

Annual Report

2010

2009-2010 Council Members:

John Laratta	President	Byron Dolan	Director
Gillian Lee	Secretary	Greg Cayen	Director
Tara Clowes	Treasurer	Nancy Stanley	Director
		Glenn Tait	Lay Member

Past Presidents:

J. Laratta	2008 - Present	R. Stewart	1988-1989
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

FCAs:

B.J. Ashton	E. Nielsen	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 and support the profession in the Northwest Territories and Nunavut.

There was significant work done by Greg Cayen with assistance from the Institute of Chartered Accountants of Alberta (ICAA) to update the Rules of Professional Conduct to align our rules with the national recommendations. In addition, the new by-laws have been written which will enable us to have members practice through professional corporations once Chartered Accountants are proclaimed to be included in the legislation.



We are working to formalize our relationship with the ICAA. They provided significant assistance and support in certain discipline matters this year. A draft Memorandum of Understanding is being prepared for Council's review to obtain support from the ICAA in areas such as membership admission, particularly for non-traditional membership categories, CA firm registration, CATO approval and monitoring, member services, communications, liaison with CASB and National issues and Legislation and regulatory review. The increasing complexity of the issues being dealt with by Institutes across Canada and the pace of these changes results in our requiring assistance in many areas from larger Institutes. This has been recognized by other Institutes such as Yukon, Newfoundland, Bermuda and PEI.

Legislation review and revision is a project that was initiated this year and is expected to take several years to complete. Our governing legislation has not been updated for many years, does not adequately address many significant areas and is not consistent with the legislation in other jurisdictions. There have also been preliminary discussions at the national level to have funding from the CICA for this project and similar projects in Atlantic Canada.

Members of the profession continue to be faced with major changes in accounting and auditing standards. Shortly there will be new accounting reporting required for private enterprises, public companies and not-for-profit entities. The ability to provide training in these areas will be important. During 2008 we implemented amended continuing professional development requirements for all members, and we need to ensure that appropriate professional development is available. In conjunction with other accounting bodies in the NWT, we support this aspect of the profession through in person courses in Yellowknife.

We are starting to rebuild our surplus accounts after dealing with issues related to Rules of Professional Conduct. A surplus is important as there are expected future costs to assist with updating our legislation over the next few years as well as

I am pleased to see the new members who have completed their Uniform Final Exams being recognized this year. In addition it is great to see that many of the new members in the past five years who have been admitted through completing their Uniform Final Exams continue to work in and contribute to the NWT, in industry, government and public practice.

Three members of council have decided pursue other important activities. I would like to thank Angus Marks, Gillian Lee, Grey Cayen and Nancy Stanley for their hard work on council.

Financial Report

Tara L. Clowes, C.A., C.F.P.

Council approved the following 2010/2011 budget during its March meeting. For the fourth year Council has continued to have high legal expenditures; however, due to the fee increase in 2008/2009, we were able to maintain a balanced budget despite the high legal costs. No further fee increases were instituted in 2009 / 2010.



We have included the approved 2010/2011 budget for your information as well as the previous year's budget for comparison. We are expecting to finish the 2009/2010 year with a profit of \$4,300 which we would like to set aside to start to build up our unrestricted net assets. The intention of Council is to ensure we have sufficient reserves in the event we are ever faced with a large disciplinary hearing.

	2011 budget	2010 budget
Membership fees	38,850	38,850
Admission fees	3,000	3,000
Interest Income	100	1,100
Late/Reinstatement fees	750	750
LLP / PC Registration fees	3,000	0
Non-Resident Practicing Office	4,000	10,000
Resident Practicing Office	4,850	4,850
Total revenue	54,550	58,550
Advertising	7,500	6,000
AGM expenses	8,350	8,350
Audit fees	3,000	3,000
Bank charges & interest	250	250
Council Meetings	1,000	800
Interprovincial Services	1,000	1,000
Legal Fees	17,750	23,000
Membership Services	500	500
Office expenses	10,700	9,150
Professional Development	1,500	1,500
Scholarship	3,000	5,000
Total expenses	54,550	58,550
Net income	0	0

Membership Report

Gillian S. Lee, C.A., Chair

Welcome to our new members who joined the ICANT/NU in the 2009-2010 year:

Patrick W. J. McClarty, Loren Mitchell, Arend Hoekstra,
Christine Mann, Nick LoRusso, Christopher Polselli,
Robert Rutledge, Wayne Barry.

Congratulations to our members who attained retired status in the 2009-2010 year:

Michael Odell, Richard Reiber, H. Ralph Henderson
R. A. Paterson, Peter Watson.



	Total	Resident Prime	Resident Non-Prime	Non- Resident	Retired
Members, March 31, 2009	122	38	32	29	23
New Members	8	1	6	1	0
Resignations	-10	0	-5	-4	-1
Suspensions	-2	0	-2	0	0
Change in status (+)	9	3	3	3	0
Change in status (-)	-9	0	-6	-3	0
New Retirees (change in status)		-1	0	-4	5
Deceased		0	0	0	0
Members, March 31, 2010	118	41	28	22	27

Discipline and Practice Review Report

Greg Cayen, F.C.A., Chair

During the year Council continued to deal with two complaints against Members. In the matter of the first complaint, an Investigation Hearing was previously conducted and the Investigation Committee issued a finding that the Members were not guilty of conduct unbecoming. This finding was appealed to Council by the complainant. The appeal will be dealt with at the earliest possible opportunity.

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In regards to the second complaint, this matter was referred to an Investigation Committee, an Investigation Hearing was held and the Member was found to have been guilty of conduct unbecoming of a Chartered Accountant. This matter was appealed to the Supreme Court of the Northwest Territories by the Member. Rather than proceed through the appeal and potentially another review by Council, a Settlement Agreement between the Member and the Institute (which achieved the desired result) was negotiated and executed and the appeal has now been withdrawn.

The Institute of Chartered Accountants of the Northwest Territories and Nunavut, through its contact with the Institute of Chartered Accountants of Alberta, conducted a number of scheduled practice inspections of practicing offices in the Northwest Territories and Nunavut. Practicing offices are inspected on a rotating basis, with a full inspection occurring every three years.

By-Laws Report

Greg Cayen, F.C.A., Chair

The Council annually reviews the By-Laws and Rules of Professional Conduct to ensure compliance with all CICA recommendations.

Council with the assistance of the Alberta Institute of Chartered Accountants have updated both the By-Laws and Rules of Professional Conduct this year so they are harmonized with the other Provincial Institutes. Many thanks to Donna Kline, FCA of the Alberta Institute for her tremendous assistance in this matter.



The most significant change to the By-Laws is that Section 14 will not be in force until such time as Chartered Accountants are listed as a designated profession in the schedule of the Professional Corporations Regulations. Council will request that Chartered Accountants are included in the list of professionals that are able to practice as professional corporations in the Northwest Territories.

During the next year the By-Laws will require amendment for recommended changes requested by the Institute of Chartered Accountants Discipline and Practice Inspection Working Groups. In addition a by-law change allowing training offices outside of public practice is recommended. All Provincial Institutes currently allow training offices outside public practice.

The rules of professional conduct have been amended for changes to independence and conflict of interest rules. In addition new sections on objectivity and borrowing from clients have been introduced.

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

Professional Development Report

Byron Dolan, C.A, Chair



Over the past year, the ICANT/NU has hosted two joint professional development sessions with the CMA and CGA professional institutes. The sessions were generally well attended and provided feedback on what types of PD members would like to see in the future.

With the transition to new accounting and auditing standards, it is the Council's goal to ensure that all members, including those currently not working in public practice, are well versed in these new standards. There have also been important changes to the ICANT/NU's Rules of Professional Conduct that will impact all CAs working in the North. The PD committee will be working to provide members with opportunities to expand their knowledge in these areas over the next year.

The Council would also like to reiterate its desire to offer PD opportunities to CAs working outside of Yellowknife. The PD committee is exploring the possibility of offering a PD session in Iqaluit in the coming year.

The next professional development sessions are scheduled from November 15th to November 17th in Yellowknife.

This year the previous Professional Development Chair, Angus Marks CA, stepped down from Council and relocated to Edmonton. The Council would like to thank Angus for his service to the ICANT/NU over the years and wish him luck in the future.

Public Relations Report

Nancy Stanley, C.A., Chair

This year the CA/CMA/CGA joint Christmas party was hosted by the CGA. It was held December 8, 2009 at World Catering Services in Yellowknife and was a good time for all who attended.

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 announcements to bring their ideas forth.



Education / Scholarship Report

Nancy Stanley, C.A., Chair

ICANT/NU awarded both of the \$1,500 scholarships that it offers. Congratulations to Jessica St. Arnaud and Andrea Fleury both of Yellowknife. Jessica is currently completing her Canadian Securities Course through the Canadian Securities Institute and intends to complete her Bachelor of Commerce degree with an accounting major, through the University of Alberta's School of Business, in April 2011. Upon completion of set degrees, she plans to return to the north and immediately begin pursuing my Chartered Accountant designation. Andrea is enrolled in her second year of accounting and strategic measurement diploma program at Grant MacEwan University. Once she completed the diploma program she plans to continue her studies by working toward a bachelor of Commerce degree with a major in accounting. The fall 2010 scholarships were advertising at various colleges and universities

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. Currently we have had one successful scholarship applicant, Ethan Oatman of MacKay LLP.

Contact the Institute:

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