



# 2012 Annual Report

Chartered Accountants of Manitoba



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# Members of Council 2011-12

## Elected Officers



James D. Doer, CA  
*President & Chair*



Rick M. MacKay, FCA  
*First Vice-President*



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



David Loewen, FCA  
*Secretary-Treasurer*

## Other Members of Council



Cheryl A. Atchison, CA



K. Dean Austin, CA



Jeffrey G. Cristall, FCA CA•CBV



Gordon A. Dowhan, CA



Larry H. Frostiak, FCA



C. Stuart McKelvie, FCA



Brenna J. Minish-Kichuk, CA



Janet B.A. Morrill, CA



Kevin E. Regan, FCA



Heather D. Reichert, CA



Scott D. Sissons, CA



Elaine Goldie  
*Public Representative*



Anita R. Wortzman, LLB  
*Public Representative*

# From the President and the CEO

This past year has not been a typical year in the life of the Institute. In addition to continuing to fulfil our legislative mandate to protect the public interest, two significant matters had a major impact on the Institute and Council's focus over the past year:

- The celebration of the 125<sup>th</sup> anniversary of the Institute.
- The consideration of a possible unification of the accounting profession and the impact that any such unification would have on the future of the CA profession, not only in Manitoba but in Canada and globally.

## 125<sup>th</sup> Anniversary

On May 28, 1886, the Chartered Accountants Association of Manitoba was established by an Act of the Provincial Legislature. In 1913, a new Act of the Legislature received Royal Assent and the name was formally changed to The Institute of Chartered Accountants of Manitoba. May 28, 2011, marked our 125<sup>th</sup> anniversary.

The Institute has enjoyed a long history of excellence. When it was first formed in 1886, there were only 15 registered members. Today we have more than 2,900 members and almost 400 students. As such, we are the oldest and largest body of professional accountants in the province.

We celebrated this milestone year with a number of events throughout the year. First, we held a special 125<sup>th</sup> Anniversary Conference on May 25 and 26, 2011. We were very pleased when then-Finance Minister Rosann Wowchuk addressed those in attendance and indicated that May 25, 2011, was proclaimed "Chartered Accountants Day in Manitoba".

As well, the Canadian Institute of Chartered Accountants joined us to hold its Annual Meeting in Winnipeg on September 21. Representatives from the CICA as well as the leaders of the CA profession from all of the Provincial Institutes across Canada and Bermuda were in Winnipeg to help recognize this milestone.

In addition to these special events, we focused much of our advertising over the past year on having reached this major milestone. Special ads were placed throughout the year in the province's major newspapers and a backlit billboard celebrating "1886-2011: 125 Years – Countless decisions" was strategically placed in the new Winnipeg airport.

Despite our many accomplishments over the past 125 years, there are a number of challenges that we continue to face as a profession. This past year had its own set of challenges and opportunities that Council and the management team continued to address.

Among the more important challenges facing the CA profession today is globalization. Globalization is having an unprecedented impact not only on businesses, but on how accounting firms are structured, how accounting and auditing standards are set, and how regulators relate to the profession.

Considerable time and attention has been spent by Council working with the CICA and the other Provincial CA Institutes/Ordre on how we can best address such developments not only at the national level but within the Manitoba context. Council is of the view that one of the best ways to address these challenges is through unification of the accounting profession.



James D. Doer, CA  
*President & Chair*



Gary B. Hannaford, FCA  
*Chief Executive Officer*

## Unification of the Accounting Profession

In May 2011, a national position paper was released that established guiding principles for the unification of the accounting profession in Canada. Between May and September 2011, preliminary consultations with key stakeholders were conducted at both the national and provincial level.

It is important to point out 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.

In January 2012, the Canadian Institute of Chartered Accountants (CICA), the Certified Management Accountants of Canada (CMA Canada), and the Certified General Accountants of Canada (CGA Canada) released a Unification Framework which provided an outline of how the Canadian accounting profession might be unified in Canada. Included with the Unification Framework was a report that provided a summary of how a new CPA Certification Program would work.

Shortly thereafter, CA Manitoba and CMA Manitoba issued the Manitoba Merger Proposal to unite the two bodies in this province. An extensive consultation process was undertaken to solicit feedback from key stakeholders regarding a merger of the two accounting bodies. Members, students, employers, the business community, and educators participated in these consultations.

It is noteworthy that 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 even, though their national body and other provincial CGA bodies have been participating in such discussions in most provinces. Our consultations included the discussion of the implications of the possible unification of all three accounting bodies in Manitoba and we would welcome discussions with CGA Manitoba, provided they agree to enter into the discussions on the same terms and conditions agreed to between CMA Manitoba and the Institute.

Following our consultation with members, we held an advisory vote of the members between February 29 and March 14, 2012. Of the 2,904 CA members, 1,414 ballots were cast, resulting in a 48.7% response rate. Typical participation in voting on bylaw changes and Council elections is in the 10-15% range.

# From the President and the CEO

The results of the advisory vote show that 59.5% of those who voted indicated support of a merger of CA Manitoba and CMA Manitoba. 55.5% simply voted “Yes” to the merger proposal and 4% indicated that “Elected Council should decide”. That 4% has been considered as a positive response as the Council unanimously endorsed the merger proposal when it was released on January 20<sup>th</sup>.

Council clearly recognizes that some 40.5% of the membership voted against the merger and that the most common reason for lack of support is the belief among this group that “the merger would not protect the value of my designation”. Council is committed, should the merger proceed, to take every step possible to ensure that the value of the designation is protected. To that end, a focus group meeting was held in early May with a small group of members to understand the cause of the concern and identify steps that could be taken to protect the value of the brand.

Members are reminded that the vote was an advisory vote and only one step in the process. Ultimately, the decision of whether or not a merger will take place is a decision of the Manitoba Government which must pass new legislation to establish a new CPA Manitoba. Not only will the Government take the results of the advisory vote into account along with the feedback from other important stakeholders, it will also consider developments in other provinces as well as what is in the public interest.

Regardless of what happens, it is clear that the status quo will not continue. Legislation in Quebec to unite the three provincial accounting bodies under the Chartered Professional Accountant (CPA) designation has received passage. This means that 20% of all professional accountants in Canada will be CPAs. What remains to be decided is whether or not the rest of the country will follow suit.

In the meanwhile, it has been business as usual for the Institute as we continue to focus on the strategic ends of the Institute in five key areas:

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

## 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. With the baby boomer generation entering or approaching retirement, a challenge that all trades and 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 be sure that our profession is open to accepting those who can demonstrate that they meet our rigorous standards for entry into the profession.

During the past year, Council approved a Memorandum of Understanding (MOU) with the Institute of Chartered Accountants of Pakistan. Under this MOU, any CAs from Pakistan would be required to successfully complete the UFE. The MOU with Pakistan is similar to the one signed with India last year.

In the meantime, 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 in industry and the public sector as well as public practice 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 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 public accounting unless they subsequently obtained the necessary practical experience in that area.

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

## 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.

This matter will continue to receive attention over the next year or so as possible further changes to the Canadian requirements are contemplated. An Exposure Draft is expected to be released this summer with final changes being recommended to the membership for approval at the 2013 Annual General Meeting.

Meanwhile, our disciplinary and practice review processes continue to function well as we incorporate recommendations



# From the President and the CEO

made by the Practice Inspection Program Working Group and the Discipline Working Group.

We are also pleased to note that Institute CEO Gary Hannaford has been appointed a member of the International Ethics Standards Board for Accountants (IESBA). The IESBA is responsible for establishing ethics standards for all 167 member bodies of IFAC.

## Support all members throughout their careers

Support for members begins at the time that they first enter the profession as a student 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 exceptional 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.

## Enhance, promote and protect the CA profession

In a time of economic uncertainty, the CA brand is more important than ever as business people rely on the expertise of CAs to help them weather economic crises and deal with changes in financial reporting. Through our national advertising campaign, we continued to emphasize the profession's stellar reputation and the value CAs bring to business. While the development of new ads has been put on hold during the unification discussions, the Branding Committee stands ready to consider new ads once the future direction becomes clearer.

On the local front, as noted previously, much of our promotional activities this past year focussed on the rich 125-year history of the Institute. As well, the Institute published its tenth annual *MB Check-Up* report in partnership with the BC Institute. The report assesses Manitoba as a place to live, work, and invest and compares Manitoba with the other Western provinces, Ontario, and the Canadian average for many key indicators. The report is shared with the three provincial political parties as well as key stakeholders in the business community.

Subsequent to the publication of this past year's report it has been decided that we will discontinue this initiative. After 10 very successful reports, it is clear that many others have begun to publish similar reports in Manitoba and it is no longer necessary for the Institute to carry out this role. We believe that the report has achieved its goal of causing considerable discussion and debate on how we can improve Manitoba's competitiveness.

## 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, it 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.

## Other

One of the highlights on the annual calendar of the Institute is the Member Recognition Dinner. Congratulations to all members who were recipients of the 2011 Member Recognition Awards. The Awards Dinner 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. And don't forget that nomination forms for the 2012 awards are available at [www.icam.mb.ca](http://www.icam.mb.ca).

Another highlight in the year is the celebration of our talented graduates. A Convocation ceremony was held at the Winnipeg Convention Centre where about 600 people attended the ceremony and nearly 800 attended the dinner and dance in the evening.

While we have accomplished much over our 125 year history, there is much more to do. As a profession we are well-positioned to meet the many challenges facing our profession and the business community.



James D. Doer, CA  
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.

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, 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 all of 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.

## 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.

## 2011-12 Financial Information

The Institute has elected to apply the Canadian accounting standards for not-for-profit organizations. The adoption has had no impact on previously reported amounts as at the date of transition April 1, 2010. These are the Institute's first financial statements prepared in accordance with the new standards which have been applied retrospectively.

The auditors were engaged to perform audits of the March 31, 2012 and March 31, 2011 financial statements and the April 1, 2010 opening statement of financial position in accordance with the new financial reporting framework. As such, the auditors' report refers to each period for which the financial statements are presented.

At March 31, 2012, the Institute's assets were \$2,494,000 compared with \$2,439,500 at March 31, 2011. The most significant asset is long term investments which represents 44% of total assets at March 31, 2012. These investments, which are recorded at fair value, are managed within policies established by Council.

The Institute had cash of \$910,200 at March 31, 2012 versus \$814,200 at March 31, 2011. Operating activities generated \$139,000 in cash during the year while investing and financing (capital lease payments) activities utilized \$43,000. 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.

During the previous year, the Institute offices were re-located which resulted in increased capital assets in the form of leasehold improvements. For the most part, these additions were received as tenant inducements negotiated as part of the revised lease.

Net assets at March 31, 2012 amounted to \$1,079,100 and were composed of internally restricted net assets of \$110,400 and unrestricted net assets of \$968,700. 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 \$53,800, compared with \$87,500 in 2011. The Institute receives income from several sources to carry out its operations including member fees and assessments, self funding programs which comprise member education and practice review, member events, and investment and other.

Net member fees, the largest component of revenue, increased from \$1,392,100 to \$1,433,700. The increase is the result of a modest fee increase to resident members, as well as an increased number of members paying resident fees.

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

The growth in both members and students also results in increased revenue in practitioner assessments, which is an assessment on all members and students in public practice. This area increased from \$216,900 to \$223,500.

Member education revenue remained relatively consistent with the preceding year, with similar numbers of course

# Management Discussion and Analysis

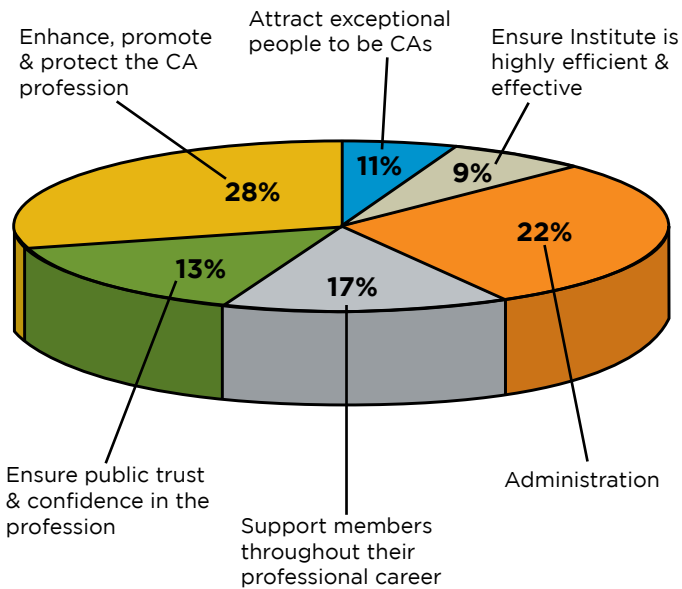
offerings. Practice review revenue has increased slightly due to an inflationary increase in the hourly rate as well as an increase in the number of inspection hours.

Net investment and other revenue declined this year from \$152,800 to \$41,700. 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. Much of the current year saw significant declines in the stock markets, although there were some encouraging signs of recovery in the fourth quarter.

Expenses remained fairly constant at \$2,244,700 compared with \$2,244,100 in the previous year. Salaries and benefits is the most significant component of expenses. These decreased during the year from \$847,900 to \$831,500. A number of factors impacted this including the absence of the Director of Student Recruitment and Ethics for most of the year, recovery of a portion of the salary costs for the Chief Executive Officer as discussed below, as well as other changes at the Director level.

Gary Hannaford has been appointed for a three-year term on the International Ethics Standards Board for Accountants. The portion of his time spent in this area is recoverable from the Canadian Institute of Chartered Accountants. Salaries and benefits will continue to be shown net of recovery of costs for the next two years.

The following graph illustrates expenditures broken out by Ends policies for 2012. The report of the President & CEO provides an update on how these strategic priorities are being addressed.



The above 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.

Not surprisingly, the area of largest expenditure is enhancing, promoting and protecting the CA profession. Typically the largest expense in this category is Manitoba's share of the national advertising costs. This year, the campaign was put on hold due to merger discussions.

Costs of communication initiatives are also included in this area, the most significant of which are the costs of publishing and distributing *Folio* and *MB Check-Up*. In addition, approximately \$15,000 was incurred to date relating to merger discussions, mainly to host town hall meetings and information sessions, prepare and distribute a special edition of *Folio* and the Manitoba Merger Proposal, develop an online presentation and conduct the member advisory vote.

Also included in this category of expenses are the costs associated with the Institute's 125<sup>th</sup> Anniversary. In celebration of its 125<sup>th</sup> anniversary, the Institute developed new promotional material for its airport advertising and placed two announcements in the newspaper profiling the CA profession which celebrated the accomplishments of its 11 Lifetime Achievement recipients. A 125<sup>th</sup> anniversary conference was also held in the spring.

Members are supported throughout their professional careers through offerings of various professional development programs. This represents 17% 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 13% 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 11% of the total expenses. The final payment in the amount of \$162,500 of the ten-year commitment was made to the Asper School of Business. The Asper School continues to be the source of well over 70% of Manitoba's successful UFE grads. The Institute has now provided over \$3,000,000 in support to the Asper School helping to ensure a steady stream of new CAs.

## Identification and Mitigation of Risks

A summary of risks addressing the strategic, reputational, and operational risks facing the Institute and CA profession is provided annually to the Audit Committee.

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. Strategic priorities include sustained growth of the profession, competition in the global economy, protection of the public, as well as communication with members. The Manitoba Institute aligns its strategies where possible with national initiatives. As well, Manitoba continues to influence national strategy with participation of members of the management team, and a number of volunteer CAs in a variety of capacities on national committees.

Members continue to face challenges with ongoing changes to financial reporting and assurance standards. To help members meet this challenge, the Institute continues to offer member advisory services. In addition, various tools and publications to assist members in the transition to new standards are available on



# Management Discussion and Analysis

the CICA website. Members must also meet ongoing continuing professional development requirements, which are consistent with international standards. The Institute offers a wide variety of courses, many of which are developed co-operatively with other provincial institutes.

At the same time, 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. Also, a number of Self-Regulatory Committees - including Professional Conduct, Discipline, and the Complaint Review Panel, 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.

Operationally, the Institute relies on member fees for approximately 70% of its funding. Council approved a new fee structure that became effective on April 1, 2010. The fee structure, along with the various growth strategies, will provide a sustainable flow of income for future years. The fee structure also 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.

The Institute also relies on investment income to help fund its operations. The Institute's investments, along with those of the Manitoba Chartered Accountants Foundation Inc. (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 portfolios is conducted by management with quarterly reporting provided to the Investment Advisory Committee, which is made up of representatives of both the Institute and Foundation.

The financial plan for the annual operations of the Institute is presented annually to Council by way of the budget. The budget is developed within the Executive Limitations set by Council in the Governance Policy Manual. There are a number of limitations which include balanced budgets, reasonable fee increases, program funding, as well as maintaining the level of unrestricted net assets within a certain range. These limitations ensure adequate funds for operations as well as ensuring the ability to meet the costs associated with an extraordinary event, should this need arise.

## Conclusion

These are some of the uncertainties and challenges that the Institute and CA profession face. Going forward, adapting to a changing environment and implementation of strategic initiatives will be critical to help ensure that Chartered Accountants are able to meet the demands of the public and the global economy in the years ahead.



M. Dianne Laidler, CMA  
*Director of Administration*



Gary B. Hannaford, FCA  
*Chief Executive Officer*

## Management Team

The operation of 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*

# 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 statements of financial position as at March 31, 2012, March 31, 2011 and April 1, 2010 and the statements of operations, statements of changes in net assets and statements of cash flows for the years ended March 31, 2012 and March 31, 2011 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 audits. We conducted our audits 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.

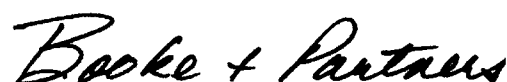
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 in our audits 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, 2012, March 31, 2011 and April 1, 2010 and the results of its operations and its cash flows for the years ended March 31, 2012 and March 31, 2011 in accordance with Canadian accounting standards for not-for-profit organizations.

Winnipeg, Manitoba  
May 10, 2012



BOOKE & PARTNERS  
CHARTERED ACCOUNTANTS

# The Institute of Chartered Accountants of Manitoba

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

## Statements of Financial Position

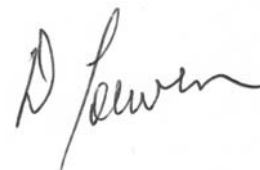
	March 31, 2012	March 31, 2011	April 1, 2010
<b>Assets</b>			
Current			
Cash	\$ 910,200	\$ 814,200	\$ 786,500
Accounts receivable	71,900	33,000	27,300
Prepays	37,700	72,000	50,700
	<b>1,019,800</b>	919,200	864,500
Long term investments (note 4)	<b>1,089,300</b>	1,072,000	948,400
Capital assets (note 7)	<b>384,900</b>	448,300	107,600
	<b>\$2,494,000</b>	\$2,439,500	\$1,920,500
<b>Liabilities</b>			
Current			
Accounts payable and accruals (note 8)	\$ 432,100	\$ 393,300	\$ 355,400
Unearned fees	622,500	602,100	610,500
Obligation under capital lease (note 9)	4,600	5,700	5,100
	<b>1,059,200</b>	1,001,100	971,000
Non-current			
Obligation under capital lease (note 9)	-	4,600	10,300
Deferred lease inducements (note 10)	355,700	408,500	1,400
	<b>355,700</b>	413,100	11,700
<b>Net Assets</b>			
Internally restricted (note 11)	110,400	122,000	133,300
Unrestricted	968,700	903,300	804,500
	<b>1,079,100</b>	1,025,300	937,800
	<b>\$2,494,000</b>	\$2,439,500	\$1,920,500

Commitments (note 9)

Approved by Council



J.D. Doer, CA  
President & Chair



D. Loewen, FCA  
Secretary-Treasurer

# The Institute of Chartered Accountants of Manitoba

## Statements of Operations

For the Years Ended March 31

	2012	2011
<b>Revenue</b>		
Member fees	\$2,336,400	\$2,285,700
Less CICA portion	<b>902,700</b>	893,600
	<b>1,433,700</b>	1,392,100
Member education	<b>407,300</b>	410,900
Practitioner assessments	<b>223,500</b>	216,900
Member events	<b>107,500</b>	78,600
Practice review	<b>84,800</b>	80,300
Net investment and other (note 4)	<b>41,700</b>	152,800
	<b>2,298,500</b>	2,331,600
<b>Expense</b>		
Salaries and benefits	<b>831,500</b>	847,900
Member education	<b>260,100</b>	270,600
Pre-certification education support	<b>207,100</b>	210,800
External communications	<b>180,600</b>	178,300
Member events	<b>165,400</b>	125,900
Office operations	<b>126,300</b>	154,000
Regulatory	<b>105,200</b>	84,300
Member communication and services	<b>100,100</b>	90,800
Office occupancy	<b>99,200</b>	91,700
Governance	<b>91,900</b>	106,000
Amortization	<b>77,300</b>	83,800
	<b>2,244,700</b>	2,244,100
<b>Excess revenue</b>	<b>\$ 53,800</b>	\$ 87,500

## Statements of Changes in Net Assets

	Internally Restricted (note 11)	Unrestricted	Total
Net Assets as at April 1, 2010	\$133,300	\$804,500	<b>\$ 937,800</b>
Excess revenue (expense)	(45,400)	132,900	<b>87,500</b>
Investment in capital assets	34,100	(34,100)	-
Net Assets as at March 31, 2011	122,000	903,300	<b>1,025,300</b>
Excess revenue (expense)	(31,200)	85,000	<b>53,800</b>
Investment in capital assets	19,600	(19,600)	-
Net Assets as at March 31, 2012	<b>\$110,400</b>	<b>\$968,700</b>	<b>\$1,079,100</b>

# The Institute of Chartered Accountants of Manitoba

## Statements of Cash Flows

For the Years Ended March 31

	2012	2011
<b>Operating Activities</b>		
<b>Cash Receipts</b>		
Member fees	\$1,784,300	\$1,680,600
Self funding activities	495,500	488,700
Investment and other	48,600	45,400
	<u>2,328,400</u>	<u>2,214,700</u>
<b>Cash Disbursements</b>	<u>2,189,400</u>	<u>2,134,300</u>
	<u>139,000</u>	<u>80,400</u>
<b>Investing Activities</b>		
Investments acquired	(81,600)	(97,800)
Investments sold	58,200	79,200
Capital assets acquired	(13,900)	(29,000)
	<u>(37,300)</u>	<u>(47,600)</u>
<b>Financing Activities</b>		
Capital lease payments	(5,700)	(5,100)
	<u>(5,700)</u>	<u>(5,100)</u>
<b>Change in cash</b>	<b>96,000</b>	27,700
<b>Cash, beginning of year</b>	<b>814,200</b>	786,500
<b>Cash, end of year</b>	<b>\$ 910,200</b>	<b>\$ 814,200</b>



# The Institute of Chartered Accountants of Manitoba

## Notes to Financial Statements for the Years Ended March 31, 2012 and March 31, 2011

### 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. Adoption of Canadian Accounting Standards for Not-for-Profit Organizations

The Institute has elected to apply the Canadian accounting standards for not-for-profit organizations. These are the Institute's first financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations which have been applied retrospectively.

The adoption of the new accounting framework had no impact on the previously reported assets, liabilities and net assets of the Institute and accordingly there has been no restatement of previously reported amounts as at the date of transition, being April 1, 2010. The presentation and disclosures provided in the financial statements reflect the requirements under the new accounting framework.

### 3. Significant accounting policies

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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. Course and activity revenue are recognized when the event is presented.

## Notes to Financial Statements for the Years Ended March 31, 2012 and March 31, 2011

### 3. Significant accounting policies *continued*

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) Self funding programs

The member education and practice review programs are intended to break-even after an allocation of all costs directly attributable to the program, including staff salaries. No allocation of costs has been included in these statements.

f) 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.

### 4. Financial instruments

The Institute's financial instruments consist of cash, accounts receivable, long term investments, accounts payable and accruals and obligation under capital lease. 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.

	March 31, 2012	March 31, 2011	April 1, 2010
Canadian fixed income funds	\$ 342,800	\$ 340,000	\$272,800
Equity funds	585,900	602,100	555,000
Canadian real estate funds	160,600	129,900	120,600
	<b>\$1,089,300</b>	<b>\$1,072,000</b>	<b>\$948,400</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 2.7% (2011-3.4%, 2010-3.6%), with maturity dates ranging from 3 to 20 years.

Approximately 60% (2011-64%, 2010-63%) of the fixed income funds consisted of mortgage investments. The mortgage portfolio is diversified across regional markets, with 45% (2011-47%, 2010-48%) of mortgages located in Ontario and the remainder spread across Canada. The portfolio is also diversified by type of mortgage, with 38% (2011-37%, 2010-38%) being retail mortgages, 30% (2011-29%, 2010-28%) being industrial mortgages, and the remainder being office, residential and other. These investments have a weighted average yield of 3.2% (2011-3.9%, 2010-3.9%) and a duration of 4.0 years (2011-4.0 years, 2010-4.0 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.

## Notes to Financial Statements for the Years Ended March 31, 2012 and March 31, 2011

### 4. Financial instruments *continued*

The Institute's equity funds include the following currencies:

	March 31, 2012	March 31, 2011	April 1, 2010
Canadian	\$331,900	\$290,400	\$270,200
U.S.	137,500	190,100	170,500
Various European	79,200	81,500	74,300
Japanese	19,800	21,900	18,300
Other	17,500	18,200	21,700
<b>Total Market Value</b>	<b>\$585,900</b>	<b>\$602,100</b>	<b>\$555,000</b>

The real estate funds consist of income producing real estate properties diversified by both location and type. Approximately 51% (2011-51%, 2010-48%) of the portfolio was located in Ontario, with the remainder spread across Canada and 54% (2011-55%, 2010-54%) was invested in office real estate.

Investment and other income is composed of the following:

	2012	2011
Interest from cash	\$ 6,300	\$ 5,000
Interest and dividends from pooled funds	31,100	26,000
Realized gains on sales of investments	7,200	28,300
Unrealized gains (losses) on investments	(13,300)	76,700
Other non investment income	10,400	16,800
	<b>\$41,700</b>	<b>\$152,800</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 this policy is to reduce volatility in cash flow and earnings. The Council monitors compliance with risk management policies and reviews risk management policies on an annual basis. The Institute does not use derivative financial instruments to manage its risks.

### 5. 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

	March 31, 2012	March 31, 2011	April 1, 2010
Total assets	\$2,077,900	\$2,038,900	\$1,164,200
Total liabilities	-	-	1,500
<b>Net assets</b>	<b>\$2,077,900</b>	<b>\$2,038,900</b>	<b>\$1,162,700</b>

Net assets are comprised of restricted funds of \$1,614,800 (2011-\$1,543,900, 2010-\$665,900) and general funds of \$463,100 (2011-\$495,000, 2010-\$496,800). 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

	2012	2011
Total revenue	\$130,800	\$972,200
Total expense	91,800	96,000
<b>Excess revenue</b>	<b>\$ 39,000</b>	<b>\$876,200</b>

## Notes to Financial Statements for the Years Ended March 31, 2012 and March 31, 2011

### 5. Disclosure of controlled entity *continued*

#### Cash Flows

	2012	2011
Cash from operations	\$ 50,000	\$709,800
Cash used in investing activities	(42,800)	(701,900)
Increase in cash	<u>\$ 7,200</u>	<u>\$ 7,900</u>

### 6. 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.

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 \$43,500 (2011-\$41,700). 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.

### 7. Capital assets

	Cost	Accumulated Amortization	Net Book Value March 31, 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>

	Cost	Accumulated Amortization	Net Book Value March 31, 2011
Equipment under capital lease	\$ 26,000	\$ 16,000	\$ 10,000
Office furniture and equipment	183,900	136,100	47,800
Computer equipment	83,800	65,100	18,700
Leasehold improvements	447,000	75,600	371,400
Computer database system	41,000	41,000	-
Communications initiatives	13,900	13,500	400
	<u>\$795,600</u>	<u>\$347,300</u>	<u>\$448,300</u>

## Notes to Financial Statements for the Years Ended March 31, 2012 and March 31, 2011

### 7. Capital assets continued

	Cost	Accumulated Amortization	Net Book Value April 1, 2010
Equipment under capital lease	\$ 26,000	\$ 10,800	\$ 15,200
Office furniture and equipment	167,000	132,800	34,200
Computer equipment	109,100	82,900	26,200
Leasehold improvements	292,500	261,900	30,600
Computer database system	41,000	41,000	-
Communications initiatives	13,900	12,500	1,400
	<u>\$649,500</u>	<u>\$541,900</u>	<u>\$107,600</u>

### 8. Accounts payable and accruals

	March 31, 2012	March 31, 2011	April 1, 2010
Trade payables	\$ 82,800	\$ 45,800	\$ 47,900
Government remittances	19,000	18,200	18,700
Accruals and other	330,300	329,300	288,800
	<u>\$432,100</u>	<u>\$393,300</u>	<u>\$355,400</u>

### 9. Lease obligations and other commitments

The Institute has entered into capital leases for certain office equipment.

	March 31, 2012	March 31, 2011	April 1, 2010
Office equipment lease contract, payable in quarterly instalments of \$1,600 including interest calculated at 9.8%, maturing in February 2013.	\$4,600	\$10,300	\$15,400
Current portion	4,600	5,700	5,100
	<u>\$ -</u>	<u>\$ 4,600</u>	<u>\$10,300</u>

In addition, the Institute has leased office premises and other office equipment. The term of the leased office premises extends to December 2018.

The following is a schedule of future lease payments under these leases:

	Capital Lease	Operating Leases
2013 -	\$4,800	\$ 54,300
2014 -	-	54,300
2015 -	-	54,300
2016 -	-	54,300
2017 -	-	54,300
2018-2019 -	-	94,900
Total minimum lease payments	4,800	\$366,400
Less: Amount representing interest	200	
Present value of minimum payments	<u>\$4,600</u>	

Interest paid during the year, which is included in office operations, was \$800 (2011-\$1,300).



## Notes to Financial Statements for the Years Ended March 31, 2012 and March 31, 2011

### 9. Lease obligations and other commitments *continued*

#### University support

During the year, the Institute made the final payment of its \$1,625,000 ten year pledge to the I.H. Asper School of Business.

In 2009, the Institute entered into a new agreement to provide funding of \$500,000 to the Asper School Downtown Campus and Executive Development Program. The pledge will be paid over the next three years, commencing in September 2012.

Both pledges are being funded by a special assessment on members.

#### Database support

Annual costs for database support are \$30,000. The Institute's commitment extends through to December 2012 and is renewable annually thereafter.

#### Other

The Institute has contracted for advertising services totalling \$9,400 through to October 2012 and communication services totalling \$13,500 through to June 2015.

### 10. Deferred lease inducements

In 2011, the Institute negotiated a revised lease and received lease inducements totalling \$452,400. These comprise leasehold improvements - \$395,500 and free rent and reimbursement of certain costs - \$56,900.

	Tenant Inducements	Reduced Rent and Cost Recoveries	Total
Balance as at April 1, 2010	\$ -	\$ 1,400	\$ 1,400
Additions	395,500	56,900	452,400
Amortization	(38,400)	(6,900)	(45,300)
Balance as at March 31, 2011	357,100	51,400	408,500
Amortization	(46,100)	(6,700)	(52,800)
Balance as at March 31, 2012	\$311,000	\$44,700	\$355,700

Amortization of lease inducements is included in office occupancy.

### 11. Internally restricted net assets

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

	Invested in Capital Assets	Strategic Initiatives	Total
Balance as at April 1, 2010	\$92,200	\$41,100	\$133,300
Excess expense	(45,400)	-	(45,400)
Investment in capital assets	34,100	-	34,100
Balance as at March 31, 2011	80,900	41,100	122,000
Excess expense	(31,200)	-	(31,200)
Investment in capital assets	19,600	-	19,600
Balance as at March 31, 2012	\$69,300	\$41,100	\$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 2012 and 2011.

# Student Awards and Scholarships

## CA Medal of Excellence & National Honour Roll



Matthew Bolley



Erik St-Hilaire

Two Manitoba students placed among the top 52 candidates across Canada on the 2011 UFE and were named to the National Honour Roll. They received the CA Medal of Excellence and a cash prize, provided by the Manitoba Chartered Accountants Foundation.

Congratulations to Matthew Bolley and Erik St-Hilaire.

## 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.



James Manguba



Joel Miyazawa



Sarah Prins



Amanda Pushka



# Student and Membership Information

## Student Enrolment at March 31

by Academic Background	2012	2011	2010	2009	2008
University Graduates					
BComm	328	325	329	310	313
MPAcc/MAcc	5	6	3	6	6
BA	20	13	18	20	27
BSc	9	8	10	11	9
Other	13	15	10	5	8
	<b>375</b>	<b>367</b>	<b>370</b>	<b>352</b>	<b>363</b>
Foreign or Mature	13	11	10	9	11
	<b>388</b>	<b>378</b>	<b>380</b>	<b>361</b>	<b>374</b>

## Membership

### Changes During the Year

	2012	2011	2010	2009	2008
Membership at beginning of the year	2,869	2,835	2,796	2,777	2,752
Admitted during the year by					
Examination	87	95	89	67	59
Affiliation	6	9	4	7	3
Elected to honorary membership	-	-	-	-	1
Reinstated/Readmitted	2	2	2	2	-
	<b>2,964</b>	<b>2,941</b>	<b>2,891</b>	<b>2,853</b>	<b>2,815</b>
Decrease in membership					
Deaths	24	32	17	17	17
Resignations	31	36	33	37	18
Removed	2	4	6	3	3
Membership at the end of the year	<b>2,907</b>	<b>2,869</b>	<b>2,835</b>	<b>2,796</b>	<b>2,777</b>

## Membership Employment by Region

	Winnipeg	Outside Winnipeg	Canada	Outside Canada	2012 Total	2008 Comparative
Public Practice						
Employee	301	78	61	36	476	387
Partner	183	63	43	3	292	301
Sole Practitioner	70	27	26	1	124	124
Associate	13	5	-	-	18	17
Total in Public Accounting	567	173	130	40	910	829
Industry	713	120	227	118	1,178	1,115
Government	164	24	23	3	214	193
Education and Other	9	2	2	5	18	59
Retired	296	55	196	35	582	575
Honorary	5	-	-	-	5	6
Total	1,754	374	578	201	2,907	2,777

# Committees and Task Forces

## Committees of Council

### Audit

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

### Corporate Governance & Nominating

J.D. Doer, *Chair*  
J.G. Cristall  
R.M. MacKay  
K.E. Regan  
S.D. Sissons  
A.R. Wortzman, *Public Rep*

### Executive

J.D. Doer, *Chair*  
R.M. MacKay  
T.L. Okerlund  
D. Loewen

### Membership Linkages

T.L. Okerlund, *Chair*  
D. Loewen  
B.J. Minish-Kichuk  
J.B.A. Morrill  
H.D. Reichert  
E. Goldie, *Public Rep*

## Self-Regulatory Committees

### Bylaws Advisory

A. Gauthier, *Chair*  
D.J. Carefoot  
M.S. Gandhi  
M.S. Giles  
B.P. Shore

### Complaint

#### Review Panel

J.W. Kraemer, *Chair*  
C.A. Bellringer  
G.M. Dyrda  
G.A. Horne  
R.A. Lafreniere  
R.D. Olfert  
J.L. Gray, *Public Rep*  
T. Vowell, *Public Rep*

### Discipline

L.L. Bulat, *Chair*  
S.L. Deleau  
P. Dueck  
G.A. Garland  
D.G. Glass  
J.B. Murray  
M.W. Safiniuk  
L.C. Taraska  
J. Carr, *Public Rep*  
L.O. Pollard, *Public Rep*

### Membership

P.G. Debenham, *Chair*  
C.L.M. Barnabe  
B.J. Davies  
M.L. Graham

### Professional Conduct

J.J.A. Orisko, *Chair*  
J.K.A. Campbell  
T.M. Cascisa  
S.F. Cohen  
C.J. Kauenhofen  
J.A. McClellan  
C.A. Paradine  
B.A. Riordan  
R.H. Vandewater, *Public Rep*

### Office Practice Assistance

A.H. Kennedy, *Chair*  
K.D. Austin  
J.P. Green  
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

P.A. Kochan, *Chair*  
P.H.L. Dupuis  
K.J. Haugen  
E.J. Horbaty  
J.G. Morton  
D.E. Sachvie  
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

T.L. de Koning, *Chair*  
R. Balachandra  
M.L. Graham  
J.D. Jabs  
K.P. Kwong  
M.S. Pilloud  
S.B. Quesnel  
K.A. Shwaluke

### Taxation

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

### University Recruitment

T.E. Hayward, *Chair*  
K.S.M. Albo  
K.D. Austin  
J.E. Brown  
M.S. Craig  
B.J. Davies  
J.A. Griffiths  
B.T. Highfield  
R.S. Kowalchuk  
C.J. MacLean  
M.J. Millis  
J.M. Neudorf  
G.M. Perras  
R.K. Peterson  
R.D. Pope  
L.L.M. Ricard  
I. Schechter  
D.J. Tkach  
F. Torchia  
K.D. Ukraineck  
T.B. Walker  
K. Kirkpatrick, *University Rep*  
K. Mahoney, *University Rep*  
D. Pople, *University Rep*  
S. Hicks, *Observer*  
P. Mangat, *Observer*  
H. Ritchie, *Observer*  
K. Schneider, *Observer*  
S.A. Thompson, *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

J.D. Doer

### Leadership Group

J.D. Doer

G.B. Hannaford

R.M. MacKay

### Selection Council

J.D. Doer

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### 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

### Insurance Accounting Task Force

D.J. Tkach

### Investment Funds Standing Committee

B.J. Reid

## 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

### CA Insurance Plans West

D.G. Glass

E.B. Krahn

### CA School of Business Board of Directors

R.D. Olfert, *Chair*

R.D. Potter

#### ADMISSION AND STANDARDS APPEAL COMMITTEE

T. Scott

### Centre for Accounting Research and Education

G.B. Hannaford, *Chair*

D.J. Einarson

### International Ethics Standards Board for Accountants

G.B. Hannaford

### Manitoba Chartered Accountants Foundation Inc.

D.J. Einarson, *Chair*

S.R. Hagemeister, *Vice-Chair*

G.A. Dowhan, *Treasurer*

T.A. Bryk

W.G. Eamer

L.H. Frostiak

K.B. Phernambucq

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 1961 are the newest members of the 50 Year Club.

Elmer O.E. Bergman, CA . . . . .Winnipeg, MB  
 Roy Birnboim, CA . . . . . Toronto, ON  
 J. Anthony Bowden, CA . . . . .Winnipeg, MB  
 Donald M. Brown, CA . . . . . St. Albert, AB  
 Ronald Cinch, CA . . . . .Winnipeg, MB  
 Stephen L. Cymbalisky, CA . . . . .St. Andrews, MB  
 David G. Deans, CA . . . . . Cambridge, ON  
 Paul Divinsky, CA . . . . .Winnipeg, MB  
 John P. Duggan, CA . . . . . Toronto, ON  
 Melvin S. Fages, FCA. . . . .Winnipeg, MB  
 J. Lloyd Feinstein, CA•CBV . . . . .Winnipeg, MB  
 George F. Forzley, CA. . . . .Winnipeg, MB  
 Arnold S. Glass, CA . . . . .Winnipeg, MB  
 August N. Haugen, CA. . . . .Winnipeg, MB  
 Norman M. Humby, CA . . . . .St. Andrews, MB  
 H. Robert Jackson, CA . . . . .Winnipeg, MB  
 Robert G. LaRue, CA. . . . . Toronto, ON

Samuel W. Linhart, FCA . . . . . Phoenix, AZ  
 Alvin F. Martin, CA . . . . .Winnipeg, MB  
 Joseph Mazur, CA . . . . .Winnipeg, MB  
 John A. McInnes, CA. . . . .Winnipeg, MB  
 Brian W. McLoughlin, CA . . . . .Etobicoke, ON  
 Wayne M.E. McLeod, FCA. . . . . North York, ON  
 Dennis J. McMullin, CA . . . . .Winnipeg, MB  
 James D. Mennell, CA . . . . . France  
 Douglas R. Osborne, CA . . . . . Regina, SK  
 Gordon H.A. Pawling, CA . . . . .Winnipeg, MB  
 David Petrie, CA . . . . .Winnipeg, MB  
 Leo A. Prendergast, CA. . . . . Toronto, ON  
 Stanley J. Puchniak, CA . . . . .Winnipeg, MB  
 Robert S. Robinson, CA . . . . .Winnipeg, MB  
 Arthur Stubel, CA . . . . . Calgary, AB  
 Walter P. Voth, CA . . . . . Okotoks, AB  
 John Warkentin, 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.



Shauna C. Arnott, CA



Kenneth H. Kustra, CA•CIA

## Community Service Award

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



Gwendolyn W. Barth, CA



Douglas E.D. Tumber, CA•CISA, PMP

# 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.



J. Wayne McWhirter, FCA   Kenneth B. Phernambucq, FCA   Barbara J. Reid, FCA   Douglas J. Tkach, FCA   Gregory D. Tretiak, 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.



Robert B. Brennan, FCA

# Honorary Members and FCAs

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

# 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		

## **Mission Statement**

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

# *2012 Annual Report*



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