

CHARTERED ACCOUNTANTS OF ONTARIO

Bankruptcy Act and Income Tax Legislation Discussed at Annual Meeting

The 35th annual general meeting of the Institute of Chartered Accountants of Ontario was held in the Temple Building on Saturday, July 20th, and was largely attended. The work of the past year was fully reviewed by the president, Mr. T. Watson Sime, as follows:—

"A year ago, when I had the honor of being elected president of the institute, I entertained the fond hope that, at the close of my term of office, I would be in a position to congratulate the members, at their 35th annual meeting, upon the cessation of the great world conflict. In this I am disappointed. The war clouds are as dense as ever, and the most that one can say is that we are a year nearer that peace for which we all fervently long.

"The past year, so far as the affairs of the institute are concerned, has been one of quiet progress. Naturally, the activities of this and of all professional bodies continue to be shadowed by the devastation of war, and it would be idle to claim that we are doing much more than mark time. Nevertheless, there have been certain happenings which may have a strong influence upon the future of our profession, to which I will allude later on.

"I will now deal briefly with the work accomplished by your council during the past year in regard to which detailed reports will later on be presented to you.

Membership.

"At 30th June, 1917, the number of members on the roll (including three life members) was 216, of whom 179 were associates, and 37 fellows. I regret to report the death on 27th October, 1917, of Mr. A. A. Booker, London, Ontario, an associate member since 26th May, 1910, and also the resignation, on account of ill-health, of Mr. A. K. Todd, New York. Our members on the other hand have been increased by the admission of 13 new members after examination, as well as of two former members who have been reinstated, and three affiliated from other institutes. The net result is that we show an increase of 16, the total on the roll being now 232. Happily, no case has arisen during the past year calling for discipline by the membership committee.

Examinations, Journal, and Students' Association.

"The following is a summary of the results of the examinations held in May, 1918:—

	Applica- tions received.	Applica- tions refused.	Did not write.	Wrote.	Passed.
Primary	36	8	3	25	21
Intermediate ...	26	6	6	14	9
Final	30	1	3	26	13
	92	15	12	65	43

"The effect of the war upon the numbers of candidates presenting themselves for examination is seen upon a comparison of the above figures with those of the few years immediately preceding its outbreak, the number of primary candidates naturally showing a considerable falling off. Upon the other hand, the percentage of passed candidates in 1918 compares favorably with the average of the four previous years. The following are the names of the prize winners:—

"Past President's Scholarships.—Final, Frank P. Gibbs (medallist); intermediate, T. B. Godfrey; primary, Jas. D. Cunningham.

"Institute Scholarships.—Final, Nelson B. Gerry; intermediate, F. C. Martin; primary, John S. Cowing.

"Our congratulations are due to Messrs. Gerry and Martin who were similarly successful at the examinations in 1916.

"It is comforting to report that, in spite of prevailing conditions the patronage extended to the library shows an increase as compared with last year.

"The Canadian Chartered Accountant continues to maintain its high standard of usefulness, and the accounting profession of Canada are indebted to our esteemed

registrar, Mr. W. J. Valleau, who, during the past year, has filled very ably the position of editor.

"The Chartered Accountants Students' Association has suffered severely from the effects of the war upon its membership, but the association is to be congratulated upon the efforts made by its members to keep the doors open, the majority of similar organizations in Great Britain having had to close down entirely.

Dominion Association.

"The 1917 annual meeting was held at Banff, Alberta, last August, and was attended by two of your representatives, Messrs. Neff and Pontifex, business engagements preventing Mr. Dilworth from being present. The report of the representatives will be submitted to you to-day. The annual meeting this year will be held in Montreal when it is hoped that the Ontario Institute will be well represented. I may add that it is proposed to change the order of annual meetings in order to secure eastern biennial and western biennial conventions rather than the present rotation of seniority in incorporation, and that your council has approved of this change.

Meetings of Council.

"The council held eight meetings during the past year, the average number in attendance being 10. It will be remembered that, at last annual meeting, the members decided to discontinue the practice of issuing a record of the attendances at council meetings.

Accounts.

"These will in due course speak for themselves. The surplus revenue for the year just closed was \$550.08, a reduction of \$133.24 as compared with the previous year. Contributions have been made during the year of \$300 to the Canadian Red Cross and of \$200 to the British Red Cross which the members will no doubt approve. The contributions of the institute for war purposes aggregate to date \$2,200.

New Legislation Effected and Under Consideration.

"The passing on 20th September, 1917, of an act for the taxation of income was an event of considerable importance to the accountants of Canada adding as it has done to their work and responsibilities. Speaking personally, I consider it a matter of regret that, in framing legislation that affects the business community at large, the government has not invariably sought the advice and assistance of the various institutes and accountants whose members are eminently qualified from their experience to give guidance on many important points. In this connection, it ought to be recorded that Mr. R. Easton Burns, a member of your council, has done valuable service in preparing the digest of the Income Tax Act, of which copies have been supplied to the members.

"The extension of the Business Profits War Tax Act with amendments subjecting to taxation businesses having a capital of not less than \$25,000 is another feature of the legislation of the past session.

"In regard to the proposed New Bankruptcy Act, it is pleasing to report that the institute was invited to send representatives to Ottawa to lay the views of the members before the special committee of the House of Commons. For this purpose, a committee composed of Messrs. G. T. Clarkson, Osler Wade, N. L. Martin and myself was appointed. The committee were able to suggest a number of amendments to the draft bill which were very favorably received by the house committee. Owing to the many points involved, it was ultimately found impossible to proceed with the bill during last session, but strong hopes are entertained that another session will see this important legislation an accomplished fact.

"The foregoing may be held to represent the report of the council of 1917-18 and, in concluding my address, I would like to make a few remarks upon the part played by the accountancy profession in the great war. Naturally, our thoughts first turn to those members and students who were able to offer themselves for service at the front, and we are proud to record that many of the accountants of Great Britain and the Dominions have earned distinction on the field, while, alas, too many have made the supreme sacrifice. At the outset of the war, the home and Dominion governments were slow to recognize that, in the accounting profession, they had a mine of wealth, the richness of which they had never imagined. To-day, there are not enough qualified account-