



FOUNDED 1879

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF ONTARIO

Brian A. Hunt, FCA, President and Chief Executive Officer

April 1, 2008

Angela K. Pollard, CMA, CIRP, CFE
President
Ontario Association of Insolvency and Restructuring Professionals
c/o 31 Wright Street
Richmond Hill, Ontario
L4C 4A2

Dear Ms. Pollard:

On behalf of the Institute of Chartered Accountants of Ontario, I am responding to your recent letter addressed to Glorianne Stromberg at The Public Accountants Council for the Province of Ontario (PAC) and copied to the Institute's Chair and the Vice-President and Registrar. Your letter expressed concern about the recently established requirements for public accounting licence renewal as they affect members of the Institute who are Licensed Trustees in Bankruptcy in Ontario.

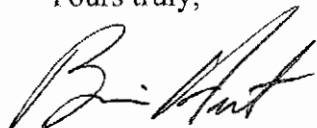
The Institute has reviewed the nature of the work performed by Licensed Trustees in Bankruptcy in relation to the definition of "public accounting services" in the *Public Accounting Act, 2004* (the Act) and consulted with the PAC regarding the issue of whether that work would fall within the Act's definition. Public accounting services for which a public accounting licence is required are defined as assurance engagements, including audit or review engagements and/or compilation engagements. A public accounting licence is not required for compilation services that are issued with the prescribed notice to reader.

The Institute and the PAC are in agreement that the work performed by Licensed Trustees in Bankruptcy does not fall within the definition of public accounting services in the Act. A public accounting licence is not required in order for such services to be provided in Ontario. Enclosed is a letter that addresses this question that you may wish to send to your members for their information.

If any of the Chartered Accountants who are members of the OAIRP believe that any professional services they provide should qualify them for a public accounting licence, they may make a written application to the Institute's Public Accounting Licensing Board. The application should provide full details of the circumstances and the reasons they believe that they have the current competence and skills to be licensed. The application should be sent to the Public Accounting Licensing Board in care of Robert Gubbins, Director of Admissions, Membership and Licensing at the Institute.

If you have any questions regarding this subject or require any additional information, please feel free to get in touch with me.

Yours truly,

A handwritten signature in black ink, appearing to read "Brian Hart". The signature is fluid and cursive, with the first name "Brian" and the last name "Hart" clearly distinguishable.

cc: Glorianne Stromberg, Chair, Public Accountants Council for the Province of Ontario

Keith Bowman, FCA, Chief Executive Officer, Public Accountants Council for the Province of Ontario

Keith Farlinger, FCA, Chair, Institute of Chartered Accountants of Ontario

April 1, 2008

To Chartered Accountants who are members of the Ontario Association of Insolvency and Restructuring Professionals

SERVICES FOR WHICH A PUBLIC ACCOUNTING LICENCE IS REQUIRED

The recent establishment of current competency requirements, consisting of practise in public accounting within the immediate past five years and specified minimum hours of public accounting services, for eligibility to be granted or to renew a public accounting licence have raised a number of questions and issues for Chartered Accountants who practice as insolvency and restructuring professionals. In response, the Institute, as the licensing body for Chartered Accountants who practise public accounting in Ontario has reviewed the nature of the work performed by Licensed Trustees in Bankruptcy in relation to the definition of "public accounting services" in the *Public Accounting Act, 2004* (the Act) and has consulted the Public Accountants Council (the PAC), which sets the standards for public accounting licensing. The Institute and the PAC are in agreement that the work performed by Licensed Trustees in Bankruptcy does not fall within the definition of public accounting services in the Act and therefore a public accounting licence is *not* required in order to provide those services in Ontario.

The services for which a public accounting licence is required are defined in the Act as assurance engagements, including audit or review engagements and/or compilation engagements. In addition, the Act provides that a public accounting licence is not required for compilation services that are issued with the prescribed notice to reader even if there is a reasonable expectation of reliance upon or use by a third party.

If you believe that any professional services you provide should qualify you to either obtain a public accounting licence or to renew a licence, you may make a written application to the Institute's Public Accounting Licensing Board. The application should provide full details of the circumstances and the reasons you believe that you have the required capabilities, competence and current skills to be licensed as a public accountant. The application should be sent to the Public Accounting Licensing Board in care of Robert Gubbins, Director of Admissions, Membership and Licensing at the Institute.

A handwritten signature in black ink, appearing to read 'B. Hunt'.

BRIAN A. HUNT, FCA
PRESIDENT AND CHIEF EXECUTIVE OFFICER