



E-Insights

December 22 ,2008

New Chartered Accountants Act Passed in House of Assembly

This past year has been a busy one for the Institute of Chartered Accountants of Newfoundland (ICAN), with much of our work focusing on the provincial government's proposed new *Chartered Accountants Act* (the Act).

The membership was first informed of the proposed legislation in February 2008, and since then ICAN has worked diligently to ensure that the new Act is the best possible for Chartered Accountants (CAs) in Newfoundland and Labrador. There were many meetings and briefing sessions with officials and the Minister of the Department of Government Services (the Department responsible for the legislation), and after many months of hard work, the Board is pleased to tell you that new Act has been passed in the House of Assembly.

One particular area of concern for the new Act was the possibility of a requirement for ICAN to be split into two organizations. Government strongly supported such a change, ICAN and the other professional accounting bodies in the province strongly opposed this move. ICAN's position was that two boards would be unnecessary given that the Institute undertakes very little advocacy on behalf of our members. Our concern was that the creation of two organizations, in addition to the Public Accountants Licensing Board, would only result in confusion for the public. Over the past number of months, we presented our position to Government, and we believe that at the end of the day ICAN will be able to continue to provide all our activities to our membership under one regulatory Board.

One of the major changes reflected in the Act is the ability for CAs to now operate as professional corporations – this is the same type of corporate structure afforded to other professionals in the province including physicians and lawyers. In addition, the new legislation includes provisions permitting Limited Liability Partnerships (LLPs). These changes have been long in the making and should provide significant benefits to our members in public practice.

Under the new Act, there will also be significant changes for ICAN in how it carries out the conduct process. Government uses a common discipline model for all self-regulating organizations and this

model has been incorporated into the new Act. As a result of these changes, a three person committee of the Board will be responsible for investigating all conduct matters. This will replace the current format of an independent professional conduct committee. In addition, there will be no internal appeal mechanism; all appeals will now have to be made to the trial division of the Supreme Court. This will no doubt significantly change the operations at the Institute and require considerable amendments to our By-laws and regulations, which the membership will be asked to approve at our next Annual General Meeting.

The new *Chartered Accountants Act* includes the addition of “Labrador” to our organization’s legal name. We will now be the Institute of Chartered Accountants of Newfoundland and Labrador. This change is long overdue and we are glad to now have Labrador appropriately included in our name.

This new legislation is the result of a tremendous amount of work and effort. In addition to the Institute staff and the Board, several other individuals were instrumental in assisting ICAN work on this project. The Board would like to thank Jim Kirby, Boyde Clarke, Stephanie Hussey, Ken Templeton, and Karen McCarthy and her staff at M5 for all their assistance.

The Act will be come into effect on June 30, 2009. In the upcoming months there will be more detailed information distributed to members concerning the impact of the new legislation. It has been an interesting year at ICAN, and thanks to your support, we now have a solid piece of legislation to govern our profession - one which benefits CAs and the public we serve.

“Decisions Matter” Advertising Campaign Launched

We are pleased to announce the launch of the new CA advertising campaign “Decisions Matter.” You may have already noticed the ads in magazines like Macleans, Profit Magazine and Canadian Business. Come January, you will also find the campaign in a variety of media across Canada including print, television, radio, websites and airport billboards.

The ad campaign targets executives and leaders in the business community and is the next step of the CA branding strategy. The first step, the CA advantage campaign, talks about what CAs are good at. The new campaign talks about what CAs are good for. It is designed to help position CAs where they belong - among the top valued professionals an organization can trust to assist in decision making. The ads portray a world where decisions are unrealistically easy, reminding the audience that they would be better off choosing the talent and integrity of a CA to help them make these important business decisions.

Be sure to check out the January issue of CAmagazine for more details and a preview of our new advertising campaign. You will be the first to know when the remainder of the campaign gets underway. So stay tuned!

Further information on the new campaign is available at <http://www.decisionsmatter.ca/>

Professional Development Activities

ICAN has successfully completed our Fall 2008 Professional Development program and it is now time to start planning Professional Development activities for the coming months. We are continually looking for opportunities to expand the professional development courses available to our members and are pleased to present the January 2009 PD catalogue with some new course offerings in the use of Word, Excel and Powerpoint. As well, in response to members' requests for more a more detailed tax update, we are offering a 2 day Corporate Income Tax Refresher course.

Please review the Winter 2009 calendar for a full list of January courses. The calendar has been e-mailed to all members and is also available on the ICAN website. For registration information and conditions and registration forms, please refer to your Fall 2008 PD catalogue which is available on our website at www.ican.nfld.net. Members are reminded that PD passports purchased on Spring and Fall 2008 are still valid for Winter 2009 course offerings.

Upcoming Courses Include...

Preparing Working Papers for an Audit – January 9th, 2009

This course is designed to provide practical hands on experience on how to document an audit file for a small entity and focuses on learning how to comply with the new audit standards without incurring unnecessary time and costs

Compilation Engagements – January 12th, 2009 (am)

This is a half day course that looks at the requirements of *CICA Handbook 9200* and how to apply these standards in practice on a consistent basis. Some of the questions that will be covered include: What should be in our working paper files? How do the "association rules" impact these engagements? Does the practitioner have to be independent? What about monthly bookkeeping assignments? What about information gathered for tax compliance purposes?

Getting Started with Word 2007 – January 14, 2009 (am)

This ½ day course is for those participants who are familiar with Microsoft Word 2003 and require an orientation to the new and modified features of Microsoft Word 2007. Features of the Office Button, Quick Access Toolbar and Ribbon will be demonstrated. The correspondence with Word 2003 commands and toolbars will be examined. Participants will follow the demonstration using two simple documents. The concept of galleries will be stressed.

PowerPoint for Accountants – January 14, 2009 (pm)

This ½ day course is designed to teach participants the techniques necessary for efficiently preparing effective presentations using PowerPoint. Participants will learn how to develop a presentation that flows consistently from slide to slide, how to use animation and how to link data between PowerPoint, Word and Excel so that they can produce more effective presentations.

Microsoft Excel 2007 – Intermediate - January 21, 2009 (am)

This full day course is designed for participants who want to learn how to use Excel more effectively and efficiently in their work environment. It will offer tips, tricks and techniques that will benefit all participants regardless of level of experience.

Microsoft Excel 2007 – How to Budget and Forecast - January 28, 2009 (am)

This full day course will assist participants by providing tips and techniques on how to prepare more exact budgets and forecasts in an efficient manner using Excel. This course will focus on advanced features of Excel that are specifically suited to the budgeting and forecasting process.

Introduction to Business Valuation - January 22, 2009

This full day course provides an overview of valuation matters to help deal with associated issues encountered in practice or in industry. At the end of the seminar participants should understand the various approaches and methodologies used in business valuations and be able to apply the discounted cash flow approach in a case study.

Advanced Business Valuation January 29, 2009

This full day course provides a review of participants' understanding of the basics of business valuation and furthers their knowledge regarding the application of the discounted cash flow method, the impact of capital structure assumptions, valuing different types of securities, the impact of special purchasers and testing for goodwill impairment.

Income Tax Refresher – Corporate January 13 & 14, 2009

This two day seminar goes beyond corporate tax preparation to review personal and corporate tax planning opportunities that are available for corporate tax payers. At the end of the two days participants should have a good understanding of corporate taxes that impact corporations. Participants should also be in a position to identify tax planning opportunities for the corporate tax payer.

Purchase and Sale of a Business January 19, 2009

This course provides an understanding of income tax issues with respect to the purchase and sale of a business and a limited perspective of other issues faced in the purchase and sale of a business. While the course is focused on taxation issues, there is a brief section on valuation from the perspective of experience.

Looking Ahead...

International Financial Reporting Standards continues to be a hot topic and generated a lot of interest in our fall session. Our plans for February include a focus on IFRS.

In addition, Dr. Trevor Brown's course entitled "Retaining Employees in the New Economy" was well received by participants in the Fall session and we will be offering this again later in the winter.

As well, we are currently working with the Corner Brook campus of the College of the North Atlantic to provide PD course on Word, Excel and PowerPoint for our west coast members.

Please keep watching your email for details of our February calendar.

Canada's CAs Offer On-Line IFRS Course....

The Chartered Accountants of Canada are offering a new e-learning course aimed at helping members of the profession and the broader business community make a seamless transition to International Financial Reporting Standards (IFRS).

The countdown is underway as Canada moves closer to adopting IFRS in 2011. Chartered Accountants across the country will play key roles in guiding companies through the changeover process.

"The e-learning course is a primer, providing CAs and others with a basic introduction to IFRS and the implications to Canadian business," said Frank Colantonio, Director, Continuing Education, with the Canadian Institute of Chartered Accountants (CICA). "For those who need to develop further expertise, it provides a foundation that will allow them to self-assess and seek additional knowledge and skills required to meet the demands of their jobs."

The e-learning course is easy and convenient to use. It is available free of charge in English and French for those in Canada and Bermuda, and is divided into four modules that allow individuals to learn in their own time and at their own pace. The course takes roughly three hours to complete.

The e-learning course is available through a dedicated IFRS website launched by the CICA (www.cica.ca/IFRS). In addition to the course, the special site offers extensive resources to steer companies and individuals through the transition process. This includes information about a wide range of courses available across Canada as well as an extensive array of reference materials, downloadable publications, ideas on how to get started and implementation tools such as sample financial statements.

Financial Instruments – Relief for Private Enterprises

Following meetings held in September 2008, the Accounting Standards Board (AcSB) reviewed the recommendations of the Private Enterprise Advisory Committee in respect of a number of key issues concerning the development of a separate set of GAAP for private enterprises.

The AcSB decided that a private enterprise will not be required to apply financial instruments standards, including Sections 1530 *Comprehensive Income*; 1651, *Foreign Currency Translation*; 3051, *Investments*; 3251, *Equity*; 3855 *Financial Instruments – Recognition and Measurement*; 3862 *Financial Instruments – Disclosures*; 3863, *Financial Instruments – Presentation*; and 3865, *Hedges*. Private enterprises may choose to apply the XFI version of the Handbook. The AcSB agreed to waive exposure of the Handbook changes giving effect to this decision.

New financial instrument standards will be included in the proposed set of GAAP standards for private enterprises expected to be exposed in early 2009. Additional information can be found on the AcSB website at http://www.acsbcanada.org/index.cfm/ci_id/185/la_id/1.htm

Member Announcements...

Richard Daw, FCA has joined the Faculty of Business as Executive in Residence for two years effective October 1, 2008. While Rick will assist the faculty in a variety of areas, his primary roles as Executive in Residence will be to assist the Gardiner Centre with developing and promoting relationships with professional organizations, such as the Institute of Chartered Accountants, and by helping to establish a student consultancy.

Greg Roberts, CA, President and owner of Pilley's Island Enterprises, was recently named Ernst & Young Entrepreneur Of The Year[®] 2008 for the Atlantic region. The award was for the Services category. The Ernst & Young Entrepreneur Of The Year[®] Award celebrates those who are building and leading successful, growing and dynamic businesses, and recognizes the contribution of people who inspire others with their vision, leadership and achievement.

Congratulations to you both!

The commerce class of '84 is planning a 25 year Commerce reunion for next summer, any members who graduated from MUN Commerce in '84 are asked to email their contact info to Brian Murphy at brianlt@ns.sympatico.ca

Upcoming Events

Mark your calendars...



January/February 2009

Winter PD Sessions

February 28, 2009

Convocation and FCA Ceremonies,
Delta, St. John's

July 9-11, 2009

CA Newfoundland 60th Anniversary Conference
(details to follow in January 2009)

May 28, 2009

Volunteer BBQ, Fluvarium

July 10, 2009

Annual General Meeting

September 11, 2009

CA Education Foundation Golf Tournament

Editor's note...

The winner of our naming contest was Nicole Miller. The ICAN newsletter and e-newsletter will now be known as Insights and E-Insights respectively... Thanks Nicole!

From all of us at ICAN, to you and your families, warm wishes for a wonderful Christmas and a joyous, healthy and prosperous 2009!

ICAN E-News is a publication of the Institute's Communications Committee.

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