ETHICS

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Letters to the Editor

The wine was right at the Quarter Century Club dinner and ecological economists find it easy to be green.

TaxMatters by Ed Kroft, CGA (Hon.)
The Auditor General scrutinizes the CRA’s audit efforts and puts the pressure on.

TechView by John Yu, FCGA
Online applications come in all varieties, including spreadsheets, e-mail and word processing.

Parting Shot
Ron MacMillan, CGA, is one of several CGAs to be featured in this year’s Program of Professional Studies. Find out who’s leaving him voice mail at Microsoft.

Call for Board Nominations
There are five spots open on the 2008 Board of Governors.

Current Assets
Ethics! Ethics! Read all about it, put a little star power into your presentations (Star Wars, that is), Microsoft masters the mouse.

Practice Review
Remember to pay your dues, new audit programs and FINTRAC changes its style.

Snapshots
Golf tourney raises money for a good cause, CGA-BC’s new Website and accountants get social online.
Doing the Right Thing

By Edward Downing

CGA-BC has often been praised for its innovations. Our education program is always adapting, using the latest applications in technology. Then, there's our leadership in professional development—we were the first accounting body in B.C. to adopt a mandatory continuing professional development requirement. We also pioneered mandatory practice reviews for public accountants.

Now, we're ahead of the curve again with our new ethics course, which all members will be required to take once every three years as part of their regular professional development. Details about the course and some of the ethical issues facing the profession are detailed by Colin Miley starting on page 9.

Ethics, of course, transcends any one course or story in the pages of Outlook. It's really part of our everyday lives, permeating everything we do, at work and at home. That's why we will be introducing a new feature in Outlook where we will focus on a real-life ethical dilemma. Responses will be discussed by ethicist Michael McDonald, PhD, the Maurice Young Chair of Applied Ethics at UBC. We encourage your participation and insights. Anonymous (but verifiable) comments will be accepted to protect identities.

This issue also features an interview with Rick Thorpe, Minister of Small Business and Revenue, on some of the initiatives his ministry is focusing on, including the results of the ministry's recent PST Review, to which the Association provided its comments. There's also an opportunity to provide the Association with any input for our pre-budget submission. Finance Minister Carole Taylor is especially interested in opinions on the government's new eco-strategy and the implications this will have on our future economic growth.

And our Parting Shot features one of the CGAs profiled in our soon-to-be-released Program of Professional Studies, which focuses on the upward mobility of CGAs and especially the international opportunities associated with the CGA designation.

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QCC Dinner a Hit

I just wanted to tell you how much we enjoyed the recent Quarter Century Club dinner at the Sutton Place Hotel. The whole evening was so well organized, the food was terrific, and the awards portion did not drag and was entertaining. Coming from the Okanagan, we were delighted to see B.C. wines being served with dinner. Congratulations on a successful event.

Margaret White, CGA
Kelowna, B.C.

Ecological Economists Not New to Green Thinking

When I learned of CGA-BC’s sponsorship of the recent Pacific Economic Summit, which included an emphasis on the economic benefits of going green, it struck me that the time has perhaps come to offer a primer on “ecological economics” as a CPD offering or to feature as an article on the subject in CGA Magazine or Outlook, or both.

Ecological economists have integrated insights from ecology and other disciplines, which in general the mainstream in economics has been loath to do. Ecological economists have also faced up, squarely and honestly, to the constant difficulty involved in taking an ethical-values-neutral approach to economic issues. In doing so, they have proved themselves to have been significantly more far-sighted than the mainstream of the economics profession and most of the business community in recognizing the unsustainability of continued economic growth based on ever-increasing throughput of physical resources.

High physical throughput economies, though they can perhaps be financially prosperous in the short-term, erode their own basic foundations, natural capital assets, and produce high volumes of waste that are generally expensive or virtually impossible to recycle. Planet Earth is finite, after all, for virtually all practical purposes. Public opinion and politicians today, are simply playing “catch-up” with insights generally reached by the pioneers of ecological economics in the 70s, 80s and 90s.

Mike Barkusky, BA (Economics), MBA, CGA, Volunteer Secretary-Treasurer, Canadian Society for Ecological Economics (CANSEE)

Have an opinion on something you’ve read about in Outlook or CGA Update? Outlook is now printing letters to the editor. But don’t feel constrained by snail mail: you can e-mail your comments to edowning@cga-bc.org or leave a voice mail at (604) 730-6208.

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When I worked in Ottawa for a brief time 20 years ago, a member of Parliament told me that he was used to hearing from Canadians that persons other than themselves should be taxed. He summed up their sentiments with a slogan, “Don’t tax me, tax the man behind the tree.” He lamented that the biggest issue Parliament faced was that if the government doesn’t tax anyone, then there would be no money to pay for the goods and services which government provides. He taught me that government needs to make choices when legislating about taxes and when choosing the targets of enforcement. It was also important that Canadians perceive that the tax system is being administered fairly.

These issues tend to surface whenever new legislation or new audit initiatives of the Canada Revenue Agency (CRA) come to light.

The federal budget of March 19, 2007, and the Auditor General of Canada’s report, released on February 13, 2007, both clearly indicate that the federal government has targeted certain transactions involving international tax and these activities will serve as a means of creating both certainty of revenues for government and fairness for Canadian taxpayers.

The budget proposed to disallow interest deductions in respect of investing in foreign affiliates. This proposal has drawn widespread criticism for a variety of reasons. In April, Finance Minister Jim Flaherty signalled that he heard the criticism and announced that the Department of Finance is studying these proposals which, many suggest, would clearly impact on a Canadian company’s ability to compete globally. Whether the proposals will be dropped, modified or liberally grandfathered remains to be seen.

The CRA estimated that, in 2005, transactions conducted by Canadian corporations with related parties in foreign jurisdictions totalled $1.5 trillion. Non residents paid $4.9 billion in 2006 in taxes earned in Canada. It is therefore surprising that these parties would become the subject of audit scrutiny. However, the pressure on the CRA to do a proper job is mounting. The Auditor General is not yet satisfied with the CRA’s work.

The report reflects commentary on the CRA’s performance. The CRA has indicated that it agrees with the recommendations of the Auditor General in the report to enhance its compliance efforts. The report is an important document for practitioners to read. It outlines the CRA’s current audit efforts and proposed enhancements as a result of the Auditor General’s recommendations.

For those of you who think that these initiatives only affect large corporations — guess again! The CRA developed and uses an electronic tool called COMPASS (Compliance Measurement Profiling and Assessment System) to screen for audit issues in small- and medium-sized business files. The CRA has undertaken a project that focuses on wealthy Canadian taxpayers who are associated with domestic and foreign corporations and trusts. The CRA did an in-depth review of taxpayers who paid less than $100,000 in federal tax and then singled out several for audit. Non resident trust audits are still ongoing. By 2005, the CRA had reassessed 72 foreign trusts.

Large corporations are also being targeted. Risk assessment tools and audit planning guidance for international audits are being developed. Checklists and other tools have been created for audits of both foreign affiliates and transfer pricing. Requests for contemporaneous documentation in transfer pricing audits are being regularly made.

Nevertheless, the Auditor General was critical of the CRA’s work with large corporations and the level of experience of tax auditors who worked on these projects. Furthermore, more demands for foreign-based information will likely be used in future because the CRA was accused of not routinely exercising its legislated power to formally require taxpayers to produce the information needed to complete the audit. The CRA was also criticized for not pro-
The 10 Per Cent Solution

Online office applications offer alternative to Microsoft.

By John W. Yu, MSc, CDP, FCGA

GAs are familiar with many of the applications provided in Microsoft Office — spreadsheet (MS Excel); word processing (MS Word); e-mail, calendar, and contact lists (MS Outlook); and to a lesser extent, database (MS Access). Every few years, Microsoft offers a new version, and all of us are forced to ponder if we are willing to put up the cash and the disruption to upgrade. The recent release of the new 2007 Microsoft Office System is a case in point. Many clients of CGA public practice firms have similar concerns. For small business, the complexity of installing and operating Microsoft Office can be a challenge.

Many users in small business typically do not need a very sophisticated spreadsheet program. Microsoft Excel often represents overkill, as such users would only need less than 10 per cent of the functions in Excel, if that.

Online applications

In August 2006, Google launched Google Apps for Your Domain, a hosted suite of online office applications that combines Google’s e-mail, calendar, Google Docs & Spreadsheets, and instant messaging with Website-creation software. The free service has since been renamed Google Apps Standard Edition. Users can brand this free, hosted service from Google with their own domain names, and packaged with management tools for IT professionals. Late 2006, Google introduced Google Spreadsheets as well (more about that later).

Google is not the only one offering online office applications. ThinkFree is another hosted online office application that...
Call for Nominations
CGA-BC Board of Governors

Nomination Process
Nomination packages, including nomination forms, are available to members in the following ways:


2. CGA-BC will e-mail the nomination package in PDF format to all members whose e-mail addresses are registered with the Association.

3. A hard copy will be mailed to you on request. Simply call us at (604) 732-1211 or toll free at (800) 565-1211 and follow the prompts or e-mail nominations@cga-bc.org.

Vacancies for the 2008 Board of Governors
There will be five vacancies for the 2008 Board of Governors. A candidate must reside in the electoral district for which he or she is nominated.

Lower Mainland (District 1)
Candidates are requested for four vacancies. All vacancies are for terms of three years each.

Kamloops/Okanagan (District 4)
Candidates are requested for one vacancy for a term of three years.

Form, Profile and Statement
Accompanying the nomination form is the Board Member Profile—a document that summarizes the qualities, skill sets and areas of expertise that nominees should ideally possess. Members are encouraged to consider this information when nominating an individual.

Nominees must provide a Personal Statement indicating the skills and experiences that would make them a qualified and valuable addition to the CGA-BC Board.

The signatures of two members, whose names will be published, are required as endorsements of the nomination.

Nomination Deadline
In accordance with the Bylaws, nomination forms must be submitted to the Secretary no later than 4:30 p.m. on Wednesday, August 8, 2007.

To get your nomination package, visit [www.cga-bc.org](http://www.cga-bc.org) or call (604) 732-1211.
providing e-filing for non residents and for not using enhanced ways of capturing non resident data. In particular, the CRA was told that slips issued to non residents should have unique identifiers such as a business number. The next step may be a legislative change to make it mandatory for all non resident individuals, corporations and trusts, subject to Canadian tax administration, to have and use tax numbers.

Aggressive international tax planning

With 11 areas of expertise (including Vancouver and Burnaby in B.C.), the CRA conducts this initiative, which involves CRA professionals from the tax avoidance and international tax area. Over 50 research projects have been identified including residence, transfer pricing and use of tax havens. Taxpayers will have or may yet hear from auditors in this CRA group regarding transactions completed with the last few years. One must remember that, in certain cases, the normal reassessment periods of three or four years may be extended to six or seven or even indefinitely.

Will the CRA be visiting soon?

Those of you who were busy with tax season may soon find that, if you or your clients are affected by these initiatives, the CRA auditors are now prepared to talk to you about them. Cases are proceeding to court on topics of international tax such as residence, transfer pricing, the use of foreign trusts and tax havens. It may be only a matter of time before the CRA pays affected taxpayers a visit. At that time, demands for information must be scrutinized carefully and only relevant information and documentation must be dispensed with care and within the bounds of the CRA’s enforcement powers.
ETHICS
An Idea Whose Time has Come

Everyday, accountants face ethical decisions. Make the wrong choice and they face being challenged by their clients, their peers and even the press. Controversy and malfeasance – both real and perceived – can undermine an accountant’s reputation faster than you can say Sarbanes-Oxley.

In the last several years, the list of scandals has seemed endless – Enron, WorldCom, Nortel. All of this is demoralizing to accountants, the vast majority of whom are honest and hard-working professionals.

While legislators in the U.S. and Canada react to the scandals with measures such as the Sarbanes-Oxley Act and the Canadian Public Accountability Board, professional accounting bodies also have a duty to respond – in fact, in the case of CGA-BC, members are pushing for a response.
In a 2006 survey of CGA-BC’s members, CGAs voiced their ongoing desire to hold each other to the highest ethical standards. Over 575 CGAs were asked how important it was for CGA-BC to set and enforce professional standards. In both areas, 80 per cent of CGAs said it was very important. But when asked how satisfied they were with CGA-BC’s efforts to set and enforce standards, just 55 per cent and 49 per cent of those surveyed said they were very satisfied.

The marketplace may change—there are new financial instruments, legislation and technologies emerging almost daily that affect the way CGAs do their jobs—but our commitment to the highest standard of ethical behaviour cannot waver. The stakes have never been higher.

“It is a competitive marketplace,” says Gordon Clissold, FCGA, President of CGA-BC. “We are compared to other designations, and we want to make sure that we maintain our competitive advantage. One of our key advantages is the high standard we set for our members.”

To ensure that our commitment to high standards is demonstrated, CGA-BC is introducing a standards course for all new CGAs. As of January 1, 2008, new graduates will be required to take a one-day standards course. In addition, all members will be required to take a half-day course on ethics in each three-year continuing professional development (CPD) cycle.

While CGA-BC will offer members courses that meet the requirement, CGAs will be able to take any verifiable four-hour ethics course of their choosing in order to meet the requirement. (For more information, see “What’s Verifiable” on pg 13.) CGA-Canada will also offer an online course that fulfills the requirement.

“The ongoing course requirement is not a test of our Act, Bylaws and Code,” says Donna Bennett, BComm (Hons.), CGA, Director, Member Services for CGA-BC. “It’s meant to be a program on decision-making. We want members to have an opportunity to look at the factors involved in ethical decision-making.”

“There’s a wealth of experience in our membership,” Bennett continues, “and the new requirement will help us continue to expand and share that knowledge base.”

CGAs who were surveyed indicated that they expect CGA-BC’s efforts in setting and enforcing standards to be transparent and fair. They also wanted zero tolerance and publicized repercussions for those who break the rules of the profession.

“One of the messages that came through loud and clear in the responses to that survey was a movement towards setting higher standards,” says Clissold. “We’ve seen a shift in members’ tolerance. When there is a misstep by a member, CGAs want real consequences [for that misstep]. Members want to ensure that their reputation as accountants is protected and that those who are not following the rules or are unclear about our ethical standards are held accountable.”

Part of that new accountability will include the publishing of all ethics and discipline decisions on the CGA-BC Website for members and the public to see, as well as continuing to publish the names of more serious offenders in the media.

“Our decision summaries highlight cases that have gone though our ethics process,” says Bennett. “They explain what happened and why it placed that member in a breach situation. They are meant to be learning tools for members, but as of January 1, 2007, they will also serve to keep the public informed.”

CGAs work hard to earn and maintain their designation. And one pillar of the designation’s worth is our reputation as knowledgeable and ethical leaders in the accounting world. Our reputation enhances the value of our profession, and, therefore, the value of our professionals. Protecting and enhancing the CGA reputation is paramount to the continued growth and success of the Association.

So, where will these new CPD requirements and more stringent reporting of ethical offenders place CGA-BC among other designations?

“It puts us at the forefront,” says Clissold. “CGAs want to maximize their return on the investment they’ve made in earning their designation. And that means remaining current in all our training, ethics included.”

Michael McDonald, PhD, concurs. McDonald was the founding Director of the W. Maurice Young Centre for Applied Ethics at UBC. He also holds the position of Maurice Young Chair of Applied Ethics at UBC. In 2006 he compared the International
Federation of Accountants (IFAC) draft set of ethical guidelines with guidelines for CGAs in Canada.

He found CGAs in Canada were already in compliance with IFAC’s guidelines.

“CGA is also ahead of the curve in the integration of ethics into all its student courses,” he says.

However, McDonald observed that CGA could strengthen its IFAC compliance in the area of post-qualification training.

With the introduction of the new ethics requirement for CGAs, McDonald says, “CGA-BC is taking a leadership role in what looks set to become the new international standard for ethics in accounting.”

In other words, when the IFAC's draft guidelines become the international standard, which they likely will, McDonald says CGA-BC will already be meeting and enforcing those standards.

CGA-BC’s commitment to higher standards is nothing new. In 1981, B.C.’s public practitioners voted to begin a program dedicated to lifelong learning with the introduction of mandatory professional development. In 1988, members voted to expand this requirement to include all CGAs.

“We were the first to institute mandatory CPD for all our members,” says Susan Threlfall, CGA-BC’s Manager, Member Operations. “CGAs have long understood that lifelong learning is key to providing the best possible service for the public. And ongoing ethical training is part of that commitment to lifelong learning.”

Threlfall also says that there will be a lot of options for how CGAs can fulfill the new ethics requirement.

“In addition to the new four-hour CPD course, members will also have the option of a verifiable online course,” Threlfall says. “We’ll also be building the requirement into several of our other courses as well. For instance, the three-day Controller’s Program, which already includes an ethical component, will be expanded to meet the ethics requirement. In public practice, Practice Management will also fulfill the requirement.”

In order to track compliance with the new requirement, members will complete a declaration online as part of their CPD reporting.

Q & A with the Experts

A Closer Look at Ethics in Accounting

Ethics is about more than simply adhering to the law. It’s also about ensuring your clients and employers understand how you’re serving their best interests. It’s about communication and transparency in all your dealings. Ultimately, it’s about reputation earned through strict adherence to both the letter and the spirit of laws and reporting standards.

But those laws and standards seem to be constantly changing. Yesterday’s best practices could very well be tomorrow’s broken laws. Through continuing professional development (CPD), including a mandatory ethics component, CGA-BC is ensuring that the designation’s reputation for excellence and leadership will remain steady in an ever-changing climate.

The question is, on a day-to-day basis, how can each CGA ensure they are meeting the highest ethical standard? Outlook went to the authorities to find out how CGAs can avoid potential ethical pitfalls.

We asked Kasandra Bonn, MBA, CGA, Manager, Professional Conduct for CGA-BC, Michael McDonald, PhD, and the Maurice Young Chair of Applied Ethics at UBC, Stephen Spector, MA, FCGA, CGA-BC’s Second Vice-President and chair of the Ethics Committee, and Nick Shepherd, FCMC, FCCA, CGA, and course author for the CGA-BC’s new ethics course, to shed some light on the subject for us.
What one area leads to the most ethical problems for accountants?

“Maintaining clear and documented communication with the client or employer is key,” says Bonn. A lack of communication is a factor in many of the complaints we receive. Any lack of transparency can lead to suspicions.”

Shepherd concurs. “Ethics is more than simply how you conduct yourself,” he says. “It’s how you reveal your conduct. As a professional, you’ll be judged not on how you think you’re behaving, but on how [clients] perceive your behaviour. Perception is reality in client relations.”

What steps can CGAs take to ensure better client communications?

“Make sure you provide the required Engagement Letter that clearly outlines your roles and responsibilities for each client,” says Bonn. “But that’s the beginning of the communication, not the end. You also need to inform clients of any fee changes due to unforeseen circumstances in a timely manner. Basically, ensure you get client approval at each step along the way. This fosters an open and transparent relationship with the client.”

“It’s important to get constant validation that your client is receiving the information in the same way you’re intending them to receive it,” Shepherd says. “We stress feeding back information to your clients in writing. That way, practitioners can be sure that everyone is on the same page.”

“You have to avoid situations where it’s a case of ‘he said, she said.’ You must document all conversations and actions that are agreed upon,” says Spector. “So you need a paper trail. It could be as simple as an e-mail or a note to the file.”

Where else do complaints often arise?

“Pushing the envelope,” says Bonn. “In wanting to provide full service to clients, CGAs may feel they need to expand their services outside of their chosen area of practise and into other areas. It’s something that we encourage our members to do, but practitioners have to have the skills to expand their scopes.”

“New practices – such as providing business plans, setting up trusts, performing management and business consulting – can bring more business in,” Bonn continues, “but you have to be sure you have the knowledge to provide the services your clients need.”

What is CGA-BC doing to ensure our members remain ethical leaders in Canadian accounting?

“Ethics and trust issues are top priorities for CGAs,” says McDonald, referring to CGA-BC’s member surveys that report ethical issues as a major concern. “But solid ethics are not a static thing; they’re a dynamic process that need to constantly be updated, re-examined and addressed.”

“CGA already has an Ethics Reading Handbook [edited by Dr. McDonald] and provides stage-by-stage ethical training which is folded into the CGA curriculum,” McDonald says. “CGA is already in a leadership role with regards to compliance with IFAC standards, but the introduction of a post-qualification [ethics requirement] for all members solidifies CGA-BC’s place at the forefront of ethics in accounting.”

“In most cases,” says Kasandra Bonn, “when a member is judged to be in ethical violation of CGA’s Code of Ethics or Rules of Conduct, there is a fine and an order to improve the problematic conduct.

“But our philosophy is to remediate and offer an opportunity [through focused CPD] for greater knowledge in the deficient area. This way, members can use the opportunity to improve themselves professionally and improve their ability to serve the public, while also earning their necessary CPD hours.”

Doesn’t simply adhering to the law guarantee that I’m acting ethically?

Not always.

“Part of being ethical is being legal, complying with legislation,” says Nick Shepherd. “But just because you’re complying with legislation doesn’t mean [that] you’re being ethical,” he continues, citing the Conrad Black trial as an example. “Black may well be found not guilty in a court of law, not because he acted ethically, but because what he did may have complied with the law.”

“However, in the open world of credibility and professionalism, being legally compliant is not enough. You also have to be seen as acting ethically.”
“As professionals we have a duty to go beyond the letter of the law and we must adhere to the spirit of the law too,” says Spector. “That’s really the key.”

I’m a veteran CGA with no history of ethical violations. What does the new ethics CPD requirement have to offer me?

“It’s so easy to get caught up in the day-to-day hustle of business,” says Shepherd. “The new half-day ethics requirement will provide a break for our more experienced members to get together and talk about the challenges they’ve faced in the real world. They can share experiences and solutions about what works and why.”

McDonald holds a similar view. “I can’t stress enough the importance of working with colleagues to find workable answers to real-world problems. Don’t try to bear the entire ethics load on your own. [Through CPD] you can share stories with trusted colleagues, some of whom may have faced a similar challenge themselves. [The ethics CPD requirement] provides an opportunity to share your experiences and learn from the experiences of others.”

McDonald says that higher ethical standards can also impact an accountant’s bottom line.

“One of the things we know from studies in both economics and ethics is that people who can maintain high-trust situations have much lower transaction costs,” he says. “[Your clients] don’t have to safeguard against double dealings and various other things [when they know you can be trusted].”

As more baby boomers approach retirement age, there is a concern that some of their ethical expertise – and with it some of CGA-BC’s institutional memory – may be lost. Sharing experiences with younger members is critical to continuing CGA-BC’s reputation as a worldwide leader in CPD and in accounting in general.

“The issue is really this: As CGAs we’re committed to lifelong learning and to protecting the public,” says Spector. “But the world and the ethical environment is constantly changing. Things don’t stand still. And we can’t stand still either.”

Look for Michael McDonald to host an ethics forum and address real-life ethical dilemmas that face CGAs in future issues of Outlook Magazine.

What’s Verifiable?

Changes to CPD Reporting Reviewed

In 2007, CGA-BC moved to an hours-based reporting system for continuing professional development (CPD). Under this system, all members are required to maintain a three-year moving total of 120 CPD hours. At least 60 of those hours must be verifiable, and starting in 2008, four of those hours must be ethics-related.

Verifiable CPD activities are those that can be objectively confirmed by a competent third-party source. They include the following:

- Attending seminars, formal in-house training sessions, non-credit courses, special interest study groups and post-secondary courses
- Teaching courses or presenting seminars
- Developing courses or seminars presented to a third-party
- Tutoring or marking assignments for post-secondary credit courses or distance education courses
- Participating in technology-based activities that provide a certificate of completion or an assessment process – for example, an online seminar
- Writing articles, books or courses published by a third party

For more information, or to ensure that your CPD hours are verifiable, contact Member Services at cpd@cga-bc.org.
As a self-regulating organization (SRO), CGA-BC takes its commitment to ethics seriously. Part of that commitment is ensuring that our members understand the disciplinary processes that are in place to handle ethics and continuing professional development (CPD) cases with impartiality and fairness.

Last year, the Association dealt with 134 complaints. Of those, 37 were carried forward to 2007 and discipline was assigned in the remaining 97 cases. Outlook asked CGA-BC’s Manager of Professional Conduct, Kasandra Bonn, MBA, CGA, to provide some context for these numbers.

“In order to understand our ethics and disciplinary results, first you have to understand SROs. All professionals – like CGAs, CAs, doctors, dentists and many others, belong to their particular SRO. And all SROs must adhere to administrative law, which includes processes for discipline with regards to breaches of ethical conduct,” says Bonn.

“This law, in effect, devolves onto the SROs the ability to police their own, subject to the tenets of administrative law. These tenets include fairness and having an impartial adjudicator. The member must know the case against them.”

When a complaint is filed with the Ethics Committee, investigators are appointed, and they, along with a consultant and the Chair of the Ethics Committee, make decisions according to the Bylaws. The member has the right to refuse that decision, and if so, the issue moves to the Discipline Committee.

The initial decision is then set aside and a panel of five peers is convened to hear the case. The investigator presents their report without the initial decision, just the evidence. The member can appeal any Discipline Committee decision to the Appeals Committee. The Appeals Committee is the final in-house stage for decisions. Any further appeals have to be taken to the courts.

Listed below are the five main categories for discipline, in order of severity:

- Improve conduct/competence
- Reprimands
- Suspensions
- Expulsions
- Barred from reinstatement

A fine usually accompanies each decision. As of January 1, 2007, all decisions involving a breach of the Code will be published publicly on our Website.

Bonn explains the reason for the change.

“Our members want us to be more transparent with our decisions,” she says. “The public deserves to have access to this information. Any decisions that don’t fall under one of the four, more serious, categories will not include members’ names or any identifying information. But starting this year, reprimands will be made public.

“Decisions often carry an order to pay costs, plus an order to improve conduct. These instances will result in a summary that is provided to the complainant and published on the Website, but these summaries do not include the names of offenders. Decisions with the more serious forms of discipline will be published with names.”

With a movement towards higher standards in accounting, CGA-BC is a flag bearer in codifying ethical conduct.

“Our processes are fair, and have been deemed so in the courts,” says Bonn. “But we are always striving to improve our standards. The CPD ethics requirements are part of that improvement, as is the publishing of the names of members who are not living up to the CGA-BC standards for professional conduct.”

For more information about the Code of Ethical Principles and Rules of Conduct, or about the statistics and when and how case summaries are to be published, contact Kasandra Bonn, MBA, CGA, Manager, Professional Conduct, at kbonn@cga-bc.org.

By Colin Miley
VICTORIA
Conference 2007
September 19 to 23

Speakers include Deborah Graystone, BSc, CGA, Ed Kroft, LLB, LLM, CGA (Hon.) and Nick Shepherd, FCMC, FCCA, CGA.

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Vendor, including the documents created using such applications. Users only need to have a PC with an Internet connection (broadband connection recommended), and a browser. Thus, documents can be accessed from anywhere in the world, by any one with the permission from the creator of the documents. Online office applications not only remove the cost of purchasing the software and the headaches of installing it, they also enable collaboration and sharing that is difficult to achieve with Microsoft Office.

Online Web-based spreadsheet service

Spreadsheets have become one of the key tools for all businesses, big or small. Often, several individuals collaborate on the spreadsheet creation and modification. For those organizations that are more technically advanced, such collaborative work can be done using a tool such as Microsoft SharePoint. But for most organizations, such collaborative work is done by sending copies of the spreadsheets by e-mail. This often results in problems with version control as it is difficult to know who has made what changes to which copy of the spreadsheet.

Google Spreadsheet, a free hosted online spreadsheet service, offers a simple solution to these spreadsheet woes. The Google Spreadsheet is easy to use and it works much like every other spreadsheet you’ve ever worked with. For any one with prior spreadsheet experience, there is no learning curve. Not only can you create new spreadsheets, you can also import any Excel worksheets into Google Spreadsheet and save it online. Because this service is online and Web-based, any change you make will be saved automatically.

The most important feature is the ability to collaborate with other Google users who, with your permission, can make changes to the spreadsheets. In fact, more than one individual can be working on the spreadsheet concurrently, and if these individuals are also online (by phone or by VoIP), they can be collaborating and discussing changes and make them on the spreadsheet dynamically. You can also invite others to view, but not change, your online spreadsheets.

The Google Spreadsheet, though not as powerful as Excel, offers a decent list of mathematical, financial, statistical, and other function types. For the majority of users, these are more than adequate. Just like Excel, Google Spreadsheets supports multi-sheet spreadsheet files, and you can add any number of worksheets to a file with ease.

There are a number of limitations, however. For example, you cannot graph or chart your data, and there are not statistical and other analysis tools (such as pivot tables and scenario analysis) as found in Excel.

Google Apps Premium Edition

In February 2007, Google introduced Google Apps Premium Edition, an online office suite targeted at small- to medium-sized businesses. The suite provides e-mail, instant messaging, calendar, word processing and spreadsheets. The cost is $50 US per worker per year versus about $600 US for Microsoft Office. A free edition is also available, but it is ad-supported and limits the storage for e-mail to 2GB versus 10GB for the Premium edition. The 2GB is quite adequate as long as you don’t use e-mail for long-term storage.

An example

I found Google Spreadsheets perfect for sharing budgetary and financial information with the rest of the Board of Directors in my volunteer work with the Chief Information Officers Association of Canada. For the longest time, copies of Excel spreadsheets were sent around as e-mail attachments, and no one knew who had the most current version. After I converted the budgets and the general journal online on Google Spreadsheets, I was able to stop sending spreadsheets by e-mail attachment, and any of the board members could view the most current financial information online, and work with each other collaboratively when developing the annual budget.

Other online spreadsheet applications

In the online spreadsheet arena, Google is not the only game in town, and not the first one either. There are a number of other online spreadsheet applications, including:

- SecureSheet – securesheet.com
- NumSum – numsum.com
- ThinkFree – thinkfree.com
- EditGrid – editgrid.com

But in the online office applications, Google is the 800-pound gorilla. While Google’s online office applications do not yet threaten Microsoft’s dominance in the office productivity space, they provide some users, particularly small businesses, with a less expensive and less technically challenging alternative.

FOR SALE: Long established, full service, Vancouver CGA accounting practice. Annual billings are over $600,000. Flexible succession arrangements are negotiable. The practice is well located in an attractive neighbourhood on the south side of the city. There are long term staff and clients and there is a good mix of corporate year ends, personal tax, etc.

Please reply in confidence to cgapractice@gmail.com.
Salary History Versus Salary Requirements

by James C. Gonyea

If you’ve been job hunting lately or are about to seek new employment, you will most likely have to address your salary history or salary requirement.

WHAT THEY MEAN

When employers ask for your salary history, they want to know the salary you earned for each employer listed on your resume, especially your last position.

When employers request your salary requirement, they want to know what salary you will accept if offered the job for which you’re applying.

For many job seekers, discussing salary history can be an uncomfortable part of the job-hunting process. But knowing the difference between these two concepts is critical to your job-hunting success.

Continued on page 18
THE PROBLEM

There’s no danger in announcing your salary requirement. As a matter of fact, it’s necessary and commonly understood to be part of the negotiation process between potential employer and employee.

However, providing information about your salary history can harm your chances of employment or fair compensation for your talent. Once prospective employers know what you’ve earned in previous positions, some employers may offer you the same compensation level, slightly higher or even slightly less. Some employers may even remove you from further consideration, thinking they can’t afford you.

Once your previous salary level is known, it can be very difficult to negotiate a salary that truly reflects your talent and value. For example, what if your previous position was underpaid? With that salary level known, you could easily become underpaid in your new position.

Many consider their salary history to be private and confidential information. For years, it was considered rude or inappropriate to ask people about their salary -- it just wasn’t done. Besides, there are many factors (downsizing, budget cuts, recession, etc.) beyond the job seeker’s control that can negatively affect salary. Therefore, a salary level does not always truly reflect a person’s employment value.

However, some employers now request this information and will actually reject applicants that don’t respond positively. So what should you do: Compromise your values or chance losing the job?

FIVE TIPS

• Know your position on revealing your salary history before you begin your job search. Do you consider it private and confidential? Are you willing to walk away from a job if the employer demands this information? What if the employer next wants information about your health history? Don’t compromise your values. You can always find work, but regaining your self worth is much more difficult to do.

• Never volunteer your salary history. To avoid the salary trap as illustrated above and to secure a fair wage for your talent, sell yourself on your work experience, accomplishments and merits -- not past salary. Accordingly, do not add your salary history to your resume or cover letters.

• Be prepared to indicate your salary requirement, but do not volunteer this information until asked or until an offer has been extended. Again, do not state it on your resume or cover letter, as what you believe you’re worth may be too low once you learn job details during the interview. Do some research to find out what you’re worth. When asked, indicate that you believe your talent is worth a range of salary from low (acceptable) to high (desired). By stating a range, you provide yourself and the employer with wiggle room for negotiation.

• If an employer presses you for information about your salary history, and if you feel that such information is private, don’t simply say, “That’s private information, and I won’t divulge it to you.” It’s better to say something like, “I’ve always felt that one’s salary history is a private matter. However, considering my past work accomplishments and talents, I feel a compensation level of (state salary range) would be appropriate.”

• If you do divulge information about your past salary history, never lie. Some employers may ask you to verify your salary history or request such information from past employers. If it’s found that you’ve lied, you could be fired.

James C. Gonyea has been a professional career guidance counselor for more than 30 years. Mr. Gonyea holds a Masters in Guidance and Counseling from the State University of New York at Plattsburgh and has written several books on the subject. Mr. Gonyea is also credited with developing the first online career guidance service in 1989 for America Online.

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Salary Resources

• Use monster.ca’s Salary Wizard at salary.monster.ca to determine what people in comparable positions to yours are making. The Wizard includes a range of accounting positions and can be searched by geographical location.

• Robert Half publishes an annual salary guide for finance and accounting professionals. Request a copy at roberthalf.com.

Students will be receiving a number of important items from CGA-BC over the next two months. Keep a look out for:

• New Student Card
• Enrolment Guide
• Student Handbook

For detailed information regarding all of our policies and procedures, be sure to read the 2007-2008 Student Handbook. The online version of the 2007-2008 Student Handbook will also be posted on our Website prior to the start of Session 1 and the condensed print version of the 2007-2008 Student Handbook will be mailed to you shortly after your first enrolment in the 2007-2008 academic year. As it is the student’s responsibility to be aware of the policies and procedures of the Association, it is essential that you read through the Student Handbook and refer to it often.
Raymond Yim, CGA-BC’s new Coordinator, Evaluation Programs, has dedicated himself to improving the efficiency of the evaluation process — sooner rather than later.

In the past three months, Raymond has assessed over 150 students, most of them from India, China or Pakistan, with some from Slovenia, the UK and Australia.

“My goal is to streamline the evaluation process from five weeks to 14 business days,” he says.

A quicker response will help students clarify their options, know what credits will be transferred and move decisively along the CGA career path, he says.

Not to mention, a streamlined evaluation process will save the Association time and money.

Raymond has implemented and tested his new approach with his fellow evaluator, Sharon Gereaux, Coordinator, Student Evaluations.

“It’s been successful and achievable. The results are clear,” he says.

Raymond joined CGA-BC in March and brings a wealth of business and accounting experience to his new role, with previous positions at Accredited Home Lenders, KPMG and Midnite Xpress Auto Parts.

He enjoys building efficiencies within companies, improving internal corporate controls and collaborating with internal and external stakeholders to find opportunities for innovation.

CGA AMBASSADOR

As a CGA student himself, he enjoys sharing his knowledge. Raymond completed his business studies at BCIT with a Bachelor of Technology in Accounting and is also studying for the U.S. CPA designation.

“I try to help students as much as possible with the right career path information, accounting resources and where to search for work,” he says. “I give them the straight goods. I consider myself as an ambassador for the program.”

Raymond is responsible for coordinating the administration of student practical experience requirements and evaluating student submissions.

(In fact, shortly before he joined CGA-BC, his own practical experience application was evaluated and approved by his predecessor Noreen Jang, CGA.)

He evaluates transcripts for 95 per cent of prospective and current applicants, with a focus on non-B.C. post secondary education. He also evaluates B.C. transfer credits to determine the appropriate credits, challenge exams and whether a student meets the Association’s degree requirement.

Many applicants have an international background, so Raymond’s language skills come in handy. Besides fluency in English, he has good knowledge of Cantonese, Mandarin, Vietnamese, as well as basic French.

Most applicants also have a vast range of professional accomplishments and education.

“I have to determine how much of their academic history and experience is equivalent to the CGA program and its requirements,” he says.

It’s akin to a prior learning assessment, where Raymond and his team assess the credentials and work experience of prospective applicants, according to CGA guidelines.

Contact Raymond at (604) 730-6201 or ryim@cga-bc.org.
While CGA students are used to working online, there are a number of changes coming to CGA-BC’s online service delivery over the summer. Here we review all the major changes so you won’t miss a step as our new services are launched. Watch for further announcements on launch dates and details.

**CGA-BC WEBSITE:**

WWW.CGA-BC.ORG (formerly CGA Online)

A new Association Website will be launched by the start of the 2007-2008 academic year. The new Website will be “one” of your key sources for student information, including:

- Assignment Due Date requirements
- Exam marks
- Qualification notices
- Lecture and exam locations
- A link to CGAjobs.org
- Post-secondary Transfer Credit Guide
- Online Student Handbook, including Schedules and Forms

*You can use the site’s new URL: www.cga-bc.org starting immediately. Until the new Website launches, you will be linked to CGA Online.*

**STUDENT ID NUMBERS**

To access any personalized services on the new Website, all CGA-BC students are being assigned a new ID number, which you will receive with the enrolment package mailing in July. There are a number of benefits to the new ID number:

- You’ll use your new ID number the entire time you’re a student, and the number will carry over with you once you become a CGA member. You’ll never need to learn a new ID number again!
- Your new ID number will be used as your ID to access personalized services on the CGA-BC student Website, the edNET Website and Blackboard-Online Learning Environment Websites.

Your new ID number will allow you to change your CGA-BC password. That’s right! Many students have been eagerly awaiting this service.

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**New Requirement for Membership Coming in 2008**

Building on CGA-BC’s leadership role in protecting the public interest and our members’ strong commitment to lifelong learning, the CGA-BC Board of Governors is proud of the new ethics requirement being introduced for all members January 1, 2008. You can read all about the new program and why the Association is adopting it in this issue of Outlook on page 9.

As part of this requirement, new graduates of the CGA Program will be required to complete a full-day CGA-BC rules and standards course. Graduates will have one full calendar year to complete this requirement. For example, an August 2008 graduate must complete the course prior to December 31, 2009.

A brochure will be included in the new graduate package beginning in 2008. Full details on the requirement, together with scheduled dates and information on participating in the online option, will be detailed in the brochure and available on www.cga-bc.org. The course will be offered through our Professional Development calendar several times each year and be available for completion online. The online course will include quizzes and a confirmation of completion. The cost for the full-day course will be $325.
Leader of the Ethical Pack

Bestselling author John C. Maxwell’s book, Ethics 101: What Every Leader Needs To Know, has been described as, “A persuasive, inspiring and greatly needed message.” In an age of high profile corporate ethical scandals, Maxwell’s voice of integrity is inspiring. The book is structured around mantras that are hard to disagree with, such as, “Treat people better than they treat you” and “Keep your promises even when it hurts.” He argues that by implementing the Golden Rule in daily business dealings, one can achieve both a successful and ethical career.

The Force Is Strong . . . With Your Office Presentation

We’ve all found ourselves cloistered away in a stuffy boardroom, sitting through a seemingly endless PowerPoint presentation. Worse yet is when you find yourself giving one, and you catch the glazed look in the eyes of those in attendance. While it’s often difficult to spruce up the content, you can certainly add some theatrics by showing up with your very own android assistant.

Now available for pre-order is the R2D2 Projector from Nikko Home Electronics. This interstellar office technology is likely to have a hefty price tag (perhaps as high as $4,500 according to some reports), but don’t let that drag your spirits to the dark side. This R2 unit is a fully functioning office dynamo that will have your audience gasping like Darth Vader. This half-scale replica can project video or still images onto a wall, up to 80 inches in diameter. It also comes with an integrated DVD/CD player and a variety of A/V ports that allow for easy connectivity to external laptops, memory cards and flash drives. There’s even a hidden compartment that houses an iPod docking station.

So the next time you need help putting on a lively presentation, bring R2 along, and remember the sage advice of Yoda: “There is no try, only do.”

Cordless Wonder

The Microsoft Wireless Presenter Mouse 8000 proves that multi-function innovation is still alive and well in the IT world. With the 8000, you can carry less, and achieve more, all in a cordless environment. For starters, it’s a great cordless mouse, which as a stand-alone feature is a must-have clutter-avoidance tool. But that’s not all the 8000 has to offer. The flipside of the mouse houses a fully functional presentation remote, a media remote, and a laser pointer, all rolled into an ergonomic handheld, no larger than a regular mouse.

Face, The Final Frontier

Along with the personal jet pack and robot butlers, the idea of a video-phone dates back to a 1950s vision of the future. Yet it’s taken so long to bring this dream to the consumer market that it largely skipped traditional landlines and arrived as a cellular service. Not even Flash Gordon saw that one coming. Granted, we might not get to use it while zipping around in flying cars quite yet, but face-to-face video cellular has finally arrived in Canada. Rogers’ new High-Speed Downlink Packet Access (HSDPA) network is currently in beta-test operation in parts of Ontario, with planned expansion across Canada in coming months. Rogers VISION wraps video capability into a package that also includes XM radio stations, music downloads, YouTube clips and a selection of TV channels. Right now, the only phone supporting this service is the Samsung A706, although more will be added in the near future. The price tag for this nifty piece of hardware is actually quite reasonable and starts at $99 with a three-year contract.

Drop the Crackberry Habit During Meetings

47% of Canadian executives disapprove of checking e-mail during meetings.

A majority of senior Canadian executives – 71 per cent – say it is common for people they work with to read and respond to e-mail during meetings, according to a recent survey. However, 47 per cent of those executives disapprove of the practice. They said it’s never okay to respond to an e-mail during a meeting. But, many executives gave some latitude depending on how important the e-mail was – 32 per cent said it was okay to respond to an extremely urgent e-mail.

The survey of Canadian executives was commissioned by Robert Half Management Resources.
Richmond-based Teldon is gaining ground in the commercial printing market in Canada and the U.S. — and reaping the rewards. Annual sales have surpassed $50 million and the company is on track to achieve $100 million in sales by 2012. Established in 1969 in Vancouver, B.C., Teldon produces personalized promotional wall calendars. After more than 30 years in the business, the company has grown steadily to a payroll of 300 employees. According to Business in Vancouver, Teldon is the largest privately held printing company in BC, says Michael McAdam, CGA, President & CEO.

A truly PEP Culture
As a founding PEP employer, the key ingredients to the company’s success are its people and corporate culture.

People are truly our competitive advantage, says McAdam.

“We are a majority employee-owned company,” he says. “We have a different flavour than a larger company.”

There is a long tradition of promoting from within.

“Our employees are proud, empowered and passionate.”

“We treat people with a lot of respect and we are transparent in our conversations. We don’t have a large hierarchy — employees have the freedom to express new ideas and approaches. We also engage our staff to learn and grow personally and further their professional education.”

Two of Teldon’s employees are pursuing
CGA designations and the company is footing the bill. McAdam sees it as a signal to others who might be considering similar training, and a worthwhile investment in both his company and employees.

"I strongly believe in the value of a CGA education. It helped me achieve significant success throughout my career," says McAdam.

He’s been with Teldon since 1996, originally starting out as Manager of Accounting. He was promoted to Director of Finance, then GM and finally to President and CEO in 2004.

"I received my CGA in 1997 when I was Director of Finance," he says. I knew that having a financial and accounting background would help me to become President of a company one day."

"My CGA education was a great stepping stone. It’s paid very handsome returns."

Expanding Business Units

Three distinct business lines define Teldon’s operations: Teldon Print Media, Teldon Marketing and Teldon Publishing.

Teldon Print Media services the other business units (operating from five offices across North America) as internal customers.

"We leverage the publishing sector and marketing activities by creating synergies from concept to delivery, all within the same group of companies," says McAdam.

Each business unit is autonomous with its own mandate, president, infrastructure and employees. There are six accountants spread among three accounting departments: future company growth will come mainly from the publishing and marketing areas.

The company’s humble beginnings began with wall calendars, and last year it printed 17 million of them. (Teldon calendars are easily identified as the ones with the photo of the friendly real estate agents.)

With the success of the calendar line and an in-depth knowledge of key industries, Teldon expanded its manufacturing capabilities and added a commercial printing division.

- Teldon Print Media is one of the most fully-equipped print and workflow operations in the Pacific Northwest, with web, sheet-fed, and digital printing capabilities;
- Teldon Marketing provides tailored marketing programs to North America’s leading organizations, primarily in the real estate, financial services, and automotive markets;
- Teldon Publishing produces a wide range of quality publications, including nutritional health and travel magazines and newsletters. This includes Alive Publishing Group (400,000 readers per month) and MediaHI Publishing with operations in Hawaii.

Reducing Exposure, Increasing Efficiencies

A potential juggernaut to the company’s fortunes however, is the high Canadian dollar (relative to the US dollar). A proactive McAdam has already done his homework.

"I have always been a fan of fixing currency exchange exposure by having foreign exchange contracts. That has allowed us to manoeuvre the company’s buying patterns while we had time."

Teldon has reduced its U.S. dollar exposure and as of last year, has hedges against currency fluctuations.

“When the Canadian dollar was $1.14, we made more profit than ever, so going from 1.15 to 1.10 is not as significant for us,” he says.

McAdam also hedged the company’s bets by investing in internal efficiencies. In 2004, it purchased a new Heidelberg press that doubled its output with the same employees. It helped to create greater efficiencies in the press room, shore up profit margins, and combat any foreign exchange loss, he says.

“What I love about this company is that it allows me to be innovative and creative without being overly aggressive,” he says.

“There are so many new and exciting challenges,” he says, referring to last year’s acquisition of a New York company for a more visible presence in the U.S. market.

There are now over 35 companies registered with CGA-BC’s Partners in Employment Program (PEP). Find out how your company can benefit by joining.

Contact:

- Dan Relihan, CGA, Manager, Recruitment and Employment Initiatives (604) 730-6202
drelihan@cga-bc.org
- Jas Randhawa, CGA, Manager, Recruitment and Employment (604) 629-8360
jrandhawa@cga-bc.org
Quarter Century Club dinner

Above (clockwise from top left) Bob Vincent, FCGA, Jay Norton, FCGA, and Sandi Vincent and Daniela Novak. The Vancouver Porter Hetu Group was well represented at the dinner with Rose and Brian Blamey, CGA; Margarot and Ian Lawson, CGA; and Diana and Al Botteselle, CGA. Moe Jones, FCGA.

Below (clockwise from left) New QCC members Pamela Bennett, CGA, and John Carver, CGA, Controller of the Sutton Place Hotel. Paul Kan, CGA, summarized the changes in life since 1982: Then: Drove a sports car. Now: Drives a mini-van. Then: Went out to night clubs. Now: Goes out to Tim Horton’s. Bill Schulz, CGA, Chair of Quarter Century Club.

Photos: Ron Sangha
Above (clockwise from top left) Harry Ching, CGA, between Bill Brock, FCGA, and Gordon Clissold, FCGA. New inductees are asked to provide some information on what they have been up to for the last 25 years. Ching responded with, “Whatever it was, it’s made me lose all my hair.” Yik Fung Au-Yeung, FCGA, and Bennie Yung, CGA, new QCC club inductee. Nedra Bell and new QCC member Connie Lavin, CGA.

May 4, 2007

Below The annual Quarter Century Club dinner welcomed 134 inductees into the club and 13 new members emeritus (50-year members of CGA-BC). At the dinner, held May 4 at the Sutton Place Hotel in Vancouver, over 100 new members and their guests, including five members emeritus, celebrated the occasion.
Minister Rick Thorpe talks taxes

Rick Thorpe, Minister of Small Business and Revenue and Minister Responsible for Regulatory Reform, keeps two identical pairs of work gloves in his Victoria office. The only difference between the two pairs? One is PST exempt; the other is not.

“I keep those gloves to remind myself of some of [the PST applications] that don’t make sense,” said Thorpe.

Last year, Minister Thorpe’s office launched a 20-city tour to hear first hand the complexities of the application of the PST, and what it’s costing businesses across B.C.

“This was the first time ever that a thorough review of the PST was conducted,” said Thorpe.

What’s wrong with the PST? Well, for starters, the “P” in PST could easily stand for “Perplexing” rather than Provincial. Specifically, the tax is often confusing as to when it must be charged on goods and services.

“One of the things we heard over and over was that sales tax has to be streamlined; it has to be simplified,” Minister Thorpe said. “To me, the essence of doing these consultations . . . is to see how things impact [real people] on the ground.”

When the Minister’s office called on B.C.’s business leaders to help in the review process, CGA-BC came to the table with recommendations to streamline the PST. (See the sidebar on page 27 for a list of the 13 PST changes announced in the 2007 B.C. Budget.)

And why is it important for CGAs to contribute to the review process?

“CGAs . . . interface with thousands and thousands of business and small business operators every day. What better resource could we find [to help identify areas for PST streamlining] than professional accountants?” said Minister Thorpe, who is a CMA himself.

How will the PST changes affect CGAs and their clients?
A new $10,000 threshold for collection and remittance of tax addresses the issues raised by CGAs related to charitable organizations and home-based businesses with low volumes of sales.

Another change will allow businesses a little more time each month to remit PST.

“We have moved [the monthly deadline for remittance] from the 15th to the 23rd, which is eight additional days,” Thorpe added, noting that the past deadlines were causing some businesses unnecessary burden.

CGA-BC’s request for timely rulings has been addressed in the ministry’s Taxpayer Fairness and Service Code, which now includes the following guidelines:

• General email inquiries regarding sales, hotel, fuel or tobacco tax sent through CTBTaxQuestions@gov.bc.ca are responded to within two business days of receiving all necessary information;  
• Complex tax inquiries and written rulings on these taxes are responded to within 20 business days of receiving all necessary information.

What’s next, given that Budget 2007 did not address all the complexities of the PST?

“We’re moving to Phase II,” says Thorpe.

The PST Review identified other options to simplify tax appli-
cations that will require further discussion and analysis, since they would result in fundamental changes for certain businesses. There will be continued review sessions with these sectors in the upcoming year. To find out more about upcoming sessions or how you can communicate your PST concerns, go to www.sbr.gov.bc.ca/pstreview.

One facet of Phase II that will directly affect CGAs centres on audit sampling techniques.

“As the minister responsible for tax appeals in the province, one of the things I hear is that the audit sampling techniques need to be reviewed,” Thorpe said. “We’re working with accounting professionals to [find] more acceptable audit sampling techniques that we can look at implementing in British Columbia.”

What about the suggestion that CGA-BC often hears from its members to consider harmonizing the GST with the PST?

“Some of these solutions sound simple, but it’s just not that simple,” said Thorpe.

“Harmonizing with the GST means . . . an additional $2 billion dollars [for] consumers. That’s a lot of money. When people go out for dinner — that would be taxed. Children’s clothing would be taxed. We’d also be giving our taxing sovereignty [as a province] away. I’m not sure that we in British Columbia want to do that.”

So, which pair of gloves in Minister Thorpe’s office is PST exempt? I’m still not certain, but I think it has something to do with whether they are for use at home or on a job. And it’s that uncertainty that makes them a perfect symbol of the need for PST simplification in B.C.

For more information about PST changes, applications, or future review sessions, go to www.sbr.gov.bc.ca/pstreview

Lucky Number 13

The 2007 Provincial Budget included 13 new PST measures related to the PST review. CGA-BC participated in the review last year and submitted several key suggestions to government on how to simplify and streamline the tax.

- Due date for tax remittances extended to the 23rd of the month from the 15th of the month
- Threshold for quarterly, annual and semi annual remittances increased to $12,000 in annual tax remittance, up from the previous limit of $8,400
- The due date for tax remittances clarified
- Audit assessment period reduced to four years from six years
- Audit assessment period for some liquor purchase audits reduced to three years from six years
- Refund limitation period reduced to four years from six years
- Record retention period reduced to five years from seven years
- A $10,000 threshold was established for registration and collection of tax
- Exemption for equipment used in oil and gas exploration expanded
- Exemption provided for emergency roadside tire change services
- Exemption provided for prescription drug samples
- Tax reduced on equipment taken out of lease inventory and leased with an operator
- Exemption for catalysts and direct agents expanded
Governor Arnold Schwarzenegger star of the recent Pacific Economic Summit.

B.C.’s Certified General Accountants had a headliner role as a major sponsor of the Pacific Economic Summit on May 31, at the Westin Bayshore Vancouver. The premium event featured a who’s who of B.C. and California business and politics, including California Governor Arnold Schwarzenegger and B.C. Premier Gordon Campbell. The all-day summit had an emphasis on the economic benefits of going green.

Gordon Clissold, FCGA, CGA-BC’s President, introduced the luncheon keynote speaker, Elyse Allan, President and CEO of GE Canada.

“Our members, a significant number of whom work in, or their work relates to, the United States and California, live and breathe the issues advanced at this forum,” said Clissold.

Also attending on behalf of CGA-BC were:
- Linda Woo, CGA, Vice-President of Finance & Administration of Rescan,
- C.Y. Tay, CGA, Director of Finance for Leisura Developments,
- Edward Downing, CGA-BC’s Director of Communications,
- Juliana Laing, CGA-BC’s Director of Corporate Affairs,
- Jas Randhawa, CGA, CGA-BC’s Manager, Recruitment & Employment, and
- Michael McAdam, CGA, Chief Executive Officer of Teldon.

Edward Shawchuk, Senior Manager, PwC

CGA-BC also held a contest to win one ticket to the one-day event. CGA student Tina Kaminski, a Senior Accountant with KPMG, was thrilled to attend.

“I had a chance to talk with some of the most amazing business leaders of B.C.,” she said. “It seemed like every President or CEO of all the large corporations in B.C. showed up. But the highlight was having Arnold shaking my hand. He’s well spoken and very charismatic.”

The sponsorship of the Pacific Economic Summit was a key part of Vision 2008, the Association’s strategic focus on promoting recruitment, employment and empowerment opportunities for CGAs and students. See more pictures from the Summit in the summer issue of Vision 2008, included with this copy of Outlook.
Practitioners, note that member dues are payable on or before July 1 each year, after which a $150 administration fee applies. In accordance with Bylaw B114 (a), if annual dues remain unpaid after July 31, the member is without notice deemed to have resigned from membership unless the Board has accepted a written notice of extenuating circumstances. Members who have resigned are automatically deregistered from public practice as a CGA.

For more information, contact Akhtar Sadeghi.

A more detailed description of the new audit programs and their impact on audit engagements and audit fees can be found in the Practice Alert issued with the Public Practice Manual in May 2007.

Contact Jim Timmerman, CGA.

FINTRAC Moves From Educational Focus to Regulatory Role

Practitioners first became involved with FINTRAC during early 2003 when compliance regimes became mandatory. Since that time some of our CGA firms have received visits from RCMP on money laundering related issues, often based on information received from FINTRAC. In addition, FINTRAC has mailed out compliance questionnaires to several samplings of practitioners. Responses have, at times, resulted in visits from FINTRAC. This time period has been considered educational in nature and is now drawing to a close. FINTRAC has changed its focus to that of a regulatory style, meaning that practitioners will be expected to have a well-functioning compliance regime that meets the firm’s statutory obligations. Practitioners ought to expect a firmer approach from FINTRAC in the future.

Contact Brigitte Ilk, CGA.
**Register now for the Reid Hurst Nagy Golf Tournament**
on Thursday, September 6, at Greenacres Golf Course in Richmond. Registration includes golf, dinner and prizes.
The registration fee is $150 per player (before June 30, 2007) and $165 after June 30.
A portion of your fees will be donated to the CGA-BC Educational Foundation and directed to the David B. Reid Scholarship fund. Registration forms can be completed online @ www.rhncga.com.

**The Five Signs of a Successful Conference**

By Tracey Tse
CGA-BC’s annual conference runs Sept. 19 to 23 in Victoria this year. There are several ways to tell if you’re at a successful conference. CGA-BC’s Events Manager highlights five key signs.
1. Value. Conference 2007’s Full Conference Package is just $895 for three full days of professional development seminars, plenty of networking opportunities, three great meals, and outstanding company. Inside tip: Do the math. The package rate is simply your best value offering dramatic savings.
2. Networking. Conference 2007 features a networking event just for new graduates. Learn how to schmooze it up, then attend the Friday Fun Night to practise what you’ve learned. For conference regulars, it’s a good way to reconnect with colleagues and catch up with the latest professional issues.
3. And more networking! Try the Arbutus Ridge Golf & Country Club and Olympic View Golf Club. Even better, they have offered CGA delegates the complimentary use of a power cart and set of rental clubs . . . so you don’t have to lug yours to Victoria.
4. Celebrity-spotting Opportunities. Come out to Friday Fun Night: Viva Las Vegas. It’s rumoured that Elvis and other famous Vegas entertainers will be at the event. This is the place to catch up with all your fellow CGA delegates.
5. A Must See Attraction. Titanic: the Artifact Exhibition at the Royal BC Museum. This travelling exhibition features 281 artifacts recovered from Titanic’s undersea resting place. Join the CGA group on Saturday afternoon at the museum.

**East Meets West**

Interested in promoting your practice overseas? The International Tax Practitioners and Business Consultants Group promotes CGA-BC tax practitioners overseas and the services of CGA Hong Kong practitioners. This past winter, the group, chaired by Gordon Chan, FCGA, of Victoria, presented two conferences in Shanghai and Hong Kong. Both conferences addressed doing business in Canada and saw more than 100 members in attendance.
The next conference will be held in the fall of 2008. For more information about the International Tax Practitioners and Business Consultants Group, contact Tina Peters, CGA, Director, Public Practice Services, at tpeters@cga-bc.org.

**CGA-BC Comes Calling**

In mid-June, Synovate, a market research company, will be conducting a member survey on CGA-BC’s behalf.
CGA-BC encourages participation in the the survey as we base our planning on the information and suggestions we receive from members. CGA-BC has been conducting member surveys since 1994 in an effort to better understand the needs of our members and to evaluate the services we provide to CGAs. This year’s survey will follow a similar format to that of year’s past and will include some new questions on professional standards and protecting the public.
A Conference to Remember

By Edward Downing

Conference 2007 delegates will have a unique opportunity to go back in time and revisit one of the iconic disasters of the 20th century thanks to the Royal BC Museum’s Titanic: the Artifact Exhibition.

The exhibit features some 281 relics recovered by RMS Titanic Inc., a U.S.-based company that has perfected the art of deep-sea recovery. The artifacts have been plucked from nearly four km below the icy North Atlantic nearly 100 years after the supposedly unsinkable passenger ship had its back broken by a gigantic iceberg.

Visitors to the exhibit are given a personalized glimpse into the stratified society of pre-war Europe and the Americas. Upon arrival, a costumed greeter provides a White Star Line boarding pass complete with the name of a person who had been on-board the ill-fated liner.

Once “on board,” there are a series of displays featuring clothes, tools and other personal belongings of the crew and passengers. There are also reconstructions of cabins for first- and third-class passengers. Exhibit highlights include—miraculously—handwritten documents that have survived in the salt water along with dinner plates that survived the plummet to the bottom of the sea and more than 90 years of corrosion.

Ironically, it’s the 52,000 plus tons of steel plating that made up the ship that is facing a second calamity as it oxidizes. These steel plates will then return to base iron ore which will eventually crumble into the sand at the bottom of the ocean.

After walking through the galleries, and learning about the passengers, the crew and the ship, you can check a passenger list to determine whether the person on your boarding pass survived the disaster. I had the identity of second-class passenger, Reverend John Harper, 28, who was en route to Chicago to conduct a series of revival meetings. It turns out that he perished along with the 1,500 other souls in the frigid waters that fateful evening of April 14. Happily, Harper’s 6-year-old daughter, Nina, and his cousin, Jessie Leitch, survived.

The 2007 conference committee has arranged a special guest program and group rate on Saturday, September 22. Tickets get you admission to the entire museum. To ensure that the exhibit doesn’t get congested, an entry time is provided at the time of purchase.

Admission: $25.50 per person or $68.50 for a family. Rates for seniors, students and children. Special Conference group rate of $23 – must be purchased through Conference 2007 registration form.

Exhibit: April 14 - October 14, 2007, 9 a.m. - 5 p.m.
For more information: www.royalbcmuseum.bc.ca
Conference 2007 information: www.cga-bc.org
Rating: ★★★★ out of 5

Accountants on Social Networking Sites

If you’ve heard of Facebook, you might think it’s just something for teenagers. But, now even accounting professionals have a presence on social networking sites such as Facebook, MySpace and YouTube. Facebook seems to be the most popular of the three for accountants. There are accounting-related groups on MySpace, but not nearly in the numbers as on Facebook.

The largest international accounting firms and designations have “official” Facebook groups, that are business or recruitment focused. But Facebook groups such as “Deloitte is My Reason for Drinking” and “Accountants are Sexy,” take a more lighthearted approach. Accountants are Sexy is out to shatter myths about accountants and has this as its rallying cry: “This group is for all of us who are against the typical “accountant stereotypes” and want to prove to the world just how awesome we are.”

And, yes, there is a Certified General Accountants group on Facebook. There’s even accounting-related material on YouTube, though it’s a mixed bag and of uneven quality. There’s a multi-part animated series “Harold Rosenbaum, Chartered Accountant Extreme,” which gives the biggest credit to the production accountant, as well as a clip of the “accountant’s dance” from At Last the 1948 Show (a forerunner of Monty Python), and a sketch on the scourge of street accountants from an Australian comedy show. Be forewarned though, content and particularly comments made by users can be irreverent and even downright offensive on social networking sites.

MileStones

CGA student Eric Tsung was recently promoted to the position of Controller with Unity Wireless Corporation. He joined Unity Wireless as a corporate service specialist in 2005. Unity Wireless is a multinational organization and listed in NASDAQ. Tsung reports that he got his position with Unity Wireless through CGA-BC’s employment Website.

Kevin Bertles, CGA, has accepted the position of manager of finance/treasurer at the City of Vernon.

Byron Gayfer, BSc, FMA, CGA, has been appointed Vice-President at BMO Nesbitt Burns in Kamloops, B.C.

Bonnie Roller, CGA, has been appointed secretary-treasurer of School District 27 in Williams Lake. Roller has worked for the school district’s accounting department for 26 years, the past two as the district’s accountant. She will be primarily responsible for financing, budgeting and school board operations, as well as providing assistance and advice regarding staffing and operational considerations.

Serj Dhami, CGA, former Head of Licensing Audit for Disney for Europe, Middle East & Africa, has accepted the position of Director, Licensing Management Consulting for PricewaterhouseCoopers in Los Angeles. He will be working exclusively with media and entertainment companies such as Disney, Universal, Sony and Warner Brothers.
Ron MacMillan, CGA, Manager, Business Operations, Microsoft, will be featured in the upcoming Program of Professional Studies. This year’s program, one of CGA-BC’s main student recruitment tools, will include pictures and profiles of real CGAs on the job. The program will be mailed out to all CGA-BC members this summer—if you know someone interested in becoming a CGA, pass it on. After his photo shoot, MacMillan took some time to answer a few questions for Outlook.

Q. What’s the last book you read?
A. Golf is a Game of Confidence by Dr. Bob Rotella.

Q. What’s the last movie you saw?
A. Mary Reilly.

Q. What’s your preference: plasma-screen TV or LCD?
A. Plasma.

Q. What do you like most about your job?
A. Variety. I get to work with smart people all over the world and that energizes every day for me.

Q. Why did you become a CGA?
A. Right out of college, the CGA program was a great opportunity to further my education while earning a good living.

Q. What was your first position as a CGA?
A. Log production accountant at Fraser Mills.

Q. What is your favourite vacation spot?
A. Hawaii.

Q. What’s something about you that would surprise people?
A. I was a singer in a rock and roll band.

Q. What’s on your mouse pad?
A. Do not use one.

Q. What’s your preference: phone or e-mail?
A. E-mail.

Q. Average number of e-mails you get each day?
A. 150 to 200. We do the majority of business by e-mail.

Q. Average number of voice mails?
A. Five—mostly my wife wondering when I might be coming home.
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