

## Implementing Strategic Plan Without the Merger

### *A Message from the President*

by Charles Henaire, FCA

In early March, David Hope, Chair of the Canadian Institute of Chartered Accountants, announced on behalf of CICA and all the Provincial Institutes that talks had ceased with respect to a proposed merger of the CA and CMA bodies across Canada.

This is my first opportunity to address the Manitoba CA membership on this topic since that announcement. I want to express, on behalf of the Manitoba Council, my sincere thanks to the many members who took the time to find out what the merger was all about by attending the many Town Hall meetings last year and reading the materials sent to you from the Institute.

It was very encouraging to see so many of you show such passionate interest in the future direction of our profession. We need to capitalize on the energy and commitment that our members demonstrated during this process.

We heard back from hundreds of members since the proposed merger was first announced last May and there were many diverse viewpoints on the pros and cons of such a merger.

Through all of these responses, regardless of whether or not they were in favour of a merger, there was one very consistent message - CAs are very proud of their designation and as we move forward we must do everything we can to strengthen the trust and respect that our profession has earned over the past 119 years.

In considering the merger, a con-

sensus could not be reached by all of the governing bodies in each of the provinces as well as at the national level on a number of issues. In particular, what the designation to be used by members in the newly merged profession would be. As a result, it became evident that merger discussions should discontinue.

Even though the merger is not now an option to help the profession achieve some of its objectives, the Provincial Institutes and CICA remain committed to implementing the strategic plan that was approved by the Councils and Boards across the country last year.

Through the leadership of a number of Task Forces established by the Council of Senior Executives, considerable progress has been made over the past several months with respect to each of the four strategic goals identified in the strategic plan:

- Branding
- Protecting the Public Trust
- Improving the Education Process
- Enhancing Member Relations

If you have not already done so, I would

urge you to go to the Institute's website at [www.icam.mb.ca/publications](http://www.icam.mb.ca/publications) to view a copy of the strategic plan, *Strategic Crossroads for the Profession*.

As the profession begins to implement its strategic plan, I encourage all members to get informed and involved as your profession moves forward. Demand for CAs in all facets of the economy has never been stronger. I believe quick implementation of the initiatives already identified by the CSE will strengthen our profession.



*Pictured above, Institute President Charles Henaire offers greetings on behalf of ICAM to the attendees of the Institute-sponsored Manitoba Chambers of Commerce breakfast held March 15. Manitoba Auditor General Jon Singleton was the guest speaker. Also pictured, Joe Bardsley, Chair of the Manitoba Chambers of Commerce.*

## AcSB Invites Comment on Draft Strategic Plan

Canada's Accounting Standards Board (AcSB) released its draft strategic plan for public comment on March 31.

CICA's Peter Martin, Director, Accounting Standards, will be making a presentation on Friday, June 10 at the Winnipeg Convention Centre, preceding ICAM's Annual General Meeting. Look for the registration included in this mailing.

The AcSB is proposing the following strategies in its draft plan for the major categories of reporting entities: public companies, private businesses and not-for-profit organizations.

### Public Companies

The Board will converge Canadian GAAP with International Financial Reporting Standards (IFRSs) over a five-year transitional period, with the objective of having a single set of globally accepted high-level standards.

At the end of that period, Canadian GAAP will cease to exist as a separate, distinct basis of financial reporting for public companies.

Those Canadian public companies (SEC registrants) wishing to report to US GAAP will continue to have that choice.

The Board acknowledges that US GAAP is an appropriate alternative when regulators and other competent authorities choose to permit its use.

### Private Businesses

The Board will clarify that GAAP applies only to entities that have significant external users of their financial statements.

For those entities, the Board will undertake a comprehensive examination of their financial reporting needs and determine the most appropriate model for meeting those needs.

The Board has no preconceived idea of the outcome of this process, but notes that the possibilities include both a set of standards not very different from current standards and one that might be substantially different.

### Not-for-Profit Organizations

The Board will continue to apply those elements of GAAP for profit-oriented enterprises that are applicable to their circumstances, and develop other standards dealing with the special circumstances of the not-for-profit sector.

The Board invites individuals and organizations to send written comments on the proposed strategies. The comment period for the proposals runs until July 31, 2005. The Invitation to Comment can be obtained from the AcSB website at [www.acsbcanada.org](http://www.acsbcanada.org).

For those without Internet access, the Invitation to Comment can be obtained by writing to: Information Services Officer, Accounting Standards Board, 277 Wellington Street West, Toronto, Ontario, M5V 3H2; Fax: 416.204.341

## ICAM Comments on Provincial Budget

ICAM wanted a realistic, disciplined plan to pay down the provincial debt and further tax reductions from the provincial government's budget.

"While the government proposed to pay \$110 million to the Debt Retirement Fund, the overall consolidated debt of the government will increase by more than \$500 million between this year and next and so in actual fact the \$110 million is not a true 'pay down' of the debt," said Institute CEO Gary Hannaford.

"It reduces their ability to address expenditure issues in the future. If they're paying debt servicing fees, they can't pay for other programs," added Carol Stockwell, Chair of ICAM's Tax Committee.

It wasn't all criticism, however. The Institute also applauded the increase of the research and development investment tax credit and the extension of the manufacturing investment tax credit to include used building and used equipment purchases, something ICAM has been urging the government to do for several years in our annual budget submission.

"These changes support manufacturing and innovation in Manitoba and will certainly help to improve competitiveness," Stockwell said.

The Institute's comments were based on ICAM's annual pre-budget submission to the Minister of Finance and the research compiled for the MB Check-Up.

Hannaford and Stockwell were interviewed by CBC Radio and CJOB before and after the budget came down and quotes from the media releases issued were used by the Winnipeg Sun.

The Institute's budget submission and media releases are posted on the website at [www.icam.mb.ca](http://www.icam.mb.ca).

## ***Implementation Guidance for Practitioners***

Today's rapidly shifting business environment has led to a change in and expansion of accounting, auditing and ethical standards. Because of such changes, many Canadian CAs are struggling to serve their clients and to keep up to date with the recent amendments to both the CICA Handbook and the Rules of Professional Conduct.

I was asked to chair a Task Force to consider this concern with standards overload. The Task Force was asked to develop recommendations to provide support for members in understanding and implementing new and emerging standards.

We recruited members involved in the standard setting process, members from the provincial institutes who have direct contact with smaller firms and members from such smaller firms.

The Task Force also conducted a survey of members in small and medium-sized firms. The survey gathered information on the methods and resources that these practitioners use to keep current with changing standards.

With this information, the Task Force considered ways to assist practitioners. The recommendations of the Task Force were included in a report submitted to the leadership of the profession at the end of last year and action is underway to implement these recommendations.

A key recommendation is that the need for implementation guidance should be determined at the outset of each accounting, assurance and ethics project.

There is a wide range of materials that can be developed to assist members in understanding and implementing new standards. These include newsletter articles such as this one, templates or checklists to assist in the application of a standard, courses designed to provide in depth instruction on a specific standard.

At the start of each project, standards staff, in consultation with representatives from the provincial institutes, will determine the nature and timing of the appropriate implementation guidance. The specific needs of financial statement preparers and small and medium-sized firms will be identified and addressed.

This proactive approach means the implementation guidance will be available when the standards are to be implemented.

The member survey indicated that the Professional Engagement Manual is well received and widely used by practitioners in firms of all sizes. In light of this, the Task Force recommended that the content and timing of updates be reviewed to determine whether any changes are appropriate to make the manual even more relevant and useful to members.

This review will consider, among other things, and the timing of updates, whether the contents should focus only on non-public companies and whether the manual should contain more checklists, practice aids or examples.

The survey also indicated that while members use both provincial and CICA websites to keep up to date on standard changes many members were not aware of all the documents and information that were available. Therefore, the Task Force recommended a review of websites to determine whether change was appropriate. Members need to find what they need when they need it.

The Task Force report contained other recommendations designed to enhance communications and co-ordination between the CICA and the provincial institutes. This will ensure the most efficient use of combined resources to assist members in understanding and implementing new and emerging standards.

In closing I would like to thank the

members of the Task Force for their insight and hard work in developing these recommendations.

*David Smith, FCA is President & CEO of the Canadian Institute of Chartered Accountants and is Chair of the Task Force to Assist Standard Setting.*

## **Thanks for Your Support**

The following firms and individuals have made financial contributions between January and March 2005 to support the work of the Manitoba Chartered Accountants Foundation Inc.

Booke & Partners  
Thomas E. Brown.  
Gilles J. L. Chaput  
Peter Dueck  
Great-West Life Assurance  
Company  
Garry T. Markham  
PKBW Group  
PricewaterhouseCoopers  
LLP  
Terry J. Prychitko  
William J. Pugh  
Research House Inc.  
Gerard H. Rodrigue  
John W. Singleton  
Robert B. Wall

Please consider making your contribution today to support accounting education and research in Manitoba.

# Anti-Money Laundering Legislation and its impact on CAs and CA firms - FINTRAC begins compliance examinations

Under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, it is mandatory for CAs and CA firms that serve as financial intermediaries on behalf of their clients to report suspicious transactions and certain other financial transactions to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC).

Over the past few months, FINTRAC has begun conducting compliance examinations and may have sent you a letter requesting that you fill out an online questionnaire.

FINTRAC will continue with these examinations for all persons and entities covered by the Act, including accountants and accounting firms.

There are significant penalties for non-compliance, including incarceration and fines of up to \$2 million, and CAs will not be able to plead ignorance.

For full details, please refer to [www.fintrac.gc.ca](http://www.fintrac.gc.ca).

## What is a financial intermediary?

Accountants and accounting firms are required to implement compliance regimes if they receive professional fees for engaging in the following activities, engaging in any of the following activities on behalf of any person or entity (other than an employer), or give instructions in respect of these activities on behalf of any person or entity (other than an employer):

- receiving or paying funds;
- purchasing or selling securities, real property or business assets or entities; or
- transferring funds or securities by any means.

If you are an employee of a person or entity who is also subject to these requirements, your employer is responsible for the compliance regime. Similarly, if you are an agent of (or are authorized to act on behalf of) a person or entity who is also subject to these requirements, that other person or

entity is responsible for the compliance regime.

## What you can do

- read the FAQs on this subject at CICA's website at [www.cica.ca](http://www.cica.ca) or at FINTRAC at [www.fintrac.gc.ca](http://www.fintrac.gc.ca)
- educate yourself on the issue and examine its impact on you and your firm:
  - audit, review and compilation services are exempt from the Act;
  - the anti-money laundering legislation is rare in that it overrides the CA profession's requirement to maintain client confidentiality;
  - CAs can not knowingly or unknowingly be associated with an illegal act.
- check resources (e.g., *Canada's Anti-Money Laundering & Anti-Terrorist Financing Requirements - A Guide for Chartered Accountants*) available free on CICA's website.

## Manitoba's First Female CA, 1914-2005

Marion Cathie MacTaggart, a pioneer for female Chartered Accountants, was the 1945 Gold Medallist and first female member of the Institute of Chartered Accountants of Manitoba. She passed away on March 2, 2005.

Marion was born in Winnipeg on August 26, 1914, and attended the University of Manitoba where she graduated with a BA, Summa Cum Laude, in 1934.

After graduation, while performing secretarial duties with a CA firm, she undertook accountancy training and became the first woman in Manitoba to win the prestigious War Memorial Gold Medal in 1945 for obtaining the highest marks on the UFE.

It was 34 years before another woman won the Medal.

After completing her period of expe-



Marion Cathie MacTaggart

rience, Marion officially became the first female member of the Institute.

With her new professional designation in hand, she took up employment with the Manitoba Government, eventually rising to the position of Provincial Chief Auditor.

Marion retired from the Manitoba Civil Service in 1976.

In *Raising the Standard: A History of The Institute of Chartered Accountants of*

*Manitoba, 1886-1986*, William Neville pays tribute to Marion leading the way for women to enter the male-dominated profession.

"After her breakthrough, not many women emulated her in the early post-war years. Their interest in the profession began to accelerate in the sixties as so many of the antiquated barriers against women began to crumble and women challenged the traditional male roles in so many ways. In accountancy, with such a long record as a bastion of male supremacy, it could not be said that the doors were thrown open to women. Nevertheless, those same doors were never closed."

Today, women comprise over 20 per cent of the Manitoba membership and about 50 per cent of Manitoba CA students are female.

# Grant Thornton 3-Peats

Grant Thornton is the first team to bring home the trophy for three consecutive years, as they edged a victory over the Deloitte & Touche Alumni in the A-side final of the Sixteenth Annual Eric Mitchell Hockey Tournament.

The team from BDO Dunwoody defeated PricewaterhouseCoopers in the B-side final.

The annual tournament is held in memory of Eric Mitchell and the proceeds go to the Manitoba CA Foundation's D. Eric Mitchell Memorial Fund.



**Thanks to all of this year's participants!**



The team from Grant Thornton, winners of the A-side final. Trophy presented by Dave Mitchell.



BDO Dunwoody, B-side winners. Trophy presented by Dave Mitchell.

## NEWS OF MEMBERS

### Welcome to New Members

#### ■ Admitted by Examination

Hans Christian ANDERSEN  
Rommel Deep Singh DHILLON  
Benjamin James Conrad FIELDING  
Michelle Colette KUNZLER  
Travis Noel MALKOSKE  
Graham K. MCALPINE  
Darren Trevor POTT

### Retired Members

The following members (year of designation shown in brackets) have retired, applied for and were granted exemption from payment of annual membership fees:

William Gordon COURAGE (1973)  
Barry Lynn WOLFE (1972)

### Resigned in Good Standing

In most cases, members who resign no longer reside in Manitoba and hold membership in another provincial institute.

Gloria Abashie CAULLEY  
(Member 1999)  
Residing in Owen Sound, ON  
William Howard GREEN  
(Member 1958)  
Residing in Winnipeg  
Edgar Murray MCCLARTY  
(Member 1950)  
Residing in Winnipeg

## Speciality Register

The following member was entered in the Institute's specialty register and is entitled to use a specialist designation.

Nicole L. Palmer Jones, CA • CBV

# Here and There With Members

---

We apologize for the fact that some of the changes may now be "old news" to some of you. Often, we are not advised of members' address and employment changes until the members report them on their annual membership fee notices. Now that we have been advised what is happening with them, we can share the news with the rest of you! (Unless otherwise noted, members reside in Winnipeg.)

ARMSTRONG, Kenneth R. (1982) previously with Shorewood Packaging in Brockville, ON, is now with International Paper in Newport News, Virginia.

ARNOTT, Shauna C. (2004) formerly with PricewaterhouseCoopers LLP is now with Great-West Life Assurance.

BATES, Kevin M. (1998) previously with BCCA LLP is now Manager, Corporate Reporting, with FP Canadian Newspapers Limited Partnership.

BIELIK, Robert J. (1994) has left Acklands Grainger Inc. and is now with James Richardson International Limited.

BRIEN, Robert M. (1997) formerly with Soberman Isenbaum & Colomby LLP is now with the TD Bank in Toronto, ON.

CADIEUX, Marc A. (2000) received a promotion to Senior Manager with Deloitte & Touche in Milwaukee, Wisconsin.

CLEMENT, Michael D.L. (2001) previously with Richardson Partners Financial Limited is now with Prendville Industries.

COOK, Hansine M.M. (1996) is now Vice-President, Finance, & Chief Financial Officer with Birch Mountain Resources Ltd. in Calgary, AB.

GIBSON, Stuart F. (1983) formerly with Brandt Industries Ltd. is now with Precision Metal Fabricating Ltd. in Saskatoon, SK.

GILL, Navdeep K. (2004) recently trans-

ferred with Deloitte & Touche LLP to Toronto, ON, and accepted the position of Senior Accountant.

GOLDBERG, Laurie M. (1986) previously with Crocus Investment Fund accepted the position of President and Chief Executive Officer with People First HR Services Ltd.

GREWAR, Cheryl C. (1988) formerly with Global Refrigeration & Mechanical Inc. is now with Mondrian Canada, Inc.

GUDMUNDSON, Daniel B. (1994) recently left Manitoba Telecom Services Inc. to work with Dr. Catherine A. Gudmundson Medical Corporation in Ste. Rose du Lac.

GUERREIRO, Sandy B. (2003) previously with BCCA LLP is now Manager of Finance and Operations, Private Equity, with TD Securities in Toronto, ON.

HOLMES, Allen J. (1982) formerly Chief Financial Officer with Mobile Climate Control Industries Inc. in Toronto, ON, is now Chief Financial Officer with The PIC Group in Oshawa, ON.

HORBATY, Frederick J. (1998) is now Director of Finance with HED Insurance and Risk Services.

JOHNSON, Kevin M. (1999) previously with DMG Advisors LLC is now with SDS Capital Partners LLC in Stamford, Connecticut.

JONES, Marsha D. (2001) formerly with KPMG is now Account Manager at UBS Fund Services (Cayman) Ltd., Grand Cayman, Cayman Islands.

KRUK, Carrie A. (2004) previously with Pacak Kowal Hardie & Company is now with the Swan Valley Credit Union in Swan River.

LOW, Robert B. (1974) has left Low Rosen Taylor Soriano to accept a position with LECG Canada Ltd. in Toronto, ON.

MARTIN, James M. (1971) has recently retired from the Office of the Auditor General where he had been employed for twenty-five years.

MASSICOTTE, Paul J. (1976) a member of the Canadian Senate, was recently elected a Fellow Chartered Accountants designation by the Bureau of the Ordre des comptables agréés du Québec.

MCDONALD, Christopher G. (1998) is now with Marymount.

MCKINNON, Christopher W. (1994) formerly with Mintz & Partners LLP has accepted the position of Senior Tax Writer with Carswell in Toronto, ON.

MILES, Janice M. (1980) recently accepted the position of Director of Finance with Winpark Dynasty Properties.

NICOLAS, Stephane N.H. (2001) previously with Meyers Norris Penny LLP is now a Constable with the Royal Canadian Mounted Police in Ste. Rose du Lac.

PACHAL, Gary K. (1992) is now with CanWest Global Communications Corp.

PELLAND, Kerri S. (1998) formerly with Agricore United is now Manager, Enterprise Risk Management, with Manitoba Telecom Services Inc.

PROUSE, Travis G. (1998) formerly with KMPG LLP is now with Cargill Limited.

# Here and There With Members cont'd

RHODEN, Ian D. (2000) previously with Ontario Securities Commission is now Manager of External Reporting, Corporate Finance, with MDS Inc.

ROBERTSON, William S. (1980) has left Tri Tec to accept a position with Ensis Growth Fund Inc.

SALAZAR, Phil M.C. (2003) formerly with PricewaterhouseCoopers LLP is now with Great-West Life Assurance.

SANDESON, David G. (2004) previously with Tadman Hornstein is now with PricewaterhouseCoopers LLP.

SHAH, Archit (2001) formerly with Ernst & Young is now with Geller & Company in New York, New York.

SHARPE, Erin A. (2004) recently left Palliser Furniture Ltd. to accept the position of Business Auditor with Air Canada.

SMITH, Sean M. (1993) previously with Gate Keeper Capital is now an Associate with Palmer Badger & Co.

SOUTHAM, Gina M. (2000) left Aon Insurance Managers (Bermuda) Ltd. to accept a position with Zurich Insurance Company in Hamilton, Bermuda.

STANGHERLIN, Marco A. (2004) is now Senior Accountant, Assurance & Advisory Services, with Deloitte & Touche, Grand Cayman, Cayman Islands.

SULLIVAN, Marcia M. (1995) has accepted the position of Manager of External Reporting for FPL Energy in Juno Beach, Florida.

SUTHERLAND, Derek G. (1999) previously with KPMG LLP is now with MCAP Inc. in Toronto, ON.

TORBIAK, Daniel H. (1998) was recent-

ly presented by the Rotary Club of Winnipeg with a Paul Harris Fellowship in recognition of his contributions to Rotary International.

TRAVALE, Meaghan I.F. (2002) formerly with Loblaw Companies Limited is now with Meyers Norris Penny LLP in Brandon.

TREMBATH, T. Nicole (2002) became a Manager in Assurance Services specializing in insurance with Deloitte & Touche in Hamilton, Bermuda.

WANAMAKER, Lori M. (1989) previously with Municipal Affairs & Housing is now with Community, Aboriginal & Women's Services in Victoria, BC.

WHITELAW, Robert E.C. (1984) is now Chief Financial Officer with Clayburn Industries Ltd.

WILSON, Anita M. (2000) formerly with First Commercial Management is now Corporate Financial Analyst with the Canadian Wheat Board.

## Firm Changes

**G.M. Buchko** (1982) was granted permission to register **Glenn M. Buchko, Chartered Accountant**, as a part-time practice.

The name **Sensus Partnership of Chartered Accountants** was approved for the practice of public accounting. Accordingly, the former firm name **Bel-las & Reid, Chartered Accountants**, was deregistered.

The practising firm of **Don Chapman, Chartered Accountant**, was deregistered.

The Membership Committee approved the application for incorporation of professional practice for **Ramona G. Tkachuk, Chartered Accountant Inc.**

## In Memoriam

We record with regret the passing of:

Wilfred Solomon JEFFRIES  
(Member 1965)  
Passed Away March 1, 2005

Paul Ernest LAWSON  
(Member 1948)  
Passed Away April 12, 2005

Marion Cathie MACTAGGART  
(Member 1946)  
Passed Away March 2, 2005

George Richard REID  
(Member 1967)  
Passed Away April 8, 2005



## CA Baseball League

The CA Baseball league is looking for new teams this year. The league is co-ed which requires two females on the playing field and follows "slowpitch" style rules.

Teams will play one game per week. Games are played Monday-Thursday, from mid-May to August. Games start at 6 p.m.

If interested, please email Rudy Beyer at [rbeyer@lake-viewhotels.com](mailto:rbeyer@lake-viewhotels.com) or phone 975-0623.

If you are interested in participating in the CA Softball Tournament being held on Saturday, June 4th, please see the enclosed registration form.

# Fourth Annual Curling Bonspiel

This year's winner of the Deloitte & Touche Trophy is the team from Meyers Norris Penny. They defeated the Schellenberg rink in a close final game that went down to the last rock. Thanks to the 16 teams who participated!



Below: Bonspiel winners from MNP are presented with the trophy by Dennis Sierhuis (far right) of the Members Activities Committee.  
(l to r): Rick Potter, Derek Innis, Robin Campbell (skip), & Dan Favreau.



Runners Up, (l to r): Harold Schellenberg (skip), Shannon McDougall, Rheanne Bosse, Glenn Unryn.

## Looking for preferred group rates and individual care for your insurance needs?

As a member of the Manitoba Institute, you can take advantage of Western CA Services' affinity partnership with Meloche Monnex. Meloche Monnex specializes in providing top quality service for your personal home, travel and small business insurance requirements.

To obtain a free no-obligation quote or discover more about your insurance options, visit their website at [www.melocemonnex.com/wcasa](http://www.melocemonnex.com/wcasa) or call 1-877-536-7755.

You can also subscribe to a free e-newsletter from Meloche Monnex containing helpful information on a variety of lifestyle topics.

## Coming Events

### Annual Members Golf Tournament

Southwood Golf & Country Club  
Monday, May 30  
1 p.m. Shotgun Start

### ICAM Annual General Meeting

Winnipeg Convention Centre  
Friday, June 10  
11 a.m.

### Uniform Evaluation

September 13-15

### Member Recognition Dinner

The Fairmont  
Thursday, November 3

### UFE Results Release

Friday, November 25

## Summer Hours

The Institute will be operating on summer hours following the Annual General Meeting on Friday, June 10, through to Friday September 2.

The doors will be open from 8:30 a.m. to 4:30 p.m.

The office will be closed on the following Statutory Holidays:

- July 1
- August 1
- September 5
- October 10
- November 11



FOLIO PUBLISHED BY  
The Institute of Chartered Accountants of Manitoba  
500-161 Portage Avenue East,  
Winnipeg, Manitoba, Canada R3B 0Y4  
Telephone 204/942-8248  
Toll Free 1/888-942-8248  
Fax 204/943-7119  
E-mail [icam@icam.mb.ca](mailto:icam@icam.mb.ca)  
Website <http://www.icam.mb.ca>