hagemester, *Vice-Chair*

G.A. Dowhan, *Treasurer*

T.A. Bryk

W.G. Eamer

L.H. Frostiak

I.R. Seymour

I. Merie, *Public Representative*

K.J. Metcalfe, *Executive Director*

# Member Recognition Awards

## 50 Year Club

Members of the 50 Year Club are CAs who have been members in good standing with the Manitoba Institute for 50 consecutive years. This year, those who joined the Institute in 1962 are the newest members of the 50 Year Club.

G.T. Brian Beatty, CA . . . . . Wimauma, FL  
Barnett S. Charach, CA . . . . . Winnipeg, MB  
E. Wayne Clendenning, CA . . . . . Oakville, ON  
Barbara G. Farrish-Walker, CA . . . . . France  
Marsden D. Fenwick, CA . . . . . Winnipeg, MB  
R. Barry Gislason, CA . . . . . Oakville, ON  
James R. Glen, CA . . . . . Winnipeg, MB  
Jon R. Goodman, CA . . . . . Winnipeg, MB  
Robert F. Gowan, FCA . . . . . Ottawa, ON  
Frederick W.R. Greb, CA . . . . . Beaverton, OR  
Irvin Greenberg, CA . . . . . Winnipeg, MB  
Wayne R. Harding, CA . . . . . Pinellas Park, FL  
Thomas G. Heisinger, CA . . . . . Winnipeg, MB

Lorne R.J. Knowles, CA . . . . . Winnipeg, MB  
G. Albert G. Kramer, CA . . . . . Winnipeg, MB  
Kenneth A. MacKenzie, CA . . . . . Toronto, ON  
Wayne C. Matheson, CA . . . . . Oakville, ON  
Henry J. Pankratz, FCA . . . . . Cobourg, ON  
Ludovic W. Philippot, CA . . . . . Calgary, AB  
Walter M. Proche, CA . . . . . Calgary, AB  
James M. Romano, CA . . . . . Calgary, AB  
Samuel N. Smilski, CA . . . . . Winnipeg, MB  
Ronald N.G. Smith, CA . . . . . Winnipeg, MB  
Stephen J. Weir, CA . . . . . Westmount, QC  
Werner E. Wiebe, CA . . . . . Winnipeg, MB

## Early Achievement Award

This award is for CAs who, within the first 10 years of passing the UFE, show ongoing commitment and excellence in professional, community, or other volunteer involvement.



Eric R. Johnstone, CA



P. Daniel Wright, CA, TEP

## Community Service Award

This award recognizes CAs for their outstanding contributions to community service or to volunteer organizations.



Wayne C. Lusk, CA



Aaron J. Penner, CA



J. Craig Sheldon, CA



Ian A. Thomson, CA



# Member Recognition Awards

## Fellows of the Chartered Accountants

FCAs are elected by Council in recognition of their outstanding service to the profession, career achievements, or achievements in the community which have brought honour to the profession.



James D. Doer, FCA



David G. Glass, FCA



Heather D. Reichert, FCA



Donald W. Streuber, FCA



Daniel M. Trotter, FCA

## Lifetime Achievement Award

This award recognizes CAs who, through their entire career, have rendered sustained distinction in service to the profession, a career, or community achievement which have brought honour to the profession.



Charles E. Curtis, FCA

# Honorary Members and FCAs

N. Ahmad	D.G. Doyle	G.J. Hanson	K.L. Matchett	K.J. Ross
O. Antel	D.J. Drybrough	K.J. Haugen	R.W. McGowan	C.M.F. Rushton
J.W. Astwood	P. Dueck	C.D.H. Henaire	C.S. McKelvie	M.P. Ruta
C.A. Bellringer	G.M. Dyrda	R.G. Hester	T.R. McKim	W.E.G. Scarrow
J.D.T. Benson	W.G. Eamer	M.W. Hilton	B.J. McLean	I.R. Seymour
G.A. Bergh	D.W. Easton (Honorary)	A.R. Holmes	J.W. McWhirter	J.W. Singleton
F.W. Betton	P.S. Eckersley	G.A. Horne	J.M. Miles	J.J. Smith
K.O. Bicknell	M.S. Fages	K.W. Houssin	D.A. Morison	E.L. Stefanson
R.B. Brennan	T.G. Falconer	B.W.J. Jack	J.G. Morton	T.E. Stefanson
A.B. Brookes	R. Filuk	M.M. Jones	J.D. Mundie (Honorary)	G.T. Steiman
E.K. Brown	K.G. Findlay	R.M. Jones	S.P. Nemeč	C.L. Stockwell
T.A. Bryk	N. Fiske	G. Kalef	H.J. Neufeld	D.W. Streuber
C.H. Buss	G.J. Forest	J.F. Kelly	R.D. Olfert	L.C. Taraska
R.A. Cadieux	W.C. Fraser	D.W. Kendall	R.K. Palmer	D.J. Tkach
J.K.A. Campbell	L.H. Frostiak	C.J. Kloepfer	A.R. Pearson	G.D. Tretiak
G.J.L. Chaput	R.P.J. Gannon	P.A. Kochan	D.H. Penny	D.M. Trotter
D.R.W. Chatterley	L.W.A. Gibson	S.H. Kraayeveld	K.B. Phernambucq	R.H. Vandewater
H.L. Clarke	C.O. Gilmore	J.W. Kraemer	R.F. Phillips	(Honorary)
J.W. Clarke	D.G. Glass	R.J.J. Lafond	L.O. Pollard (Honorary)	M.L. Verin
A.G.J. Couture	J.L. Gray (Honorary)	J.R. Lavery	R.D. Pope	W.E. Watchorn
C.O. Couture	J.A. Gray	B.C. Lemon	R.D. Potter	G.B. Webster
D.C.W. Crewson	K.E. Gray	G.K. Lewis	T.J. Prychitko	D.H. Wheeler
J.G. Cristall	W.H. Gray	S.W. Linhart	W.J. Pugh	P.J. Wintemute
C.E. Curtis	S.I. Greenberg	D. Loewen	K.E. Regan	J.R. Wirth
F. de Koning	J.G. Greene	W.H. Loewen	H.D. Reichert	M.A. Wladyka
R.B. Delaney	K.W. Grower	J.L. MacDonald	B.J. Reid	P.D. Wright
F.R. Dennis	S.H. Guttman	J.A.E. MacDonald	S.W. Reid	
S.A. Dickens	S.M. Halpern	R.M. MacKay	G.H. Rodrigue	
J.D. Doer	G.B. Hannaford	M.A. Malazdrewicz	C.M. Roskos	

# Past Presidents

J.B. McKilligan . . . . . 1886-1902	D. Sprague . . . . . 1953-1955	D.C.W. Crewson . . . . . 1983-1984
R.H. Hayward . . . . . 1903-1906	J.W. Abbott . . . . . 1955-1956	J.R. Wirth . . . . . 1984-1985
W.S. Ronald . . . . . 1907	G.D. Iliffe . . . . . 1956-1957	D.H. Penny . . . . . 1985-1986
D.A. Pender . . . . . 1908-1909	W.W. Smith . . . . . 1957-1958	A.B. Brookes . . . . . 1986-1987
C.R. Hegan . . . . . 1910	T.D. Poyntz . . . . . 1958-1959	G.J. Forest . . . . . 1987-1988
H.M. Cherry . . . . . 1911-1913	D.J. Campbell . . . . . 1959-1960	R.B. Delaney . . . . . 1988-1989
W.A. Henderson . . . . . 1913-1915	P. Kelly . . . . . 1960-1961	R.W. McGowan . . . . . 1989-1990
F.C.S. Turner . . . . . 1915-1917	W.H. Gray . . . . . 1961-1962	B.J. McLean . . . . . 1990-1991
J. Parton . . . . . 1917-1919	D.A. Tomlin . . . . . 1962-1963	J.W. Astwood . . . . . 1991-1992
F.C. Gilbert . . . . . 1919-1921	E.N.H. Wright . . . . . 1963-1964	N. Fiske . . . . . 1992-1993
H.T. Reade . . . . . 1921-1922	S.M. Milne . . . . . 1964-1965	K.J. Ross . . . . . 1993-1994
D. Young . . . . . 1922-1923	E.W. Pope . . . . . 1965-1966	T.R. McKim . . . . . 1994-1995
E.S. Read . . . . . 1923-1925	W.E. Shields . . . . . 1966-1967	M.L. Verin . . . . . 1995-1996
S.G. Brown . . . . . 1925-1926	J.T. Ellis . . . . . 1967-1968	J.A. Gray . . . . . 1996-1997
W.D. Glendinning . . . . . 1926-1927	D. Korn . . . . . 1968-1969	L.C. Taraska . . . . . 1997-1998
D. Croom-Whyte . . . . . 1927-1928	W. Warme . . . . . 1969-1970	P.J. Wintemute . . . . . 1998-1999
D.A.B. Murray . . . . . 1928-1930	K.E. Gray . . . . . 1970-1971	W.J. Pugh . . . . . 1999-2000
W.J. MacDonald . . . . . 1930-1932	D.M. Gordon . . . . . 1971-1972	D.A. Morison . . . . . 2000-2001
J.C.M. Ligertwood . . . . . 1932-1934	H.W. Robinson . . . . . 1972-1973	P.A. Kochan . . . . . 2001-2002
J.G. Mundie . . . . . 1934-1936	D. Smith . . . . . 1973-1974	J.W. Kraemer . . . . . 2002-2003
W. Aitken . . . . . 1936-1938	A.M. Moore . . . . . 1974-1975	G.H. Rodrigue . . . . . 2003-2004
T.W. Saul . . . . . 1938-1940	C.E. Curtis . . . . . 1975-1976	C.D.H. Henaire . . . . . 2004-2005
F. Johnson . . . . . 1940-1942	L.W.A. Gibson . . . . . 1976-1977	J.K.A. Campbell . . . . . 2005-2006
W. Gray . . . . . 1942-1943	H.J. Neufeld . . . . . 1977-1978	J.G. Morton . . . . . 2006-2007
E.J. Williams . . . . . 1943-1945	E.K. Brown . . . . . 1978-1979	R.D. Potter . . . . . 2007-2008
C.W. Lynde . . . . . 1945-1947	K.L. Matchett . . . . . 1979-1980	H.L. Clarke . . . . . 2008-2009
J.S. Swinden . . . . . 1947-1949	F.W. Betton . . . . . 1980-1981	I.R. Seymour . . . . . 2009-2010
S.B. Laing . . . . . 1949-1951	J.W. Clarke . . . . . 1981-1982	D.J. Tkach . . . . . 2010-2011
W. Young . . . . . 1951-1953	G.A. Horne . . . . . 1982-1983	J.D. Doer . . . . . 2011-2012

## **Mission Statement**

Our mission is to foster public confidence in the CA profession by acting in the public interest and helping our members excel.

# *2013 Annual Report*

**The Institute of Chartered Accountants of Manitoba**

700 - One Lombard Place

Winnipeg, MB R3B 0X3

Tel: 204 942.8248 Toll free in MB: 1 888 942.8248

Fax: 204 943.7119 [icam@icam.mb.ca](mailto:icam@icam.mb.ca) [www.icam.mb.ca](http://www.icam.mb.ca)

