



2011 Annual Report

Chartered Accountants of Manitoba

125



1886-2011: 125 Years - Countless decisions

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Members of Council 2010-11

Elected Officers



Douglas J. Tkach, CA, CFA
President & Chair



James D. Doer, CA
First Vice-President



Rick M. MacKay, FCA
Second Vice-President



Teresa L. Okerlund, CA
Secretary-Treasurer

Other Members of Council



Cheryl A. Atchison, CA



Stephen W. Childerhouse, CA



Jeffrey G. Cristall, FCA CA•CBV



Gordon A. Dowhan, CA



Larry H. Frostiak, FCA



David Loewen, FCA



C. Stuart McKelvie, FCA



Brenna J. Minish-Kichuk, CA



Richard D. Pope, FCA



Kevin E. Regan, FCA



Heather D. Reichert, CA



Elaine Goldie
Public Representative



Anita R. Wortzman, LLB
Public Representative

From the President and the CEO

The Institute has enjoyed a long history of excellence. 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 marks our 125th anniversary.

When it was first formed in 1886, there were only 15 registered members. Today, we have nearly 2,900 members and almost 400 students. As such, we are the oldest and largest body of professional accountants in the province.

We intend to celebrate this milestone with a number of events throughout the year. First, we are holding a special 125th Anniversary Conference in Winnipeg on May 25 and 26, 2011. As well, the Canadian Institute of Chartered Accountants (CICA) will be holding 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 will be in Winnipeg to help commemorate our anniversary.

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 continue 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 on how we can best address such developments not only at the national level but within the Manitoba context. These factors have been taken into account as Council continues to address the strategic priorities facing the profession.

Attracting exceptional people

Attracting exceptional people to the profession was considered a high priority for the profession not only in Manitoba but across all jurisdictions this past year. With the baby boomer generation entering or approaching retirement, a challenge that all trades and professions 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.

In 2009, a Growth Strategy Task Force was formed to identify a number of potential ways to help grow the profession. The Professional Learning Committee (PLC) of the Council of Senior Executives has been asked to consider the findings of the Growth Strategy Task Force and to develop specific recommendations to allow several of the initiatives to be implemented.

One of the PLC's first priorities was to consider possible new pathways into the CA profession beyond the traditional training



Douglas J. Tkach, CA
President & Chair



Gary B. Hannaford, FCA
Chief Executive Officer

in audit and assurance that most members followed to become CAs. The PLC has identified a number of alternative pathways into the profession and many of them are under careful consideration including a(n):

- CA Core Program
- CA Executive Professional program
- UFE Challenge Route
- Evaluation of Experience

If, after careful study, these pathways are approved then membership candidates will be required to complete a Prior Learning Assessment that will help determine which of the pathways is most suitable to them to pursue the CA profession.

Meanwhile, during the past year Council approved a Mutual Recognition Agreement (MRA) with the Institute of Chartered Accountants of Zimbabwe (they have a close affiliation with the South African Institute of CAs with whom we have had an MRA for several years). Council also approved a Memorandum of Understanding (MOU) with the Institute of Chartered Accountants of India. Under this MOU, any CAs from India would be required to successfully complete the UFE. The MOU with India is the first of its kind.

In the meantime, we continue to encourage more employers outside of the traditional audit and assurance area to obtain approval to train CA students. You will recall that the bylaws were changed in 2007 to allow employers both within and outside of public practice to train students in areas outside of audit and assurance provided that the depth and breadth of training was substantially equivalent to that of public accounting. These employers are commonly referred to as Expanded Experience Opportunities (EEO) CA Training Offices. The one proviso was that any students who did not train in public accounting would not be allowed to practice in public accounting unless they subsequently obtained the necessary practical experience in that area.

In Manitoba, five employers have been approved as EEO CA Training Offices : The Great-West Life Assurance Company, Investors Group, Deloitte & Touche's Enterprise Risk Services group, Deloitte & Touche's Tax Services group and PricewaterhouseCoopers' Tax Services group. The latter two were approved by Council this past year. Several other potential EEOs are considering the opportunity to train CA students. We were delighted to see that the first group of these graduates successfully completed the UFE in 2010 and are now CAs.

From the President and the CEO

To assist the Institute in identifying potential new EEOs, the Institute hired Kim Metcalfe as the new Director of Student Recruitment in May 2010.

Ensuring public trust and confidence in the profession

At the core of the CA profession is our commitment to protecting the public interest. A particular focus of the Council over the past several years was our call for the Government of Manitoba to establish a system for licensing public accountants in the province. Currently, Manitoba is one of only a few provinces in Canada that has no legislated public accounting regulation in place. This results in a “buyer beware system” that puts the onus on the users of financial statements to vet the quality of the service provider.

We have recommended a public accounting licensing system that is consistent with international standards required in other major countries around the world. To complicate matters, however, at the time we approached the provincial government to establish appropriate public accounting regulation in Manitoba, the Premiers of the various provincial governments were in the process of renewing their commitment to the labour mobility provisions of the Agreement on Internal Trade (AIT).

Under the AIT, if a professional is allowed to provide a service in one province that professional should be able to provide the same services in any other province. As provided for in the AIT, the Ontario government filed for an exception when it came to recognizing those who practise public accounting in other provinces. The Ontario government determined that it was not in the public interest if those public accountants from other provinces did not meet the standards set by the Public Accountants Council of Ontario – standards which are essentially the same as the international standards we recommended that the Manitoba government establish to license public accountants in Manitoba.

We were surprised to discover last fall that the Manitoba government had decided to support the Certified General Accountants of Manitoba and formally challenge the exception that the Ontario government had established in that province. The Institute fully supports the intent behind the AIT so long as it does not result in a lowering of standards. We believe that proper protection of the public is supported by international public accounting standards and that the Institute meets those standards.

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 opportunities for improvement in the self-regulatory processes of the profession.

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 independence standards for professional accountants. The PTC formed an Independence Task Force 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.

It was decided to address the review in two stages. The first stage was to determine if changes should be made to the partner rotation requirements and the second stage was to consider whether other changes should be made to facilitate convergence with international independence standards. The partner rotation requirements were considered separately as a first step to determine whether changes should be made to these requirements in anticipation of the implementation of International Financial Reporting Standards for public companies on January 1, 2011.

In the fall of 2010, a special general meeting of members was held and the members approved changes to the RPCs and Council Interpretations to allow the lead engagement partner or the engagement quality control reviewer on an engagement of a reporting issuer to serve in that capacity for up to seven years provided he/she cannot resume either role until a further five years has elapsed.

The second stage of the review will continue over the next year or so as possible further changes to the Canadian requirements are contemplated. An Exposure Draft is expected to be released in the fall of 2011 with final changes being recommended to the membership for approval at the 2012 Annual General Meeting.

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

Support all members throughout their careers

Support for members begins at the time that they first enter the profession as students and includes helping to prepare them to become exceptional professionals. The Institute continues to work with the universities and the CA School of Business to provide an excellent 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, wealth management, taxation, management, leadership and personal development. Several topics were of particular interest this past year as the membership continues to deal with International Financial Reporting Standards, new accounting requirements for private enterprises and new

From the President and the CEO

Canadian Auditing Standards.

This past year, with the move to our new premises at One Lombard Place, we expanded the size of the CA Learning Centre to meet the growing demand from members for our PD courses. Even with the expanded size of our classroom we continue to find many of our courses are at or close to capacity.

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.

In 2010-11, there was an ongoing commitment to collaborate across the country to continue strengthening the brand. The Decisions Matter concept underscores the unique qualities CAs bring to business and will remain central to the campaign. In the fall of 2010, new ads were developed and launched. These new ads stayed true to the Decisions Matter concept but delivered the message in a fresh manner.

This fall, the Branding Committee of the Council of Senior Executives will conduct research with key stakeholder groups to evaluate the effectiveness of the campaign and to determine the focus of future advertising.

On the local front, the Manitoba Institute published its ninth annual *MB Check-Up* report in partnership with the BC and Saskatchewan Institutes. The report reviews Manitoba as a place to live, work, and invest and compares Manitoba with the other Western provinces, Ontario and the Canadian average for 15 key indicators. The report is shared with the three provincial political parties as well as key stakeholders in the business community.

MB Check-Up continues to receive media attention and Institute CEO Gary Hannaford spoke to a number of the local Chambers of Commerce on the results of the report. Even with the success of the *Check-Up* report in previous years, after nine

years we have decided to change the approach to the 2011 report where we will focus on two or three key indicators and deal with them in much greater depth. We hope this fresh approach will result in renewed interest in the report going forward.

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 2010 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 14 and 15 of this report. And don't forget that nomination forms for the awards are available online at 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 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.



Douglas J. Tkach, CA, CFA
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. These policies are reviewed annually.

Management's Responsibility

Management is responsible for developing and implementing a business plan to achieve the Ends as well as 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 summarized financial statements and other information contained in the Annual Report as well as the complete financial statements, which are available online or on request, are management's responsibility.

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and necessarily include estimates based on management's best judgment. Management is also responsible for having appropriate internal controls in place to ensure financial statements 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.

2010-11 Financial Information

Summarized financial statements are included with the Annual Report. Readers are encouraged to refer to the complete financial statements which are available on the Institute's website or upon request by contacting the Institute offices.

At March 31, 2011, the Institute's assets were \$2,439,500 compared to \$1,920,500 at March 31, 2010. The most significant asset is the investment balance which increased by \$123,600 in 2011 and accounts for approximately 44% of the total assets at March 31, 2011. The Institute's investment portfolio comprises equity, Canadian fixed income and Canadian real estate pooled funds.

The Institute had cash of \$814,200 at March 31, 2011 versus \$786,500 at March 31, 2010. Operating activities generated \$80,400 in cash during the year while investing and financing (capital lease payments) activities utilized \$52,700. 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 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, 2011 amounted to \$1,025,300 and were composed of internally restricted net assets of \$122,000 and unrestricted net assets of \$903,300. 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 \$87,500, compared with \$98,500 in 2010. The Institute receives income from several sources to carry out its operations, including member fees, assessments and events revenue, revenue from self funding programs, and investment and other.

Member fees, assessments and events revenue increased in 2011 from \$1,612,600 to \$1,687,600 as a result of an inflationary fee increase for resident members as well as growth in the number of resident members, due mainly to the continued increase in the number of newly admitted members.

Membership and student statistics are provided elsewhere in the Annual Report. There continues to be modest growth in the number of members. The number of students has been well in excess of 300 for the past four years.

There was also an increase in self funding revenue this year from \$483,300 to \$491,200. Self funding activities consist of two activities – member education and practice review. There was a 36% increase in practice review revenue this year as a result of increased inspection hours as well as an inflationary fee increase.

Member education revenue declined by 3% in 2011. This variance was anticipated as the 2010 member education program had included a number of additional course offerings to assist

Management Discussion and Analysis

members in transitioning to new accounting and auditing standards.

Investment and other revenue was down slightly in 2011, although the portfolio has once again performed beyond its objectives this year. Investments are measured at quoted market values and, as a result, investment revenue includes unrealized gains. In 2011, unrealized gains were \$76,700.

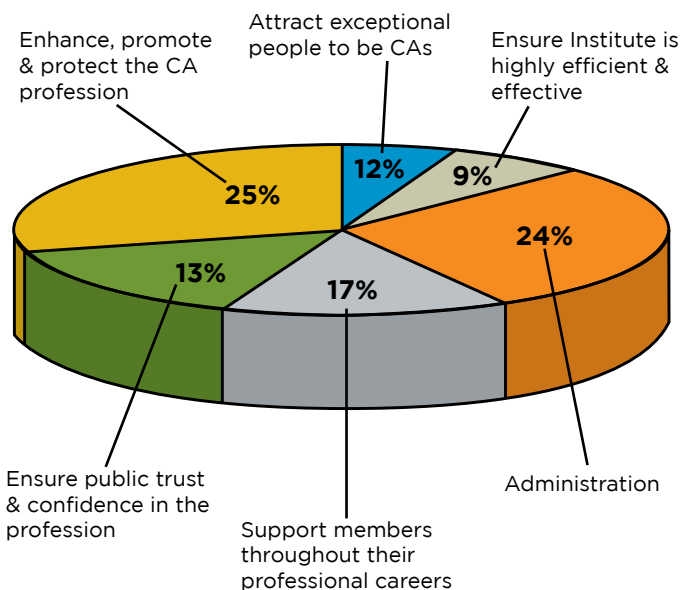
Additional breakdowns of expenditures are available in the complete financial statements. Categories provided in the complete financial statements include salaries and benefits, pre-certification education support, external communications, office operations, occupancy costs, and amortization as well as others.

Self funding expenditures include the direct costs of providing the member education and practice review programs. Practice review expenditures include the salaries and benefits of the staff directly involved in this area, as well as other direct costs incurred to run the program. These are included in regulatory expenses on the complete financial statements.

Member education includes the costs of the program itself, which is a separate line item in the complete financial statements as well as salaries and benefits for staff directly involved in this area, plus the incremental rent costs associated with the classroom. These items are included in salaries and benefits and office occupancy on the complete financial statements.

As provided for in the Executive Limitations, practice review and member education are intended to break-even, after an allocation of all costs directly attributable to the program, including staff salaries. During the year, self funding programs had excess revenue of \$23,800, due mainly to some lower than expected costs in the member education area.

The following graph illustrates expenditures broken out by Ends policies for 2011. 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. Major expenditures in this area include Manitoba's allocation of the national branding campaign as well as Manitoba's "top-up" campaign.

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.

The largest component of attracting exceptional people to be CAs continues to be the \$162,500 paid toward the 10 year commitment to the I.H. Asper School of Business at the University of Manitoba. This, along with other expenditures in this area, helps ensure a future supply of quality CAs.

Identification and Mitigation of Risks

During the past year, Council established a Task Force on Risk Management. A comprehensive assessment of risks was prepared for consideration. Going forward, a summary of risks will be reviewed by the Audit Committee, along with a report on internal controls. The risk report will summarize the strategic, reputational, and operational risks to which the Institute and members are exposed.

The President and CEO's report provides detailed information on the strategic initiatives of the Institute. These initiatives address the strategic 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 to members. The Manitoba Institute aligns its strategies where possible with national initiatives. As well, Manitoba continues to influence national strategy with the participation of members of the management team and a number of volunteer CAs who serve in a variety of capacities on national committees.

In addition to national member communication initiatives, the Institute conducted a Member Services Survey during the past year. Understanding members' needs and providing the products and services to fill these needs is at the heart of the Institute's operations. The results from the survey will be used to develop and enhance our programs and services.

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 practice advisory services. In addition, various tools and publications to assist members in the transition to new standards are available on 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. With the new office premises, we are

Management Discussion and Analysis

able to accommodate more members in the newly expanded CA Learning Centre.

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 and assessments 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 portfolio is subject to market fluctuations, the diversification of the portfolio allows us to meet the long term objectives of protecting the investment capital, while still achieving a targeted return on investment. Monitoring of the investment portfolio is done with quarterly

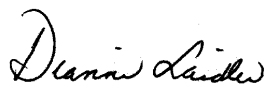
reporting to the Investment Advisory Committee, which is made up of representatives of both the Institute and Foundation.

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.

Other

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.

The coming year is a special year in the Institute's history, as it celebrates its 125th anniversary. Members are encouraged to participate in the events planned in recognition of this significant milestone.



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

Report of the Independent Auditors on the Summarized Financial Statements

TO THE MEMBERS,
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF MANITOBA

The accompanying summarized financial statements, which comprise the summarized statement of financial position as at March 31, 2011, the summarized statement of operations and summarized statement of cash flows for the year then ended, and related note, are derived from the audited financial statements of the Institute of Chartered Accountants of Manitoba for the year ended March 31, 2011. We expressed an unmodified audit opinion on those financial statements in our report dated May 10, 2011.

The summarized financial statements do not contain all the disclosures required by Canadian generally accepted accounting principles. Reading the summarized financial statements, therefore, is not a substitute for reading the audited financial statements of the Institute.

Management's Responsibility for the Summarized Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements on the basis described in Note 1.

Auditors' Responsibility

Our responsibility is to express an opinion on the summarized financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summarized financial statements derived from the audited financial statements of the Institute of Chartered Accountants of Manitoba for the year ended March 31, 2011 are a fair summary of those financial statements, on the basis described in Note 1.

Winnipeg, Manitoba
May 10, 2011

Booke + Partners

BOOKE & PARTNERS
CHARTERED ACCOUNTANTS

Summarized Financial Statements

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

Summarized Statement of Financial Position

As at March 31	2011	2010
Assets		
Cash, accounts receivable and prepaids	\$ 919,200	\$ 864,500
Long term investments	1,072,000	948,400
Capital assets	448,300	107,600
	<hr/>	<hr/>
	\$ 2,439,500	\$ 1,920,500
Liabilities		
Accounts payable, accruals and unearned fees	\$ 995,400	\$ 965,900
Obligation under capital lease	10,300	15,400
Deferred lease inducements	408,500	1,400
	<hr/>	<hr/>
	1,414,200	982,700
Net Assets		
Internally restricted	122,000	133,300
Unrestricted	903,300	804,500
	<hr/>	<hr/>
	1,025,300	937,800
	<hr/>	<hr/>
	\$ 2,439,500	\$ 1,920,500

Approved by Council



D.J. Tkach, CA
President & Chair



T.L. Okerlund, CA
Secretary-Treasurer

Summarized Statement of Operations

For the Year Ended March 31	2011	2010
Revenue		
Member fees, assessments and events	\$ 1,687,600	\$ 1,612,600
Self funding activities	491,200	483,300
Net investment and other	152,800	177,100
	<hr/>	<hr/>
	2,331,600	2,273,000
Expense		
Member services, professional standards and administration	1,776,700	1,708,900
Self funding activities	467,400	465,600
	<hr/>	<hr/>
	2,244,100	2,174,500
	<hr/>	<hr/>
Excess revenue	\$ 87,500	\$ 98,500

Summarized Financial Statements cont'd

Summarized Statement of Cash Flows

For the Year Ended March 31

	2011	2010
Operating activities		
Cash receipts	\$ 2,214,700	\$ 2,124,400
Cash disbursements	2,134,300	2,294,200
Net cash provided by operating activities	<u>80,400</u>	<u>(169,800)</u>
Investing activities		
Investments, net	(18,600)	(21,200)
Capital assets	(29,000)	(27,100)
	<u>(47,600)</u>	<u>(48,300)</u>
Financing activities		
Capital lease	(5,100)	(4,700)
	<u>(5,100)</u>	<u>(4,700)</u>
Change in cash	27,700	(222,800)
Cash, beginning of year	786,500	1,009,300
Cash, end of year	<u>\$ 814,200</u>	<u>\$ 786,500</u>

Note to Summarized Financial Statements

1. Basis of Preparation

The summarized financial statements have been prepared from the audited financial statements for the year ended March 31, 2011 on the following basis:

- a. The summarized financial statements include the major totals and subtotals from the related complete financial statements, and information from notes to the complete financial statements dealing with matters having a pervasive or otherwise significant effect on the summarized financial statements.
- b. Self funding activities include practice review and member education. Self funding expenses comprise costs directly attributable to those programs. These are captured in the following expense categories in the complete financial statements: member education, regulatory, and salaries and benefits.

The complete financial statements, including notes to the financial statements and the independent auditors' report are available on the Institute of Chartered Accountants of Manitoba's website or upon request by contacting the Institute's office.

Student and Membership Information

Student Enrolment at March 31

by Academic Background	2011	2010	2009	2008	2007
University Graduates					
BComm	325	329	310	313	259
MPAcc/MAcc	6	3	6	6	8
BA	13	18	20	27	20
BSc	8	10	11	9	5
Other	15	10	5	8	8
	367	370	352	363	300
Foreign or Mature	11	10	9	11	15
	378	380	361	374	315

Membership

Changes During the Year

	2011	2010	2009	2008	2007
Membership at beginning of the year	2,835	2,796	2,777	2,752	2,734
Admitted during the year by					
Examination	95	89	67	59	65
Affiliation	9	4	7	3	8
Elected to honorary membership	-	-	-	1	-
Reinstated/Readmitted	2	2	2	-	-
	2,941	2,891	2,853	2,815	2,807
Decrease in membership					
Deaths	32	17	17	17	24
Resignations	36	33	37	18	25
Removed	4	6	3	3	6
Membership at the end of the year	2,869	2,835	2,796	2,777	2,752

Membership

Employment by Region

	Winnipeg	Outside Winnipeg	Canada	Outside Canada	2011 Total	2007 Comparative
Public Practice						
Employee	296	67	61	39	463	394
Partner	182	64	43	3	292	294
Sole Practitioner	70	27	25	1	123	129
Associate	13	3	-	-	16	19
Total in Public Accounting	561	161	129	43	894	836
Industry	690	116	230	119	1,155	1,127
Government	159	21	23	2	205	182
Education and Other	12	2	5	5	24	45
Retired	290	54	206	36	586	557
Honorary	5	-	-	-	5	5
Total	1,717	354	593	205	2,869	2,752

Committees and Task Forces

Committees of Council

Audit

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

Corporate Governance & Nominating

D.J. Tkach, *Chair*
S.W. Childerhouse
J.G. Cristall
J.D. Doer
D. Loewen
A.R. Wortzman, *Public Rep*

Task Force on Risk Management

T.L. Okerlund, *Chair*
C.A. Atchison
G.A. Dowhan

Executive

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

Membership Linkages

R.M. MacKay, *Chair*
B.J. Minish-Kichuk
T.L. Okerlund
K.E. Regan
H.D. Reichert
E. Goldie, *Public Rep*

Advisory Committee on Public Accounting Regulation

D.J. Tkach, *Chair*
J.D. Doer
R.M. MacKay
R.D. Pope
K.E. Regan
A.R. Wortzman, *Public Rep*

Self-Regulatory Committees

Bylaws Advisory

A. Gauthier, *Chair*
C.L.M. Barnabe
D.J. Carefoot
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*
B.J. Davies
J.E. Goldberg
M.L. Graham
H.J. Thomas

Professional Conduct

J.J.A. Orisko, *Chair*
J.K.A. Campbell
S.F. Cohen
S.A. Hassan
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
B.S. Morrish
A.E. Nychuk
M.L. Pernarowski
S.D. Sissons

Operating and Other Committees

CA Assistance

J.J. Smith, *Chair*
R.A. Cadieux
D.R.W. Chatterley
T.G. Frain
K.W. Grower
S.H. Guttman
B.W.J. Jack
J.H. Lazer
H.M. Wilson

Taxation

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

Honours & Awards

P.A. Kochan, *Chair*
P.H.L. Dupuis
K.J. Haugen
B.J. Lysyk
J.G. Morton
D.E. Sachvie
D. Stangeland, *Public Rep*

High School Scholarships

W.G. Eamer
H.J. Thomas
D.L. Waterman

Investment Advisory

T.A. Bryk
E.R. Johnstone
J.W. Kraemer
L.C. Taraska
L.O. Pollard, *Public Rep*
R.H. Vandewater, *Public Rep*

Members' Activities

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

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. Ukrainec
T.B. Walker
C. Griffith, *University Rep*
K. Kirkpatrick, *University Rep*
K. Mahoney, *University Rep*
D. Pople, *University Rep*
S. Springer, *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

Auditing and Assurance Standards Board

C.A. Bellringer

INTERNAL CONTROL OVER FINANCIAL REPORTING WORKING GROUP

- R.T. Leppky
-

CICA Board of Directors

C.D.H. Henaire

AUDIT COMMITTEE

- C.D.H. Henaire, *Chair*

Council of Presidents

D.J. Tkach

Leadership Group

J.D. Doer

G.B. Hannaford

C.D.H. Henaire

D.J. Tkach

Alliance for Excellence in Investigative and Forensic Accounting

V.G. Neufeld

EDUCATION COMMITTEE

- V.G. Neufeld, *Chair*

Board of Evaluators

J.F. Kelly

CICA/CICBV Liaison Committee

M.L. Radcliffe

Competency Map Committee

H.C. Andersen

Conceptual Framework Task Force

M.P. Ruta

Derivative Reporting

R.T. Leppky

Entity-Level Financial Statements Task Force

P.D. Olafson

Information Technology Advisory Committee

R.J. Reimer

Investment Funds Standing Committee

B.J. Reid

Leases Advisory Group

J.S. Blakeston

Liability for Contaminated Sites Task Force

M. Sachdeva

PEM Advisory Committee

G.I. Peterson

Related Party Transactions

P. Olafson

Selection Council

D.J. Tkach

Small and Medium-Sized Public Practice Advisory Group

C.L. Reimer

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 WORKING GROUP

- S.D. Sommer

INDEPENDENCE TASK FORCE

- G.B. Hannaford, *Chair*

PRACTICE INSPECTION WORKING GROUP

- K.K. Zaplitny

RULES HARMONIZATION COMMITTEE

- S.D. Sommer

CSE Professional Learning Committee

CA POOLED PROFESSIONAL DEVELOPMENT GROUP

- K.K. Zaplitny

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 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

CA Insurance Plans West

D.G. Glass

E.B. Krahn

Manitoba Chartered Accountants Foundation Inc.

K.B. Phernambucq, *Chair*

D.J. Einarson, *Vice-Chair*

G.A. Dowhan, *Treasurer*

T.A. Bryk

W.G. Eamer

L.H. Frostiak

S.R. Hagemeister

L.C. Taraska

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 1960 are the newest members of the 50 Year Club.

Robert D. Beesley, CA..... Vernon, BC
Frederick W. Betton, FCA..... Keewatin, ON
William C. Cavell, CA Winnipeg, MB
Melvin E. Erlindson, CA..... Oakville, ON
R. Alexander Gilchrist, CA..... Winnipeg, MB
Murray W. Hilton, FCA..... Winnipeg, MB
Lucien H. Isabey, CA Lachine, QC
Peter J.W. Macdonald, CA Winnipeg, MB
Ronald S. Matthews, CA..... Winnipeg, MB

Lucien H. Morin, CA..... Westmount, QC
Harry Plattner, CA..... Winnipeg, MB
Lawrence C. Rice, CA Vancouver, BC
David J.L. Rothberg, CA..... Phoenix, AZ
Keith A. Shibou, CA Palm Springs, CA
William H. Silverberg, CA Winnipeg, MB
Curtis A. Steiman, CA..... Winnipeg, MB
Ronald A. White, CA..... Winnipeg, MB
Stanley R. Wylynko, 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.



Carmelle L.M. Barnabe, CA



Dean B. Schinkel, CA, CBV



Wendy L. Schultz, CA

Community Service Award

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



David W. Kendall, FCA



Henri A. Magne, CA

Member Recognition Awards

Fellows of the Chartered Accountants

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



Jeffrey G. Cristall, FCA,
CA•CBV



David Loewen, FCA



Susan P. Nemec, FCA



Kevin E. Regan, FCA



Ian R. Seymour, 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.

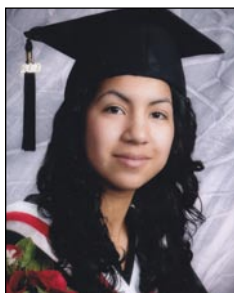


William H. Loewen, FCA

Student Scholarships

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.



Sheree Carmona-Galdamez



Bryn Pepler



Chelsea Scrivener



Janessa Walger

Honorary Members and FCAs

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

2011 Annual Report



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