



# ANNUAL REPORT 2022-2023

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# LEADERSHIP MESSAGE

## Message from the Chair and President and CEO

Dear Members,

This past year was exciting for many reasons, but perhaps the biggest is what this year's accomplishments mean for the future. We took on several forward-looking projects this year. The first was a complete revamp of our website, which is the outward facing portion of a larger project to upgrade our database software and move it to the cloud. We have had excellent feedback from Members, and hope you have found this year's renewal process easier. Our hope is to drive traffic to our website and, once there, to have a productive and easily navigated experience.

The second investment we made as an organization was to provide seed funding to the Accounting Education Foundation. We had the benefit of a predecessor foundation, established by the Institute of Chartered Accountants of Nova Scotia in the 1990s, and have created a CPA Foundation also dedicated to accounting education. The Board directed a significant donation to the Foundation this year and is actively creating a program that will encourage recruitment to the profession and support those who provide accounting education.

Finally, the Board and Management initiated a new strategic planning process in 2022 to decide on key focus areas for the years ahead. Multiple future strategic pillars were chosen and discussed during this planning process. CPA Nova Scotia sought Member input on two of these pillars. The first is the profession's attractiveness to prospective CPAs, employers, and CPAs themselves. The second pillar is Member engagement, as we sought

to identify which services or events Members value and how we can support them in their work while maintaining our effectiveness as a professional regulator. This strategic planning process will continue through 2023, and we will be sure to share the results of this work with you.

At a national level, we continue to be very involved on committees and work groups, representing Nova Scotia and advancing the profession. CPA Nova Scotia continues to contribute to the Competency Map 2.0 project, as it carves out the education roadmap ahead. The project recognizes the rapidly changing world in which new CPAs are launched and will ensure future relevancy of the profession. There will be much more to come on this project.

CPA Nova Scotia has made significant progress over the past year and achieved many milestones. We are pleased to see growth in our Membership numbers, and we remain committed to our Members and look forward to continued success in the future.

Sincerely,



Jackie Poirier, FCPA  
*Chair, Board of Directors*



Patti Towler  
*President & CEO*

# BOARD OF DIRECTORS

## MEMBERS OF THE BOARD



**Jackie Poirier, FCPA**  
Board Chair  
Retired - Director  
Nova Scotia Tax Services Office,  
Canada Revenue Agency



**Adrian Carty, CPA, CA**  
Commercial Finance Director  
Sobeys' National Pharmacy Group



**Michael Hurley, CPA, CMA**  
Vice-Chair  
Chief Executive Officer  
Nova Scotia Credit Union  
Deposit Insurance Corporation



**Indranil Dutta, CPA, CGA,**  
Associate Director  
Business Intelligence  
Dalhousie University



**Ayorinde Makanjuola, CPA, CGA,  
ACCA (UK)**  
Secretary/Treasurer  
Chief Financial Officer  
Millbrook First Nation

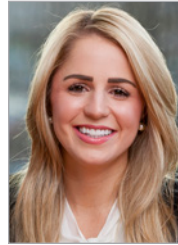


**Calla Farn, MBA**  
Public Representative  
Retired, Vice President, Corporate Affairs  
Canadian Stewardship Services Alliance



**Daphne Jenkins, CPA, CA**

Vice President  
Financial Accounting and Reporting  
Clearwater Seafoods



**Laura Rees, CPA, CA**

Senior Manager  
Financial Planning and Analysis  
CapIntel



**Kiki Kachafanas, CPA, CA**

President/Managing Partner  
Hunston Kachafanas CPA Inc.



**Jeanne Saulnier, CPA, CMA**

Chief Operating Officer,  
Totally Raw Pet Food



**Jamie O'Neil, CPA, CA**

Partner, Audit Practice  
KPMG LLP



**Dr. Jeff Williams, BSc., DDS, MBA**

Public Representative  
Board Chair  
CDSPI

## CEO & STAFF

### CHIEF EXECUTIVE



**Patti Towler, JD, LLM, CIC.C**

President and CEO,  
Chief Legal Officer

### REGULATORY SERVICES



**Kathleen Franklin, CPA, CA**

Senior Director  
Regulatory Affairs & Registrar



**Bruce MacInnis, CPA, CA**

Director  
Professional Standards



**Carol Barr, CPA, CA**

Director  
Professional Conduct



**Clare Bilek, LLB**

Legal Counsel

# MEMBER SERVICES



**Danielle Roode**  
Associate Registrar



**Amy MacIsaac, CPA, CA**  
Director  
Member Services



**Lori McGuire**  
Regulatory Coordinator



**Kanika Gandhi**  
Member Services Administrator



**Jill Young**  
Registration Coordinator



**Kate Hurley**  
Member Services Coordinator

## FINANCE AND ADMINISTRATION



**Rodney Rodenhiser, CPA, CMA**

Director  
Finance and Administration



**Megan Smith**

Accounting Assistant



**Zech Suederick**

Database Administrator

## COMMUNICATIONS



**Coralee Lewis, BPR**

Director of Communications



**Danielle Wisen**

Communications Coordinator



# FINANCIAL STATEMENTS

**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA  
NON-CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2023**

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## INDEPENDENT AUDITORS' REPORT

To the Members of:  
**Chartered Professional Accountants of Nova Scotia**

### *Opinion*

We have audited the non-consolidated financial statements of **Chartered Professional Accountants of Nova Scotia** (the "Organization" or CPA Nova Scotia"), which comprise the non-consolidated statement of financial position as at March 31, 2023 and the non-consolidated statements of operations and changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of Chartered Professional Accountants of Nova Scotia as at March 31, 2023, and results of its non-consolidated operations and its non-consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Non-consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Baker Tilly Nova Scotia is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All Members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.

In preparing the non-consolidated financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

#### *Auditors' Responsibilities for the Audit of the Non-consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Baker Tilly Nova Scotia Inc*

Dartmouth, Nova Scotia  
June 9, 2023

**Chartered Professional Accountants**

**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA  
NON-CONSOLIDATED STATEMENT OF OPERATIONS AND  
CHANGES IN NET ASSETS  
FOR THE YEAR ENDED MARCH 31, 2023**

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	<b>2023</b>	<b>2022</b>
	\$	\$
<b>REVENUES</b>		
Membership fees	2,518,526	2,483,319
Professional development	504,126	537,742
Convocation and membership dinners	150,760	7,925
Practice inspections	150,333	205,940
Other revenues (Note 11)	112,048	84,520
Investment income (net) (Note 12)	( 26,336)	104,235
	<u>3,409,457</u>	<u>3,423,681</u>
<b>DIRECT EXPENSES</b>		
Convocation and membership dinners	272,695	37,379
Professional development	264,606	242,305
Practice inspections	129,997	150,321
	<u>667,298</u>	<u>430,005</u>
<b>NET REVENUE</b>	<u>2,742,159</u>	<u>2,993,676</u>
<b>OPERATING EXPENSES</b>		
Salaries and wages	1,787,723	1,527,561
Rent	298,299	293,767
Membership database	102,137	127,424
Conduct professional fees	89,973	138,264
Bank and credit card fees	82,758	76,129
Office	78,319	79,752
National shared costs (Note 13)	63,560	47,368
Governance	32,523	13,924
Travel	24,636	5,496
Amortization	23,231	20,236
Advertising and promotion	19,837	25,097
Memberships and associations	16,598	11,051
Accounting	15,900	15,500
Insurance	13,067	11,699
Sub-contracting	7,470	2,498
General legal	6,689	8,590
Bad debts	( 2,100)	23,689
	<u>2,660,620</u>	<u>2,428,045</u>
<b>EARNINGS FROM OPERATIONS</b>	<u>81,539</u>	<u>565,631</u>
TRANSFER TO EDUCATION FOUNDATION (Note 13)	( 580,000)	-
MEMBERSHIP DATABASE UPGRADES	( 423,921)	( 37,600)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	( 922,382)	528,031
NET ASSETS - beginning of year	<u>2,760,468</u>	<u>2,232,437</u>
NET ASSETS - end of year	<u>1,838,086</u>	<u>2,760,468</u>

**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA  
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2023**

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	2023	2022
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	2,258,249	2,930,639
Accounts receivable (Note 3)	310,780	299,747
Prepays	<u>140,453</u>	<u>207,772</u>
	2,709,482	3,438,158
<b>INVESTMENTS (Note 4)</b>	2,011,237	2,046,870
<b>CAPITAL ASSETS (Note 5)</b>	<u>71,540</u>	<u>45,122</u>
	<u><b>4,792,259</b></u>	<u><b>5,530,150</b></u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 6)	555,279	463,902
Current portion of lease inducements	48,855	48,855
Due to CPA Canada	354,192	233,554
Deferred revenue	<u>1,869,638</u>	<u>1,848,307</u>
	2,827,964	2,594,618
<b>LEASE INDUCEMENTS (Note 7)</b>	<u>126,209</u>	<u>175,064</u>
	<u><b>2,954,173</b></u>	<u><b>2,769,682</b></u>
<b>NET ASSETS</b>		
<b>UNRESTRICTED</b>	413,086	1,335,468
<b>INTERNALLY RESTRICTED (Note 8)</b>	<u>1,425,000</u>	<u>1,425,000</u>
	<u><b>1,838,086</b></u>	<u><b>2,760,468</b></u>
	<u><b>4,792,259</b></u>	<u><b>5,530,150</b></u>
<b>COMMITMENTS (Note 9)</b>		

Approved by the Board

jacqueline Poirier, FCPA Director

Michael Hy Director



**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA  
NON-CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2023**

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	2023	2022
	\$	\$
<b>CASH PROVIDED BY (USED FOR):</b>		
<b>OPERATING</b>		
Excess of revenues over expenses	( 922,382)	528,031
Items not affecting cash		
Amortization	23,231	20,236
Lease inducements	( 48,855)	( 48,855)
Unrealized (gain) loss on investments	<u>75,340</u>	<u>( 74,487)</u>
	( 872,666)	424,925
Changes in non-cash working capital items		
Accounts receivable	( 11,033)	7,087
Prepays	67,319	30,865
Accounts payable and accrued liabilities	91,377	( 38,576)
Due to CPA Canada	120,638	43,069
Deferred revenue	<u>21,331</u>	<u>193,500</u>
	<u>( 583,034)</u>	<u>660,870</u>
<b>INVESTING</b>		
Acquisition of capital assets	( 49,649)	( 12,646)
Acquisition of investments	( 203,139)	( 636,319)
Proceeds on sale of investments	<u>163,432</u>	<u>212,109</u>
	<u>( 89,356)</u>	<u>( 436,856)</u>
<b>CHANGE IN CASH</b>	( 672,390)	224,014
<b>CASH - beginning of year</b>	<u>2,930,639</u>	<u>2,706,625</u>
<b>CASH - end of year</b>	<u>2,258,249</u>	<u>2,930,639</u>

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**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA**  
**NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2023**

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**1. OPERATIONS**

Chartered Professional Accountants of Nova Scotia ("the Organization or CPA Nova Scotia") was created by an Act of the provincial legislature to regulate Professional Accountants and protect the public, as well as promote and increase the knowledge, skill and proficiency of its members in all things related to the profession.

As at March 31, 2023, CPA Nova Scotia had 5,157 members (2022 - 5,080), including 4,157 members (2022 - 4,127) which were categorized as fee paying.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Controlled entities

The Organization has chosen not to consolidate the not-for-profit organization it controls (CPA Nova Scotia Education Foundation) and, instead, to disclose summarized financial information of the controlled organization.

Cash

Cash consists of cash on hand and bank balances held with a financial institution.

Internally generated intangible assets

Expenditures incurred in the development of internally generated intangible assets, including the Organizations membership database, are expensed as incurred.

Capital assets

Capital assets are recorded at cost. Amortization is provided for using the following rates and method over the estimated useful lives as follows:

Computer equipment	3 years	Straight-line
Furniture and fixtures	5 years	Straight-line
Leaseholds	Term of the lease	

Amortization is taken on a proportionate basis in the year of acquisition and disposition.



## 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Impairment of long-lived assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that their carrying value may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

### Lease inducements

Amortization of the leasehold inducements is recognized on a straight-line basis against rent expense over the term of the lease.

### Deferred revenue

Membership fees and professional development revenue received in the current fiscal year relating to the next fiscal year are recorded as deferred revenue.

### Revenue recognition

#### (a) Membership fees

Membership fees are set by the Board of Directors of the Chartered Professional Accountants of Nova Scotia and are recorded as they are collected and recognized in the fiscal year in which they relate. The liability for the portion of fees received in advance is recorded as deferred revenue.

#### (b) Professional development

Professional development fees are recognized in the fiscal year in which the course takes place. Fees generated from passport sales are recorded in the current fiscal year as all passports expire March 31.

#### (c) Practice inspections

Practice inspections fees are recognized when services are performed and collection is reasonably assured. The rate charged is a fixed hourly rate times number of hours to complete the inspection.

#### (d) Convocation and membership dinners

Ticket revenues for convocation and membership dinners are recognized when the event is held.

## 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Revenue recognition (Continued)

#### (e) Other

Sales of promotional products, affinity program revenue, website revenue and settlements are included in other revenues. These items are recognized as revenue at the time that goods and services are provided or persuasive evidence of an agreement exists, the selling price is fixed and determinable and collectability is reasonably assured.

### Income taxes

The Organization is a registered non-profit organization under the meaning assigned in Section 149.1(1) of the Income Tax Act and as such is exempt from income taxes. Accordingly, no provision has been made in the accounts for income taxes.

### Contributed services

The Organization and its members benefit from contributed services in the form of volunteer time for various committees. Due to the difficulty of determining their fair value, these contributed services are not recognized in these financial statements.

### Financial instruments

#### *Measurement of financial instruments*

The Organization initially measures its financial assets and financial liabilities at fair value except for non-arms length transactions which are measured at the exchange amount.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net earnings.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial assets measured at fair value include investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities

Financial liabilities measured at carrying amounts include amounts due to CPA Canada.

**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA  
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2023**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial instruments (Continued)

*Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write down is recognized in excess of revenues over expenses. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of a reversal is recognized in excess of revenues over expenses.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for items and matters such as collectibility of accounts receivable, useful lives of capital assets, fair value of investments, and certain accrued liabilities. Actual results could differ from those estimates.

<b>3. ACCOUNTS RECEIVABLE</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	<b>332,369</b>	323,436
Allowance for doubtful accounts	<b>( 21,589)</b>	( 23,689)
	<b><u>310,780</u></b>	<u>299,747</u>

Included in trade receivables are \$NIL (2022 - \$2,465) receivable from CPA Bermuda, \$24,604 (2022 - \$8,813) receivable from CPA PEI, \$7,329 (2022 - \$38,500) receivable from CPA Newfoundland, \$1,986 (2022 - \$NIL) receivable from CPA Nova Scotia Education, \$119,527 (2022 - \$15,359) receivable from CPA ASB, and \$5,342 (2022 - \$47,648) receivable from CPA Canada.

**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA  
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2023**

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**4. INVESTMENTS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Cash and cash equivalents	<b>1,047,002</b>	1,015,223
Equity - Canadian	<b>665,111</b>	723,408
Equity - US and International	<b>3,067</b>	11,243
Fixed income - Canadian	<u><b>296,057</b></u>	<u>296,996</u>
	<u><b>2,011,237</b></u>	<u>2,046,870</u>

CPA Nova Scotia has an investment policy which includes a range of lower, target, and upper allocation percentages for assets. Asset categories include cash and cash equivalents, fixed income and equity and specifies maximum amounts of foreign equity within the equity allocation. As at March 31, 2023, the organizations investments are held in accordance with the investment policy.

**5. CAPITAL ASSETS**

	Cost	Accumulated Amortization	Net 2023	Net 2022
	\$	\$	\$	\$
Computer equipment	117,031	79,703	<b>37,328</b>	10,784
Furniture and fixtures	97,342	82,414	<b>14,928</b>	12,673
Leaseholds	<u>47,431</u>	<u>28,147</u>	<u><b>19,284</b></u>	<u>21,665</u>
	<u><b>261,804</b></u>	<u>190,264</u>	<u><b>71,540</b></u>	<u>45,122</u>

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2023</b>	<b>2022</b>
	\$	\$
Accounts payable	<b>91,762</b>	118,454
Accrued liabilities	<b>204,519</b>	81,685
HST payable	<u><b>258,998</b></u>	<u>263,763</u>
	<u><b>555,279</b></u>	<u>463,902</u>

Included in accounts payable and accrued liabilities are \$45,800 (2022 - \$52,281) owing to CPA Alberta, \$7,692 (2022 - \$NIL) owing to CPA NB, \$NIL (2022 - \$21,040) owing to CPA Newfoundland, \$NIL (2022 - \$45,310) owing to CPA ASB, and \$113,563 (2022 - \$NIL) owing to CPA Canada.

**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA  
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2023**

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**7. LEASE INDUCEMENTS**

As a result of agreements transferred on August 2, 2016, CPA Nova Scotia received lease inducements totaling \$421,610. The inducements relate to a search for a subtenant at the previous office location for CMA NS, a variance in the actual lease and sublease for CMA NS office space, and 4 months of free rent provided to both CMA NS and ICANS in the pre-merger period.

These inducements have been deferred and are being amortized to rent expense on a straight-line basis over the term of the lease ending October 31, 2026 as follows:

	<b>2023</b>	<b>2022</b>
	\$	\$
Lease inducements	<b>421,610</b>	421,610
Accumulated amortization	<u><b>(246,546)</b></u>	<u>(197,691)</u>
	<b>175,064</b>	223,919
Less current portion	<u><b>48,855</b></u>	<u>48,855</u>
	<u><b>126,209</b></u>	<u>175,064</u>

**8. NET ASSET POLICY**

The Organization maintains internally restricted net assets in accordance with its net asset policy to cover future operating costs and potential discipline cases. The policy consists of \$1,425,000 internally restricted and \$575,000 unrestricted for a total value of \$2,000,000. Total net assets as of March 31, 2023 were \$1,838,086.

**9. COMMITMENTS**

The Organization leases office space and office equipment under operating lease arrangements. Future minimum lease payments over the next five years are as follows:

	\$
2024	206,586
2025	206,870
2026	206,870
2027	122,092
2028	3,043

**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NOVA SCOTIA  
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2023**

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**10. EMPLOYEE FUTURE BENEFITS**

The Organization provides benefits to all employees through participation in a multi-employer defined contribution plan. The assets of the plan are held separately from those of the Organization in an independently administered fund.

Contributions accrued and expensed by the Organization during the period totaled \$95,284 (2022 - \$78,217).

<b>11. OTHER REVENUES</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Website revenue	20,200	26,800
Membership certificates	150	100
Exams	6,500	5,405
Settlements	30,003	6,677
Affinity programs	<u>55,195</u>	<u>45,538</u>
	<u><b>112,048</b></u>	<u><b>84,520</b></u>

<b>12. INVESTMENT INCOME (NET)</b>	<b>2023</b>	<b>2022</b>
	\$	\$
Interest	33,817	9,352
Dividends	25,109	19,161
Realized gain (loss) on investments	6,811	15,922
Unrealized gain (loss) on investments	(75,340)	74,487
Management fees	<u>(16,733)</u>	<u>(14,687)</u>
	<u><b>(26,336)</b></u>	<u><b>104,235</b></u>

**13. RELATIONSHIPS WITH OTHER ORGANIZATIONS**

a) **Chartered Professional Accountants of Canada (CPA Canada)**

The Organization has an agreement with Chartered Professional Accountants of Canada (CPA Canada) to work together to achieve a common mission and vision, to administer their affairs in accordance with agreed principles, and to act in the spirit of trust to best serve the interests of the CPA profession and the public. As a member province, CPA Nova Scotia pays a portion of the cost of maintaining national committees and programs. In addition, it collects and remits national membership fees to CPA Canada from its Members.

### 13. RELATIONSHIPS WITH OTHER ORGANIZATIONS (Continued)

a) **Chartered Professional Accountants of Canada (CPA Canada)  
(Continued)**

During the year ended March 31, 2023, total dues of \$1,308,971 (2022 - \$1,550,959) were collected and remitted to CPA Canada by CPA Nova Scotia on their behalf, which is not reflected in these financial statements. Furthermore, shared costs of \$63,560 (2022 - \$47,368) were incurred and paid to CPA Canada.

b) **Chartered Professional Accountants Atlantic School of Business (CPA ASB)**

CPA Nova Scotia has entered into an agreement whereby the CPA ASB recruits and registers students into the CPA professional education program and administers that program. The CPA ASB is incorporated under the Nova Scotia Societies Act as a not-for-profit organization and is a certified educational institution under the *Income Tax Act*. It is governed by a separate board appointed by the provincial CPA bodies in Atlantic Canada and Bermuda.

c) **CPA Nova Scotia Education Foundation (CPANS Foundation or the Foundation)**

CPANS Foundation is a registered charity with a stated mission to promote and support excellence in accounting education and related disciplines, including but not limited to high school education and business management education with the aim of ensuring that Nova Scotia produces the quality and quantity of CPAs needed in industry, education, government and public accounting.

The Organization has control over the Foundation through its complimentary mandate and shared board members. As at April 30, 2023, the Foundation had net assets of \$736,574 (2022 - \$164,506) and had an excess (deficit) of revenues over expenditures of \$574,718 (2022 - \$(5,773)) for their fiscal period then ended.

During the year ended March 31, 2023, CPA Nova Scotia made a one time contribution of \$580,000 (2022 - \$NIL) to the Foundation, which is included in the Organization's excess of revenues over expenses.

## 14. FINANCIAL INSTRUMENTS

### *Risks and concentrations*

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposure and concentrations at March 31, 2023. The risks arising on financial instruments are limited to the following:

### *Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash, investments and accounts receivable. The Organization deposits its cash and investments in a reputable financial institution and therefore believes the risk of loss to be remote. The Organization is exposed to credit risk from accounts receivable. The Organization believes this credit risk is minimized as the Organization has a large and diverse member base. A provision for impairment of accounts receivable is established when there is objective evidence that the Organization will not be able to collect all amounts due.

### *Liquidity risk*

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and amounts due to CPA Canada. The Organization generates sufficient cash flow from operating activities to fund operations and fulfil obligations as they become due.

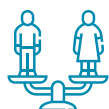
## 15. COMPARATIVE FIGURES

Certain figures presented for comparative purposes have been reclassified to conform with the financial statement presentation adopted for the current year.

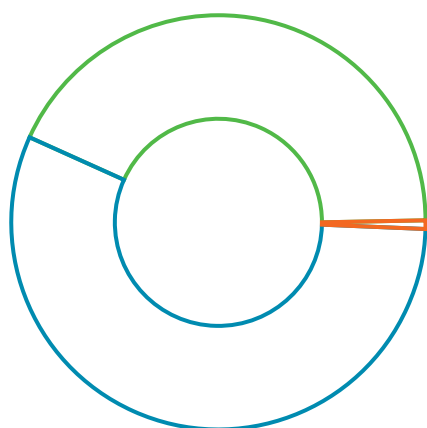


## STATS & TRENDS

### Key Statistics and Trends in Membership



TOTAL MEMBERSHIP AS OF MARCH 31, 2023  
5,157



Female  
2,192



Unspecified  
20



Male  
2,945



#### RESIDENTIAL ZONES

WHERE WE LIVE	NUMBER
Cape Breton	223
Central	435
Halifax/Dartmouth	3,358
South Shore	158
Valley	229
Yarmouth	82
Canada (Outside Nova Scotia)	347
Caribbean & Bermuda	179
USA	85
Other	61



#### WHERE WE WORK

WHERE WE WORK	NUMBER
Business & Industry	1,480
Education	178
Financial Services/Commerce	318
Not-for-Profit	124
Public Practice	732
Government	596
Other	788
Retired	941



#### MEMBER CHANGES

2022/2023	NUMBER
Candidates welcomed to Membership (Canadian CPA program)	124
Affiliates or transfers (from another Canadian province)	45
International admissions	8
Resignations	58
Retirements	61

## REGULATORY DATA

### 2022/2023 Practice Inspection Results



SERVICES PROVIDED	Total	Passed	Failed	Pass Rate
Audits, Reviews & Compilations	15	14	1	93%
Reviews & Compilations	16	11	5	69%
Compilation Only	49	32	17	65%
<b>Total</b>	<b>80</b>	<b>57</b>	<b>23</b>	<b>71%</b>

### Complaints & Discipline

CPA Nova Scotia investigated complaints received about members and firms where breaches of the bylaws or rules alleged. Resolutions are achieved by hearing, dismissal, or settlement when a complaint is substantiated; resolutions typically include a reprimand and remedial education to protect the public from a repeat of the misconduct. In rare instances, there was a suspension or cancellation of membership.



ACTIVITY	2022-2023	2021-2022	2020-2021
<b>Complaints at beginning of year</b>	<b>8</b>	11	11
Total complaints received during the year	<b>16</b>	20	19
<b>Total complaints processed during the year</b>	<b>24</b>	31	30
Complaints concluded during the year	<b>17</b>	23	19

#### ANALYSIS OF DISPOSITION OF COMPLAINTS

<b>Total resolved by CEO/staff/Chair without being referred for further investigation</b>	<b>8</b>	14	11
<b>Resolved by Investigation Panel:</b>			
Dismissed	<b>2</b>	3	2
Dismissed with warning, counsel, resolution agreement, undertaking or reprimand	<b>6</b>	3	4
Charges Referred to Discipline Committee	<b>1</b>	3	2
<b>Total concluded by Investigation Panel</b>	<b>9</b>	9	8

# PROFESSIONAL DEVELOPMENT

## 2022/2023 Summary PD Program

The following statistics represent members participation in CPA Nova Scotia's CPD offerings.



### 2022-2023 SUMMARY PD PROGRAM

	SESSIONS	REGISTRATIONS
On Demand (recorded)	279	1,505
Virtual or In Person (Live)	144	2,171
Free webinars	11	2,482
<b>Total registrants</b>	<b>434</b>	<b>6,158</b>

# 2022 HONOURS

## FELLOWS



**Geoff Baldwin,**  
FCPA, FCA



**Mike Uberoi,**  
FCPA, FCMA



**Katrina Beach,**  
FCPA, FCA



**Sarah Veinot,**  
FCPA, FCA



**Derrick Hayes,**  
FCPA, FCA, FCMA

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## EARLY ACHIEVEMENT



**Laura Rees,**  
CPA, CA



**Mike McIntyre,**  
FCPA, FCA

## UNSUNG HERO



**Michael Belliveau,**  
CPA, CA



**Deborah Shaffner,**  
FCPA, FCMA

# OVERVIEW OF COMMITTEES



## Board Committees

### AUDIT COMMITTEE

**Rodney Rodenhiser**

Michael Hurley, CPA, CMA, Chair  
Ayo Makanjuola, CPA, CGA  
Calla Farn, Public Rep

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**Clare Bilek**

Jeanne Saulnier, CPA, CMA, Chair  
Jackie Poirier, FCPA  
Daphne Jenkins, CPA, CA  
Michael Hurley, CPA, CMA

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Dan Clark, FCPA, FCMA  
Douglas W. Reid, FCPA, FCA  
Jackie Poirier, FCPA  
Nancy Foran, FCPA, FCMA  
Jacklyn Mercer, FCPA, FCA

### EXECUTIVE COMMITTEE

**Patti Towler**

Jackie Poirier, FCPA  
Michael Hurley, CPA, CMA  
Ayo Makanjuola, CPA, CGA

### CPA NOVA SCOTIA EDUCATION FOUNDATION

**Rodney Rodenhiser**

James R. Trussler, FCPA, FCA  
Daphne Jenkins, CPA, CA  
Laura Rees, CPA, CA  
Kiki Kachafanas, CPA, CA  
Jeanne Saulnier, CPA, CMA  
Michael Hurley, CPA, CMA

### NOMINATION COMMITTEE

**Patti Towler**

Jamie O'Neil, CPA, CA, Chair  
Jackie Poirier, FCPA  
Jeff Williams, Public Rep



# Statutory Committees

## COMPLAINTS COMMITTEE

### **Carol Barr**

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William Avery, CPA, CGA  
David Boyd, CPA, CA  
Phil Clarke, CPA, CA  
Mark DuPlessis, CPA, CA  
Richard Dyke, FCPA, FCMA  
Robert Hill, CPA, CA  
Sylvie Lagace, CPA, CMA  
Harold Duffett, CPA, CA  
Dwayne MacKay, CPA, CA  
Nathan Priddle, CPA, CA  
William Slattery, CPA, CA  
Dagan Sorensen, CPA, CMA  
Darren Stroud, CPA, CA  
Kent Williams, CPA, CA  
Lisa Jardine, CPA, CA  
Carol Gordon, CPA, CA  
Iona Green, CPA, CMA  
Emily Huner, CPA, CMA  
John Oakey, CPA, CA  
Renee Towns, CPA, CGA  
Sandra White, CPA, CGA  
Jennifer Kooren, Public Rep  
Bruce Langille, Public Rep  
Scott Lytle, LLB, Public Rep

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Oriana Galfi, CPA, CMA  
Rhonda Lynn Bursey, CPA, CMA  
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Kym L. Paquette, CPA, CA  
Eric D. Tanton, CPA, CMA

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Martin Laycock, CPA, CMA  
Earl MacLeod, CPA, CA  
Darin McLean, CPA, CMA  
Elaine Morash, CPA, CA  
Michelle Protheroe, CPA, CGA  
Sean Walker, CPA, CGA  
Effie Weatherbee, CPA, CGA  
Byron Rafuse, FCPA, FCMA  
Jason Cook, Public Rep  
Claire Milton KC, Public Rep



# Statutory Committees

## FITNESS TO PRACTICE COMMITTEE

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Ian Stanley, CPA, CA  
Mike Stevens, CPA, CGA  
Dr. Elizabeth Mann, Public Rep

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Michelle Amos, CPA, CA  
Shawn T. Monahan, CPA, CA  
Sonny MacDougall, CPA, CA  
Jocelyne Dumaresq, CPA, CA  
Alida Mitchell, CPA, CA  
Carey A. Blair, CPA, CA

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### **Lori McGuire**

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Christopher Trenaman, CPA, CA

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Bryan Whalen, CPA  
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Jacqueline Mullenger, LLB, Public Rep

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Dagan Sorensen, CPA, CMA  
Kate Wall, CPA, CGA  
Colin White, CPA, CMA  
Scott Lytle, LLB, Public Rep



**CPA**

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PROFESSIONAL  
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