

ANNUAL REPORT

2009

2008-2009 Council Members:

John Laratta	President	Angus Marks	Vice-President
Gillian Lee	Secretary	Greg Cayen	Director
Tara Clowes	Treasurer	Nancy Stanley	Director
Warren St. Germaine	Director	Glenn Tait	Lay Member

Past Presidents:

C. Jeffery	2006-2008	G. Green	1987-1988
M. Huvenaars	2002-2006	R. Stewart	1985-1987
C. Munro	2000-2002	E. Neilsen	1983-1985
D. MacDonald	1998-2000	M. Odell	1982-1983
T. Dawson	1996-1998	J. Simons	1981-1982
C. Jackson	1994-1996	C. McKinley	1980-1981
L. Courneya	1993-1994	M. Hartley (C. McKinley)	1979-1980
B. J. Ashton	1991-1993	E. Neilsen	1978-1979
L. Courneya	1989-1991	R. Froment	1977-1978
R. Stewart	1988-1989		

FCAs:

B.J. Ashton	E. Neilsen	M. Odell	L. Courneya	G. Cayen
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MISSION

To provide relevant, reliable information and decisions in a global context. As trusted financial leaders with strong business skills, we act with integrity and objectivity. Our commitment to excellence and the public interest is enforced through rigorous self-governance and oversight.

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**MESSAGE FROM THE PRESIDENT
JOHN LARATTA, C.A., C.F.E.**



It has been my honour to work with Council on many issues and support the profession in the Northwest Territories.

Council members worked hard to update the By-laws and represent the Institute on projects such as the Labour Mobility Provision agreements on internal trade and the Professional Development Compliance Reporting. We also were part of the group that lobbied the Government to implement the professional corporations legislation. Several important projects continue to be worked on including the Rules Harmonization with all the Institutes and Ordre in Canada. The Harmonization will assist in ensuring that there is a consistent expectation of Chartered Accountants across Canada. Preliminary work has started with the other accounting bodies in the NWT to model the legislation for professional accountants on the Regulated Accounting Profession Act of Alberta. We recognize that this will be a lengthy process, but the goal of protecting the public is important.

Members of the profession are faced with upcoming significant changes in accounting and auditing standards. Shortly International Audit standards will be in place, which will have some changes and challenges to audits in remote locations. In the area of financial reporting changes will occur with the coming of IFRS, Generally Accepted Accounting Principles for Small Enterprises and potential changes to accounting for non-for-profit organizations. As an Institute we must work to provide training courses to members in these areas. The training programs held in the north to date have been well attended and are an important function of the Institute.

We have seen significant increases in our expenses in dealing with issues associated with the Rules of Professional Conduct. As a result our fees have increased, which has resulted in concerns expressed from some members. It is important to note that we will have to heighten our stewardship of the financial resources provided to us.

I am pleased to see the new members who completed their Uniform Final Exams being recognized this year along with the others who have successfully completed their exams in the past 5 years. I am also pleased that the Institute has started a CASB scholarship program for students who achieve distinction on their exams. Building for the future is important to ensure that there are sufficient Chartered Accountants in the Northwest Territories.

Respectfully Submitted

A handwritten signature in dark ink that reads "John Laratta". The signature is written in a cursive, flowing style.

John Laratta CA
President

FINANCIAL REPORT – NOTE TO MEMBERS ABOUT FEE INCREASES

TARA L. CLOWES, C.A., TREASURER



Council has approved the enclosed 2009/2010 budget during its March meeting. The Institute has spent almost \$61,000 in the last three years on legal fees surrounding discipline hearings, which has significantly reduced our surplus and cash. We regrettably had to increase fees to offset these rising costs and to balance our budget. This increase would not be required otherwise. However, as CAs we want to continue to maintain our independence from outside authorities and our right to self discipline and this is the consequence of being a CA.

We have included the approved 2009/2010 budget for your information as well as the previous year's budget for comparison. We are expecting to finish the 2008/2009 year with a net loss of \$12,000 which includes about \$21,500 in legal and administrative fees for disciplinary hearings. The budget reflects an increase to resident fees to \$450 and non-resident fees to \$300.

Institute of Chartered Accountants of the NWT/NU

2009/2010 BUDGET

	Budget for 2009/2010	Budget for 2008/2009
REVENUE		
MEMBERSHIP FEES	38,850	22,600
LATE/REINSTATEMENT FEES	750	375
ADMISSION FEES	3,000	1,200
RESIDENT PRACTICING OFFICE FEES	4,850	1,300
NON RESIDENT PRACTICING OFFICE FEES	10,000	1,700
INTEREST INCOME	1,100	1,700
TOTAL REVENUE	58,550	28,875
EXPENSES		
TOTAL AGM EXPENSES	3,350	5,100
TOTAL OFFICE EXPENSES	9,150	7,700
HANDBOOK & BY-LAWS	0	1,000
ADVERTISING	6,000	6,000
AUDIT FEES	3,000	-
SCHOLARSHIP	5,000	5,000
PROFESSIONAL DEVELOPMENT	1,500	1,500
TRAVEL	5,000	5,000
COUNCIL MEETINGS	800	800
INTERPROVINCIAL SERVICES	1,000	600
MEMBERSHIP SERVICES	500	700
LEGAL FEES	23,000	25,000
BANK CHARGES & INTEREST	250	250
TOTAL EXPENSES	58,550	58,650
NET INCOME	-	(29,775)

*Complete finalized financial statements to be presented at the AGM and provided to membership at that time.

COMMITTEE REPORTS

MEMBERSHIP REPORT

GILLIAN S. LEE, C.A., CHAIR



	Total	Resident Prime	Resident Non-Prime	Non- Resident	Retired
Members, March 31, 2008	120	42	28	32	18
New Members	12	1	11	0	0
Resignations	-7	-5	-1	-1	0
Suspensions	-3	-1	-2		0
Change in status	0	1	-4	-2	5
Deceased	0	0	0	0	0
Members, March 31, 2009	122	38	32	29	23

Welcome to our new members in the 2008-2009 year:

John R. Rankin, Kristal L. MacKinley, Daniel J. Block, Barry L. James, Nancy Stanley, Johnny Colonna, Steven Stessel, Greg Lindsay, Gysbertus Vanderperk, Sherman Beal, Paul Henry and Byron Dolan.

Congratulations to our retiring members in the 2008-2009 year:

Ter Hamer, P. N. Guthrie, Otto Olah, Roger Simpson and Marian Holland.

Continuing Professional Development

This year was also the first year that our members were requested to report their CPD hours under the new requirements. As in most jurisdictions, the requirements are now a minimum of 20 hours annually and 120 hours a 3 year rolling basis. At least half of these hours must be considered verifiable.

Generally there were very few issues among the membership in terms of remaining compliant with these new regulations. Members were however seeking guidance on what could be considered a verifiable hour.

Verifiable hours can be time spent in conferences, workshops or other seminars. It can also include preparing for and presenting at these functions or in-house. The publication of professional, technical or academic articles, papers and books would also be considered verifiable.

Achieving your verifiable hours goal does not have to be expensive or onerous. Some other lower cost alternatives include participating in online PD seminars. There are many providers of these types of PD. For instance, the Alberta Institute offers these seminars through their website, as does the Video Tax News website. Remember, CPD hours are accepted from any provider as long as the topic relates to your professional role and responsibilities. Your local college campus may also offer relevant content.

If you have any concerns related to CPD, please contact a member of Council.

Thank you for the opportunity to serve as your membership chair again during the past year.

COMMITTEE REPORTS

DISCIPLINE AND PRACTICE REVIEW REPORT

GREG CAYEN, C.A., CHAIR



There are two complaints against members that are currently in progress. In the matter of the first complaint, an Investigation Hearing was conducted and the Investigation Committee issued a finding that the members did not have conduct unbecoming. This finding is now being appealed to the Council of the Institute of Chartered Accountants. In regards to the second complaint, this matter has been referred to an Investigation Committee and an Investigation Hearing was held. Council is currently awaiting the results of the Hearing from the Investigation Committee. Both these matters are ongoing and will be dealt with during the coming year.

The ICANWT, through its contact with the ICAA, conducted a number of scheduled practice inspections of practicing offices in the NWT and Nunavut. Practicing offices are inspected on a rotating basis, with a full inspection occurring every three years.

BY-LAWS REPORT

GREG CAYEN, C.A., CHAIR

The Council annually reviews the By-Laws and Rules of Professional Conduct to ensure harmonization with the CICA and other Provincial Institutes to the fullest extent possible.

During the year, the Government of the Northwest Territories passed the Professional Corporations Act. The By-Laws have been amended to allow our practicing members the use of Professional Corporations. The By-Laws have also been amended to include a full exemption from continuing professional development for retired members. Finally, the By-Laws have been amended to include a provision to ensure the election of at least one member of Council residing in Nunavut.

The proposed changes will help to ensure that our By-Laws are kept current and that the public interest is protected.

PROFESSIONAL DEVELOPMENT REPORT

ANGUS MARKS, C.A., CHAIR

Over the past twelve months the ICANWT/NU hosted, jointly with the professional associations representing the CMAs and the CGAs, two professional development events, one each in the fall and winter, representing seven professional development days. The sessions were well received by members from all three accounting bodies and economies of scale were realized.

It is the objective of Council that the provision of quality professional development within the Institute's jurisdiction is imperative. As such, the Institute will continue to work with the CMA and CGA Associations to provide cost effective professional development for its membership. An expansion of the course offering to the Nunavut region is presently being considered for 2010. Given the upcoming changes in both accounting and auditing standards, the Council will strive to ensure the members are offered opportunities for education in these areas.

The next professional development is scheduled from October 26th to October 29th in Yellowknife.

COMMITTEE REPORTS

PUBLIC RELATIONS REPORT **NANCY STANLEY, C.A., CHAIR**



This year, instead of the annual CA/CGA/CMA Christmas party, the ICANWT hosted a *Git Out Yer Pocket Protector* social in February at the Trapline Lounge at the Explorer Hotel. It was held to coincide with the winter professional development seminars.

There is always more that can be done in regards to relating to the members of the institute and the communities of the NWT and Nunavut. The Council encourages all members who have suggestions or announcement to bring their ideas forth.

EDUCATION/SCHOLARSHIP REPORT **NANCY STANLEY, C.A., CHAIR**

ICANWT awarded one of the annual \$1,500 scholarships to Amy Groenheyde of Hay River, NT. She has just completed her first year at Lethbridge College and is planning to continue to work towards obtaining her CA designation. Over the summer Amy worked out of the office of Ashton Chartered Accountants. The second scholarship was not awarded as there were no other suitable candidates. The 2009/2010 scholarships were advertising in the New North and Nunatsiaq News in the months of August and September.



Amy Groenheyde,
Scholarship recipient

Council has recently established a new scholarship available to all CASB students in the NWT and Nunavut. Each student who has completed a CASB module with distinction is eligible to apply for a \$300 scholarship. The criterion regarding this new scholarship was mailed out to each CASB approved training office registered in the NWT and Nunavut.

WEBSITE REPORT **GLENN TAIT, CHAIR**



The Institute website www.icanwt.nt.ca is a useful source of information about a number of topics. As well as containing information about the Institute, it contains links to other useful websites. The site also contains a list of Prime Members and NWT and Nunavut Practicing offices. Members of the Institute are able to advertise employment opportunities on the website, and are encouraged to take advantage of this free service.

The Institute experienced a number of difficulties with the website and its updating over the past few years. As a result, the website has been redesigned, to update it, and to allow the Institute to make changes to the site directly. The launch of the new website is expected for the fall of 2009.



CONTACT:

Institute of Chartered Accountants of the Northwest Territories & Nunavut
PO Box 2433
Yellowknife, NT X1A 2P8

Tel: 867-873-3680
Fax: 867-920-4135

Email: CaitlinLacey@Yel.MacKay.ca (executive assistant)

Website: www.icanwt.nt.ca