

CPA

SASKATCHEWAN

ANNUAL REPORT

2020/2021

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About Us

The Institute of Chartered Professional Accountants of Saskatchewan (CPA Saskatchewan) is a self-regulatory body established under *The Accounting Profession Act* (the Act). The objectives of CPA Saskatchewan are to regulate the practice of the profession, govern the registrants in accordance with the Act and the Bylaws, and to assure the public of the knowledge, skill, proficiency and competency of registrants in the practice of professional accounting and other services provided by registrants.

CPA Saskatchewan's legislated mandate is protection of the public. Professional accountants represent all areas of expertise of the accounting profession, including assurance, financial accounting, management and management accounting, finance and taxation.

The CPA designation is Canada's pre-eminent accounting and business designation. With more than 5,000 members and 700 candidates in Saskatchewan, and over 220,000 members across Canada, CPAs provide crucial financial expertise to businesses in every sector of the economy.

Land Acknowledgement

We live and work on lands covered by Treaties 2, 4, 5, 6, 8, and 10. These are the territories of the Anihšīnāpēk/Saulteaux, Dakota, Dene, Lakota, Nakoda, nêhiyaw/Plains Cree, néhinaw/Swampy Cree, nehithaw/Woodland Cree, and Stoney Nations. They are also the homeland of the Métis/Michif Nation. We pay our respects to the First Nations and Métis ancestors of this place and reaffirm our relationship with one another.

We respect and honour the Treaties that were made on all territories, we acknowledge the harms and mistakes of the past, and we are committed to moving forward in partnership with Indigenous Nations in the spirit of reconciliation and collaboration.

Message from the CEO



CPA Saskatchewan is proud to celebrate another successful year, albeit a very unusual one. In early March 2020, CPA Saskatchewan was faced with the onset of the global pandemic which had a significant impact on our operations for the entire 2020/21 year. We continued to enforce all regulatory and compliance matters as required by our legislative mandate and to progress towards the achievement of the strategic direction. As a result of COVID-19, CPA Saskatchewan had to pivot to ensure the safety of our staff and our members respecting all health guidelines.

All staff were successfully transitioned to remote working. All in-person activities were cancelled and there was a successful move to virtual options for professional development, convocation, practice inspections, discipline hearings, recruitment activities, member recognition celebrations, and meetings.

CPA Saskatchewan also worked closely with CPA Canada, the CPA Western School of Business, and the other provincial bodies to transition pre-certification education to virtual offerings. As well, the September 2020 CFE was successfully offered in a COVID safe format.

The future of the CPA profession is bright. CPAs will provide strategic leadership and guidance to business as the country begins its recovery from the pandemic. The profession continues its work on the Foresight: Reimagining the Profession project and all CPAs are encouraged to join in the conversation at <https://foresight.cpacanada.ca/>.

The CPA profession is undertaking a significant review of the Competency Map which defines the required knowledge, skills, attributes, and competencies of an entry level, newly designated CPA. The draft Competency Map is expected to be released in early summer for consultation.

We look forward to the opportunities that the upcoming year will present. We will continue to focus on the protection of the public as this is our priority as established in *The Accounting Profession Act*. We will also transition to a post COVID-19 state and continue to move towards the achievement of our strategic objectives.

The CPA Saskatchewan Board provides excellent leadership and guidance in establishing our Strategic Plan and supporting the initiatives and objectives identified through the operational planning process. Our regulatory committee volunteers continue to provide leadership to the profession by ensuring that the high standards of our profession are maintained. They are the key decision makers in our regulatory framework.

As we continue to advance our profession and the value our members add to the business community and the greater communities where we live, I would like to thank the CPA Saskatchewan Board, our members who volunteer for the profession, the CPA SK staff, and all members for their leadership and engagement.

A handwritten signature in black ink that reads 'Shelley Thiel'. The signature is written in a cursive, flowing style.

Shelley Thiel, FCPA, FCA



Message from the Chair

On behalf of the Board, I am pleased to present the 2020/21 Annual Report for CPA Saskatchewan. As you know, the Board of Directors gave direction to management of CPA Saskatchewan through the approval of the business plan, including our mission statement, which is as follows:

We enhance the influence, relevance and the value of the Canadian CPA profession by enabling economic and community development through: 1. Protecting the public; 2. Supporting members and candidates; and, 3. Engaging and educating its stakeholders.

This strategic plan was reviewed and approved by the Board, and we worked with an external consultant to develop this plan for the next five years. This year the Board worked toward the implementation of this plan, always with the vision and mission in mind.

This year was a unique year with the onset of the global pandemic, which had a significant impact on operations at CPA Saskatchewan. Management did an excellent job carrying out the regulatory and other duties as required all while transitioning to remote working from home. All in-person meetings and celebrations were cancelled and replaced with virtual professional development courses and virtual celebrations. We learned how to pre-record celebrations with the help of a videographer and had many bloopers along the way! Also, the September 2020 CFE and May 2021 were successfully offered in a COVID-safe format.

CPA Saskatchewan continues to work closely with CPA Canada, the CPA Western School of Business, and the other provincial and territorial bodies to prepare our profession for the future, where change is inevitable. This national collaboration allows CPA Saskatchewan to be leaders of the profession across the country and to bring a broader perspective back to Saskatchewan. Both myself and Rodney Sieffert, CPA, CA (Vice-Chair) participate on the national stage through our roles on the Council of Chairs and at the regional level through the Western Regional Forum.

Naturally, as CPAs we continue to adapt our practices as the global pandemic continues. I have full confidence in the Board and the goals we have set for the profession. I would like to thank my fellow Board members and the regulatory committee volunteers who work very hard to provide quality services to our members through their commitment of protecting the public, growing the profession, and engaging all of our members.

A handwritten signature in black ink that reads "Carson". The signature is written in a cursive, flowing style.

Carrie Carson, CPA, CA

Governance Structure



CPA Saskatchewan is governed by a Board of 13 members, including 11 CPAs and two public appointees, in accordance with *The Accounting Profession Act* (the "Act"). This year, Kirk Cherry was appointed to the Board on August 20, 2020 as Doug Kosloski's term expired. There are four Committees of the Board including Audit, Future Innovations, Governance, and HR & Nominating.

Self-regulation is a power delegated by a government to regulate a profession in the public interest. Self-regulation recognizes the maturity and skill of a profession to govern registrants. Committee-based decisions are the mechanism by which the profession governs itself. There are five regulatory committees. The Discipline Committee and Professional Conduct Committee are established under the Act. The Rules Committee, Registration Committee and Professional Practice Committee are established under the CPA Saskatchewan Bylaws. These committees of volunteer members and public representatives are the key decision makers in CPA Saskatchewan's regulatory framework.



Bev Betteridge, CPA, CMA



Boni Dorish, CPA, CMA



Disha Joshi, CPA, CA

Committees of the Board

Audit

Paul Lepage, Chair

Laurette Lefol

Travis Massier

Rod Sieffert

Morris Smysnuik



Ryan Kitchen, CPA, CA



Laurette Lefol, CPA, CMA



Paul Lepage, CPA, CA

Future Innovations

Paul Lepage

Ryan Kitchen

Davey McLellan

Governance

Tom McClocklin, Chair

Kirk Cherry

Disha Joshi

Ryan Kitchen

Davey McLellan



Travis Massier, CPA, CMA



Tom McClocklin, CPA, CA



Davey McLellan, CPA, CA

HR & Nominating

Rod Sieffert, Chair

Boni Dorish

Travis Massier

Tom McClocklin

Morris Smysnuik

PUBLIC APPOINTEES



Doug Kosloski, Q.C.



Kirk Cherry



Morris Smysnuik



Regulatory Committees

Registration

The Registration Committee is required to review and make determinations on matters pertaining to the validity of a registrant's registration. Determinations are related to applications to register, publication of registrant information, ongoing practice and development, and recommendations for restriction or suspension. These determinations are made in the context of protecting the public.

The committee roster is below:

James Barr, FCPA, FCA, Chair

June Schultz, CPA, CMA, Vice-Chair

Olufemi Bamidele, CPA, CGA

Chelsey Berrecloth, CPA, CMA

Rhonda Burfitt, CPA, CMA

Rochelle Burkowski, CPA, CMA

Anna Chornousenko, CPA, CA

Tiffany Eide, CPA, CA

Lana Gray BHRD, CPHR, CEC, Public Representative

Disha Joshi, CPA, CA, Board Liaison

Kama Leier, CPA, CA

Paul Lepage, CPA, CA, Board Liaison

Martin McInnis, FCPA, FCMA

Rebecca Preciado, CPA, CA

Don Walker, CPA, CGA

Rules

The Rules Committee makes recommendations to the Board for amendments or adoption of Rules. Rules means any right or obligation of a registrant or duty or power of the Institute that is set out in the Act; a Bylaw; a Board Rule; and the Rules of Professional Conduct, as amended from time to time.

The committee roster is below:

Victor Schwab, CPA, CA, Chair

Glen Bailey, FCPA, FCA,

Bev Betteridge, CPA, CMA, Board Liaison

Kevin Blelloch, CPA, CA

Linda Close, CPA, CMA

Ross Harwood, FCPA, FCA

Gayle Holman, FCPA, FCMA

Travis Massier, CPA, CMA, Board Liaison

Davey McLellan, CPA, CA, Board Liaison

James Salamon, FCPA, FCA

Laurie Thomas, CPA, CMA

Discipline

The Discipline Committee is comprised of a non-member appointed by government; volunteer CPAs (members of the Institute); and one or more public representatives appointed by the Board.

The Discipline Committee conducts discipline hearings and makes determinations relating to matters of professional misconduct and professional incompetence, and, where guilt is determined, issues Orders which specify the sanctions imposed on the registrant.

The committee roster is below:

Cary Hewitt, FCPA, FCA, Chair

Craig Hinz, FCPA, FCA, Vice-Chair

Lavern Affleck, Public Representative

John Amundson, FCPA, FCA

Dave Barnard, CPA, CA

Merlis Belsher, FCPA, FCA

Jana Blais, CPA, CMA

Wayne Blazieko, CPA, CMA

Mark Borgares, FCPA, FCMA

Kirk Cherry, Board Liaison, Public Appointee

Dwayne Dahl, CPA, CA

Regan Exner, FCPA, FCGA

Judy Ferguson, FCPA, FCA

Asma Gehlen, CPA, CGA

Kyla Hillmer, CPA, CMA

Doug Kalesnikoff, FCPA, FCA

Annette Klassen, CPA, CGA

Doug Kosloski, Q.C., Board Liaison, Public Appointee

Dan Li, CPA, CA

Daryl Lindsay, FCPA, FCA

Kelly Lutz, CPA, CA

Ken McDougall, Public Representative

Jan McLellan Folk, FCPA, FCMA

Shawn Peters, CPA, CA

Stuart Pollon, CPA, CA

Barry Remai, FCPA, FCA

Morina Rennie, FCPA, FCA, FCMA

James Salamon, FCPA, FCA

Al Scholz, PAg, CMC, ICD.D, Public Representative

Gerry Smysnuik, CPA, CA

Complaints and Hearings

	2020/2021	2019/20	2018/19	2017/18
Cases Carried Forward	24	27	25	14
New Cases	29	35	41	59
CASES CONCLUDED	38	47	39	48
Registrar's Determination	23	30	17	26
Resolution	2	9	2	2
PCC Determination (NFA)	6	2	10	15
Referred to Discipline	7	6	10	5
Hearings Carried Forward	18	8	11	14

Professional Practice

The Professional Practice Committee is required to review and make determinations on matters related to practice monitoring. This is accomplished by the following:

- Providing general oversight of the practice monitoring and licensing functions;
- Ensuring the licensing of a member or firm is carried out in compliance with the Rules;
- Ensuring that the inspection or review of records of a member or firm is carried out in compliance with the Rules;
- Determining consequences on the practice of a member or firm; and
- Making decisions as requested by the Registrar.

The committee roster is below:

Sheila Fillion, CPA, CA, Chair

Adynea Russell, FCPA, FCA, Vice-Chair

Bev Betteridge, CPA, CMA, Board Liaison

Sherri Brophy, CPA, CA

Matt Hladun, CPA, CA

Paul Lepage, CPA, CA, Board Liaison

Ted Lewis, CPA, CMA

Annette Magus, CPA, CMA

Jeff Persic, CPA, CA, CGA

Marlyn Phillips-Leson, CPA, CGA

Lorelei Raiche, CPA, CA

Trevor St. John, CPA, CA

Darcy Spilchen, CPA, CA, CMA

Helen Sukovieff, Public Representative

Marla Yeadon, CPA, CGA

Professional Conduct

The Professional Conduct Committee is required to review written complaints alleging that a registrant is guilty of professional misconduct or professional incompetence. The Professional Conduct Committee may also be requested by the Board or Registrar to review complaints. In conducting its review of investigations into written complaints, the Professional Conduct Committee must apply a consistent decision model. This is accomplished by the following:

- Providing general oversight of the intake, enquiry, investigation and prosecution functions of CPA Saskatchewan, including the facilitation of complaint resolutions;
- Reviewing complaints alleging professional misconduct or professional incompetence;
- Ensuring that enquiry and investigation into complaints are carried out in compliance with *The Accounting Profession Act* and Bylaws and in a consistent and fair manner; and
- Determine whether a matter requires a formal complaint referred to the Discipline Committee for a hearing.

The committee roster is below:

Carolyn O'Quinn, CPA, CA, Chair

Marc Franklin, CPA, CMA, Vice-Chair

Shaun Augustin, CPA, CMA

Kathryn Bankowski, CPA, CA

Cheryl Bauer Hyde, FCUIC, CFP, Public Representative

Doug Finnie, MBA, Pro Dir, Public Representative

Jeff Hansen, CPA, CA

Kristen McGowan, CPA, CA

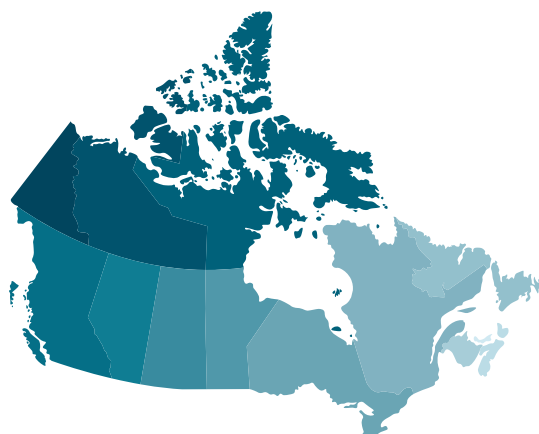
Amanda Delainey, CPA

Juanita Pandya, CPA, CMA

Ian Rea, FCPA, FCMA

Vicki Siwic, CPA, CA





National Collaboration

CPA Saskatchewan Board and staff actively participate at both the regional and national level, leading the profession beyond our provincial borders. Our CEO Shelley Thiel, FCPA, FCA is a member of the Council of Chief Executives (CCE) which is the senior national committee responsible for the management of the profession. She represents Saskatchewan, Manitoba and Alberta on the Professional Education Management Committee, one of the standing committees of the CCE. Shelley is also a member of the Board of the CPA Western School of Business.

Bill Hill, FCPA, FCA, CMA, Senior Director Regulatory Affairs represents Saskatchewan and Manitoba on the Public Trust Committee, also a standing committee of the CCE. Leigha Hubick, CPA, CA, Registrar is a member of the Registration Task Force. Senior staff are also involved in many regional and national committees.

The CPA Saskatchewan Board Chair and Vice Chair participate at the national level through the Council of Chairs and at the regional level through the Western Region Forum. CPA Saskatchewan is represented by Carrie Carson, CPA, CA and Rod Sieffert, CPA, CA.

This involvement provides opportunities for CPA Saskatchewan to be leaders of the profession across the country and to bring broader perspectives back to Saskatchewan. We also have many additional members who volunteer at the national and regional levels. It is through the commitment of all our volunteers that we are able to fulfill our responsibilities and build a stronger CPA profession.

Stronger Together

Saskatchewan CPAs are also members of the Chartered Professional Accountants of Canada (CPA Canada). CPA Canada supports our members by conducting research into current and emerging business issues and supports the setting of accounting, auditing and assurance standards for business, not-for-profit organizations, and government. They also issue guidance and publish professional literature on business and financial topics important to our members.

CPA Canada is one of the largest national accounting organizations in the world. It represents and supports more than 220,000 members as the Canadian profession united under a single designation.



Strategic Plan

Vision

The Canadian CPA is the pre-eminent, globally respected business and accounting designation.

Mission

We enhance the influence, relevance and the value of the Canadian CPA profession by enabling economic and community development through:

- Protecting the public;
- Supporting its members and candidates; and
- Engaging and educating stakeholders.

We will achieve this by focusing on Four Strategic Imperatives

To achieve increased excellence in self-regulation

To embrace digital transformation in services to registrants

To improve member engagement

To increase public awareness of the CPA Saskatchewan brand

Values

•Ethical behaviour •Innovation •Leadership •Excellence •Accountability



Strategic Imperative:

To achieve increased excellence in regulation

The CPA profession in Saskatchewan is privileged to be self-regulated. Self-regulation is a power delegated by a government to regulate a profession in the public interest. Self-regulation recognizes the maturity, competence and skill of a profession to govern its own registrants (members, firms and candidates).

CPA Saskatchewan uses peer and committee-based decision-making processes as its key mechanism by which our profession governs itself, meaning that all decisions impacting registrants are made by a group of their peers.

The following strategic objectives guide our regulation:

- To ensure the career cycle competence and good character of registrants.
- To adopt effective regulatory processes to assure the key stakeholders of the competence and good character of registrants.

All regulatory processes adopted are aligned with CPA Saskatchewan's legislated mandate. CPA Saskatchewan strives to ensure our regulation is compatible with serving the public interest. Registrant education, proportionate regulation and regulation that is outcomes-focused are core principles in each of the following four regulatory functions:

1. Rules
2. Registration
3. Monitoring
4. Enforcement



1. Rules

The Rules function establishes the foundation for regulation. Rules are developed to ensure that a registrant can access, use, understand and comply. CPA Saskatchewan seeks to design regulation that results in an appropriate regulatory outcome for its registrants. With each development of and change in a Rule, registrant and stakeholder education is developed and made accessible.

In the last fiscal year, an amendment was made to the Regulatory Board Rules related to applications received with potential issues related to character and reputation of the applicant. Further, Administrative Bylaws were amended to increase the term for the Board Chair from one year to two years and elected Board members from two years to three years. More information is available on our website at <https://cpask.ca/protecting-the-public/governing-documents>.

Consultation with the Government of Saskatchewan is ongoing related to Enforcement Bylaw amendments.

Looking ahead...

The new compilation engagement standard, CSRS 4200, was approved by the Auditing and Assurance Standards Board (AASB) at its meeting in Fall 2019. The new standard was published in the February 2020 CPA Canada Handbook update and will be effective for periods ending on or after December 14, 2021. Early application is permitted. The impact of this standard on regulation in Saskatchewan will be significant because, based on our current interpretation of Section 18(1) of *The Accounting Profession Act*, compilations issued under CSRS 4200 will reference compliance with professional standards which is a reserved area of practice to licensed CPAs only. In other words, performing compilation engagements will be a licensed service.

As this will be a new tier of licensing, impacting over 200 firms, CPA Saskatchewan staff are working to develop an appropriate licensing tier for the compilation licence. Members currently practicing in this area within their firms are expected to have grandfathering provisions apply. Members who are currently licenced with either a comprehensive licence or specified licence can continue to issue compilation engagement reports with no change to their licensing requirements. Member consultation over the summer and late fall 2021 will be a key component of the plan.

2. Registration

CPA Saskatchewan captures various data from registrants and the public. The Registration function ensures data captured from registrants or on registrants is relevant and reliable. It is through the Registration function that key data is shared with the public. Data captured is integrated amongst each regulatory function for the purpose of risk identification.

Database Re-Design

In the beginning of 2020, CPA Saskatchewan embarked on a project to re-design its database. The project was delayed by 11 weeks due to COVID-19 and Spring Renewal in Q1 2020/21. The project re-commenced in late June 2020 and the system went live on September 22, 2020. The project has been a significant change for members and staff. The project achieved the following:

1. Simplification of the data structure and enhanced reporting, analytics, and automation.
2. Provided an online "Find a CPA" or "Find a CPA Firm" search function.
3. Transition to cloud-based hosting.
4. Full automation of renewal processes.

Renewals

Two renewal cycles occur in a fiscal year at CPA Saskatchewan – Spring and Winter. Spring Renewals include member Continuing Professional Development reporting and declarations, registration renewal and fees payment. Winter Renewals include member and firm licensing, firm renewals, professional corporation renewal and fees payment. In 2020/21, the compliance rate through all renewals was over 98.6%.

Applications

Applications come to CPA Saskatchewan for registration as a member, firm or professional corporation and for licensing of a member and firm. During the year ended March 31, 2021, CPA Saskatchewan processed the following applications:

147 Members

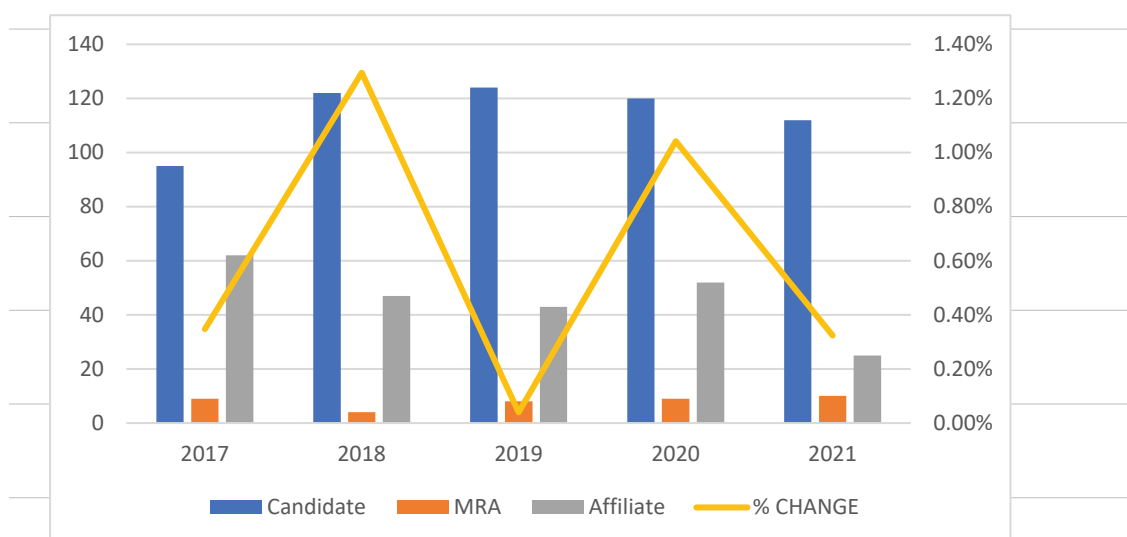
21 Firms

32 Prof Corps

14 Member
7 Firm
Licenses

Growth Trend

One key trend that CPA Saskatchewan monitors is the overall growth of our profession. The following graph displays the growth in new members compared to the overall (net) growth in active members. The growth in new members is based on new members admitted to CPA Saskatchewan. The net growth in active members is based on new members less the number of members who have left the profession as a result of resignation, death, or being cancelled/expelled and the number of members who are no longer actively practicing for the period of April 1 to March 31. The net growth in membership has remained consistent throughout the past four years whereas the number of new members admitted to the profession is down from last year.



Looking ahead...

During 2020/21 CPA Saskatchewan concluded an extensive database enhancement project. A key component of the new database is a wholly new CPA Saskatchewan member portal experience, which will include automated application forms. The objectives are to streamline and automate our processes where possible such that member time to comply is kept as minimal as possible and ensuring staff capacity is used effectively.



3. Monitoring

The Monitoring function's role is to assess and analyze data to produce information that identifies risk to the public and then to mitigate that risk with scalable and appropriate regulatory oversight. The objective of each process is to be proactive in the determination of risk and the application of a regulatory outcome. All registrants are subject to monitoring activities. Updates on some monitoring activities carried out in 2020/21 are included below.

CPD Verification

In 2020/21, 107 members underwent the third annual CPD verification process. CPD verification requires that the member provide documentation to support their verifiable learning activities, including a linkage of the reported activities to their current or future professional role. In general, and consistent with previous years, CPA Saskatchewan was very pleased with the results. Our members continue to be diligent in maintaining their professional competence by pursuing relevant skill development, focusing on both the technical and enabling competencies required of their job functions and roles.

We note the following tips for all members regarding future CPD reporting requirements:

- Plan ahead: we strongly encourage members to take a proactive approach to planning their PD activities over the next few years.
- Be critical: activities that qualify as CPD must include a learning component. Some activities may be better identified as volunteer activities rather than learning activities.
- Ensure it is relevant: the CPD taken needs to be relevant to your current or future role.
- Have your documentation ready: keep a copy of the output for the learning activities that can be verified by an objective party for all PD hours relating to research, work-related projects, and course facilitation reported as verifiable CPD.
- Find balance: we emphasize the importance of the need to obtain balance in CPD activities obtained.

An article on the results of the CPD verification process was published in April 2021 in CPA SK Connect. To help address findings noted through CPD verification and member questions relating to reporting verifiable learning activities, CPA Saskatchewan, through consultation and approval with regulatory committees, developed and published ["CPD Self-Assessment Tool."](#)

Going forward, as we note that many of our members are reporting volunteer time, research hours, or in-house courses towards meeting the minimum CPD requirements, we will target verification in these areas and other risk areas in our future CPD verification process.

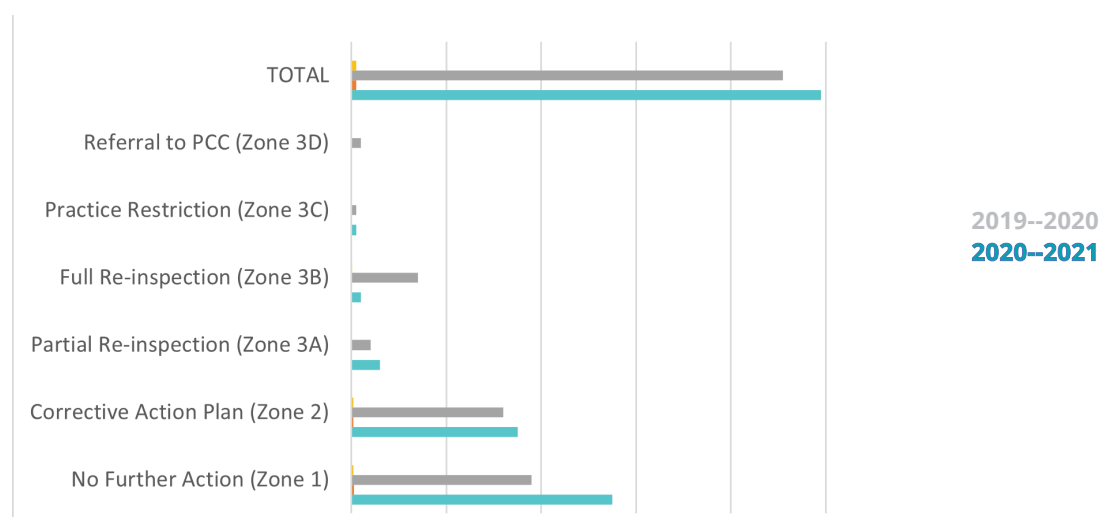
Practice Inspection

Practice inspection of a firm's compliance with the standards of the profession occurs on every registered firm with inspectable services (i.e., firms that carry out audits, reviews and compilation engagements). Every registered firm is subject to a notice of practice inspection. If a firm does not perform inspectable services, the firm provides written confirmation of this to CPA Saskatchewan.

Practice inspections will occur for every registered firm with inspectable services at least once in a 4-year risk-adjusted cycle. In other words, a firm may be inspected more than once within 4 years depending on the risk level of the firm.

The 2020/21 inspection year included 99 inspections, up from 91 inspections completed in 2019/20. Of these inspections, 41 were scheduled as desk inspections (for firms carrying out compilations only) in 2020/21 versus 33 in 2019/20. Due to COVID-19, 47 inspections that would normally be completed onsite at the firm's office location were completed offsite (called remote inspections). Inspections will continue offsite for 2021/22, pending changes to public health guidelines. The remaining 11 inspections were for affiliate firms.

Inspection results range from no further action by the firm and requiring submission of an approved corrective action plan to address all non-compliance with standards in the future (both considered the firm is overall in compliance with professional standards), to a partial or full reinspection, to restrictions placed on the firm's practice, to a referral to professional conduct for further assessment (all considered the firm is overall not in compliance with professional standards).



Looking ahead...

CPA Saskatchewan will continue to carry out practice administration reviews in the upcoming year based on risks identified through regulatory activities. CPA Saskatchewan will also provide educational resources to those members who administer trust assets on behalf of others in 2021/22.

4. Enforcement

Enforcement is a mechanism to administer a system of justice that is appropriate to that registrant. The Enforcement function's role is to ensure that registrants who breach a Rule or are guilty of professional misconduct are fairly and reasonably sanctioned in a timely manner. Outcomes are intended to be rehabilitative, while punitive as necessary. All processes and outcomes are transparent to the registrants, the individual who raised the concern, and the public.

Discipline Committee Rules

The Discipline Committee Process Cohort approved protocols related to virtual hearings in 2020/21. Further, new guidance on the disciplinary process is now available online.

Two hearings were completed virtually in the last year. For more information on upcoming hearings or Discipline decisions and orders, see cpask.ca.

Professional Conduct Committee

During 2020/21, the Professional Conduct Committee heard a heavy load of cases. At March 31, 2021, there are no investigations waiting for a Professional Conduct Committee meeting, and all Professional Conduct Committee Reports to Discipline Committee have been completed for the cases heard by the Professional Conduct Committee. This provides a great opportunity for continued training and refinement of the presentation of case information to the Professional Conduct Committee, more of which is planned for summer 2021.



Looking ahead...

Enforcement Bylaws related to appeals to the board and enhancements to the elements of professional conduct are underway.

Stakeholder Relationships

In addition to our functional areas, CPA Saskatchewan's regulatory role is to establish and maintain stakeholder relationships with a variety of stakeholders. Over the last few years, CPA Saskatchewan established a task force to make recommendations to the Ministry of Justice (Office of the Public Registry Administration) with respect to assurance services provided by CPAs to Not-for-Profit Corporations.

Elections Saskatchewan reached out to CPA Saskatchewan for assistance in the development of an elections guide for auditors of electoral candidates.

CPA Saskatchewan works with other self-regulatory professions through the Saskatchewan Self-Regulatory Working Group as well as the Canadian Network of Agencies for Regulation.

We also have a strong relationship with the Ministry of Finance who oversees our legislated processes.



Strategic Imperative:

To embrace digital transformation in services to registrants

During the past year, CPA Saskatchewan completed a significant database enhancement project. This included the enhancement of the member portal experience to allow members and firms to monitor their payments, statement of accounts, registration and licensing history, and events registration. As well, the project resulted in increased automation of internal processes and applications, including renewals. It also enabled CPA Saskatchewan to add the “Find a CPA” or “Find a CPA firm” search functions on our website for public access.

From a national perspective, there are three specific projects supported by CPA Saskatchewan staff.

First, Foresight: Reimagining the Profession continues to move forward. Foresight is exploring the future of the profession and the opportunities for the future including the following:

- measuring value beyond financials
- harnessing the power of vast quantities of data to make decisions and establishing new / models of governance and decision-making
- developing new skills and competencies for current and future CPAs
- protecting the profession’s integrity, trust, and ethics

Secondly, the Competency Map Task Force has undertaken a significant project to determine the competencies required for a newly qualified CPA. The Task Force has engaged in research, outreach, and discussion to establish these required competencies. The Task Force will recommend the competencies required for the future with the goal of a completely revised competency map. This revised map will be the basis of the pre-certification education reform. The Task Force will begin a consultation phase in July 2021.

Finally, the national Digital Transformation initiative is underway to understand members’ needs and provide resources for the members. During the year, there was a survey of members and roundtables across the country with interested members.



Strategic Imperative:

To Improve Member Engagement

As a result of COVID-19, CPA Saskatchewan transitioned all professional development and events to virtual offerings. During the year, there were 243 opportunities for members to learn through professional development.

One of the virtual sessions offered was a presentation by the Saskatchewan Chamber of Commerce CEO, Steve McLellan, and the Director of Indigenous Engagement, Nick Crighton. The presentation was titled "Indigenous Engagement: Why, How and When?"

CPA Saskatchewan was pleased to celebrate our volunteers and four outstanding members at the virtual Member Recognition Gala held on October 30, 2020.

The Lifetime Achievement Award recognizes members who have made a significant contribution to the Institute and legacy bodies for a consecutive period of at least 20 years at the leadership level; who continue to support the CPA Saskatchewan Mission and Vision; or whose achievement in their careers or in the community have brought honour to the profession.

CPA Saskatchewan was very proud to recognize our first ever Lifetime Achievement Award winner, Shelley Brown, FCPA, FCA. Shelley has made a profound impact in three areas: to the CPA profession, to the business community, and to the broader community.

Shelley has served the CPA profession for the majority of her career, both provincially and nationally. She was the first chair of CPA Canada--the first to lead the new unified accounting profession.

Shelley is a retired Deloitte partner. She worked primarily in assurance and is a champion for diversity and inclusion. Throughout her career, Shelley has been a phenomenal coach and mentor and a strong role model for many young female CPAs.

Shelley is recognized as a community leader and she is respected for her exemplary dedication and lifelong commitment to the not-for-profit sector. She has served on numerous boards, including as chair of the Board of the Jim Pattison Children's Hospital Foundation and as chair of the Board of Governors of the University of Saskatchewan. She was also actively involved with Junior Achievement for many years.

Shelley Brown, FCPA, FCA



The Fellow Chartered Professional Accountant (FCPA) is awarded to members who have rendered exceptional service to the profession or whose achievements in their careers or in the community have earned them distinction and brought honour to the profession.

The CPA Saskatchewan Board awarded the designation of Fellow Chartered Professional Accountant (FCPA) to Adynea Russell, FCPA, FCA; Scott Verity, FCPA, FCA; and Valerie Watson, FCPA, FCA for their outstanding service.



Adynea Russell, FCPA, FCA



Scott Verity, FCPA, FCA



Valerie Watson, FCPA, FCA

CPA Saskatchewan proudly celebrated our successful CFE candidates. Two virtual Convocation ceremonies were held during 2020/21.

On November 28, 2020, the achievements of the 142 successful September 2019 CFE writers were celebrated in a virtual ceremony. Their convocation was scheduled to be held on March 14, 2020, but it was cancelled due to the onset of COVID-19.

CPA Saskatchewan also celebrated virtually the achievements of the 133 successful September 2020 CFE writers. We were proud to recognise the four Saskatchewan writers who were named to the CPA Canada National Honour Roll: Cameron Dubé, Lee Farrer, Janessa Fox, and Brennan McClelland.



Cameron Dubé



Lee Farrer



Janessa Fox



Brennan McClelland

CPA Saskatchewan launched COVID resources on our website in early 2020/21 to assist our members. As part of this initiative, CPA Saskatchewan launched a LinkedIn page for Small and Medium Practitioners.

CPA Saskatchewan conducted a member survey in the fall. Participation was excellent with a response rate of 26%.



CPA Saskatchewan was pleased to continue our partnership with CPA Alberta to bring our members the CPA Assist program. CPA Assist provides confidential 24/7 counselling and wellness resources to our members, candidates, and their immediate families.

CPA Assist offered a Virtual Wellness Conference on December 10, 2020. CPA Assist also offered a number of webinars throughout on various wellness topics.

Strategic Imperative:

To increase public awareness of CPA Saskatchewan brand

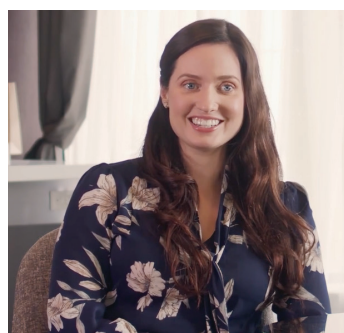
It is our continued goal to grow the profession, both in terms of the number of members and candidates as well as growth in the demand for CPAs in the marketplace. The CPA Professional Education Program (PEP) is developed by CPA Canada and delivered through our partnership with the CPA Western School of Business. CPA Saskatchewan's commitment to the excellence of our education program comes through our participation on national committees to ensure consistency among provincial bodies through national strategies and recommendations. Another critical component in the development of new CPAs is practical experience.

As of March 31, 2021, CPA Saskatchewan has 751 candidates. The success of our candidates is the result of the quality of the CPA education program, facilitators, mentors, and the strength of the candidates. Congratulations to the 133 candidates who successfully completed the September 2020 CFE. With the onset of the pandemic, the profession was not able to deliver the CFE in the traditional manner with many candidates in a single room. With the ingenuity and leadership of the senior education staff working in the profession across the country, a creative new way to offer the exam was launched. Each candidate wrote the CFE in an individual hotel room, with COVID safety protocols in place to ensure the safety of all writers, staff, and volunteers.

The recruiting of new CPA candidates is important to CPA Saskatchewan as we continue to grow and strengthen the profession. Significant in our implementation of the recruiting strategy is our presence on social media. This is key for recruiting and encouraging member engagement. As a result of COVID-19, all recruiting activities have been conducted virtually.

We continue to raise awareness of the CPA profession through our partnerships in the business community. We have developed relationships with future employers, local Chambers of Commerce, and the post secondary institutions. In partnership with CPA Canada and their Financial Literacy program, we were able to provide resources to our members that were used in virtual education events in our community. We were also proud to be involved in the CPA Canada national branding strategy. This year one of Saskatchewan's CPAs, Catherine Beaudoin, CPA, CMA was selected as a featured member in the campaign. Catherine is the co-founder of ZestyKits, a Saskatchewan company who very successfully adapted during COVID-19. The link to her feature in the *Globe and Mail* is included here: <https://www.theglobeandmail.com/business/adv/article-meal-kit-business-boosts-revenue-by-300-with-three-part-strategy/>

Catherine Beaudoin, CPA, CMA



CPA Canada Foresight Project:

Reimagining the Profession

Foresight: Reimagining the Profession is discovering exciting new opportunities for CPAs in today's rapidly evolving business and economic landscape. Following a series of consultations with CPAs and stakeholders in 2018, the initiative undertook an ambitious research agenda to study opportunities and challenges. Findings to date demonstrate CPAs have key roles to play as strategic leaders and trusted advisors amidst exponential shifts in technology, globalization, geopolitics and societal values and norms. Leveraging the new opportunities will require shifting mindsets (within and external to the profession) and strategic expansion of the foundational skills and competencies that have served the profession well through the industrial age.

FORESIGHT, TODAY

Foresight inspired a renewed energy and eagerness to advance the profession. In this new world, we are exploring how the profession will need to pivot to new ways of doing things.

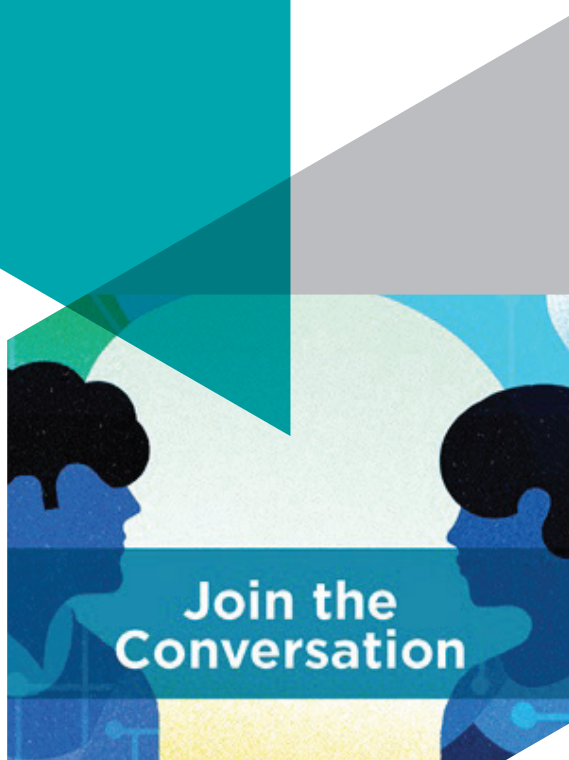
The impetus behind Foresight is the opportunity for members to connect and share their ideas with a global community of CPAs and stakeholders.

Members are invited to join the online conversation and provide input about the following:

- Preparing the future-ready CPA
- Step into a world driven by data
- The power of value creation
- Trust and Ethics

All members are encouraged to be part of a movement that is reimagining what CPAs do, how they do it, and the impact we can have across the world.

CPAs Wanted: Join the online community at <https://foresight.cpacanada.ca/>.



Financial Performance

CPA Saskatchewan is financially sound with unrestricted net assets of \$3.6M. The results of operations for CPA Saskatchewan for the year ended March 31, 2021 are included in the financial statements. These statements show a surplus for the year of \$432,500.

The most significant sources of revenue included in the financial statements are from member, candidate, firm, and licensing fees. Revenue from professional development, conference and convocation is included in member services and events. During the current year, there was no revenue from conference or convocation.

The most significant expenses are categorized in education delivery, regulatory functions, member services and events, and administration. The member services and events include the costs of the professional development courses and convocation. The regulatory costs include the costs to meet our primary objective of the protection of the public. The administration expenses include all salaries which is the largest expense in this category. The second most significant administration expense is occupancy costs.

The CPA Western School of Business (CPAWSB) delivers and administers pre-certification education as an agent on behalf of each of the provincial bodies. The candidate/student dues and module fees collected by the CPAWSB on behalf of the provincial bodies is allocated based on the number of learners in each province. CPA Saskatchewan has recorded revenue of \$2,797,300 in the current year representing candidate/ student dues and module fees. The CPAWSB charges a fee to the provincial bodies for the costs of providing education and administrative services. These are allocated to each provincial body based on the number of learners. In the current year, the CPAWSB charged CPA Saskatchewan \$2,280,200 for the delivery of education to our Saskatchewan candidates and students. This is recorded as education delivery expense.

The financial results show a significant surplus for the year. The most significant variances that resulted in the surplus relate to the impacts of COVID-19. The costs of precertification education were significantly reduced as a result of transitioning to virtual offerings. All CPA SK events were transitioned to a virtual format and the annual conference was cancelled and there were cost savings as a result of minimal travel. The most significant variance not related to COVID-19 is an increase in regulatory costs which result primarily from two significant discipline cases that were concluded.



THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS OF SASKATCHEWAN

FINANCIAL STATEMENTS

MARCH 31, 2021



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements of **The Institute of Chartered Professional Accountants of Saskatchewan** (the "Institute") have been prepared by the Institute's management in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on informed judgment and management estimates.

To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The Institute's Board has delegated certain responsibilities to the Audit Committee, including the responsibility for reviewing the annual financial statements and meeting with management and external auditors on matters relating to the financial reporting process and the Institute's system of controls.

The Board has reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, Virtus Group LLP, and their report is presented separately.

A handwritten signature in black ink that reads "Shelley Thiel".

Shelley Thiel, FCPA, FCA
Chief Executive Officer



VIRTUS
GROUP
Chartered Professional Accountants
& Business Advisors LLP

INDEPENDENT AUDITORS' REPORT

**To the Members,
The Institute of Chartered Professional Accountants of Saskatchewan**

Opinion

We have audited the accompanying financial statements of **The Institute of Chartered Professional Accountants of Saskatchewan** which comprise the statement of financial position as at March 31, 2021, and the statement of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Institute of Chartered Professional Accountants of Saskatchewan as at March 31, 2021, and the results of its operations and 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 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 financial statements in Saskatchewan, 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

INDEPENDENT AUDITORS' REPORT continued

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

- Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the 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 significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

May 20, 2021
Regina, Saskatchewan

VIRTUS GROUP LLP
Chartered Professional Accountants

THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS OF SASKATCHEWAN
STATEMENT OF FINANCIAL POSITION
As at March 31, 2021

ASSETS		2021	2020
Current assets			
Cash and short term investments (Note 3)		\$ 1,948,700	\$ 1,993,300
Accounts receivable (Note 8)		1,784,800	1,453,400
Prepaid expenses		77,800	86,500
		<u>3,811,300</u>	<u>3,533,200</u>
Long term investments (Note 3)		1,395,200	1,377,000
Tangible capital assets (Note 4)		607,600	465,700
		<u>\$ 5,814,100</u>	<u>\$ 5,375,900</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 317,400	\$ 379,000
Fees received in advance		1,276,500	1,209,200
		<u>1,593,900</u>	<u>1,588,200</u>
NET ASSETS			
Net assets invested in tangible capital assets		607,600	465,700
Unrestricted surplus		3,612,600	3,322,000
		<u>4,220,200</u>	<u>3,787,000</u>
		<u>\$ 5,814,100</u>	<u>\$ 5,375,900</u>
Commitments (Note 5)			

APPROVED BY:



Board Member



Board Member

THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS OF SASKATCHEWAN
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2021

	Investment in tangible capital assets	Unrestricted surplus	Mar 31, 2021 Total	Mar 31, 2020 Total
Opening balance	\$ 465,700	\$ 3,322,000	\$ 3,787,700	\$ 3,862,600
Amortization	(191,800)	191,800	-	-
Purchase of tangible capital assets	333,700	(333,700)	-	-
Excess (deficiency) of revenues over expenses	-	432,500	432,500	(74,900)
Ending balance	<u>\$ 607,600</u>	<u>\$ 3,612,600</u>	<u>\$ 4,220,200</u>	<u>\$ 3,787,700</u>

THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS OF SASKATCHEWAN
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2021

Revenues	2021	2020
Member fees	\$ 2,453,900	\$ 2,373,000
Firm fees	501,400	385,900
Candidate/student fees	2,890,100	2,795,000
Member services and events	595,000	730,700
Regulatory functions	129,400	103,700
Other revenue	118,400	122,500
	<u>6,688,200</u>	<u>6,510,800</u>
Expenses		
Member services and events	339,600	724,600
Education delivery	2,280,300	2,434,200
Regulatory functions	568,100	338,400
Governance	47,700	101,200
Administration	3,020,000	2,987,300
	<u>6,255,700</u>	<u>6,585,700</u>
Excess (deficiency) of revenues over expenses	<u>\$ 432,500</u>	<u>\$ (74,900)</u>

THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS OF SASKATCHEWAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2021

	2021	2020
Operating activities		
Excess (deficiency) of revenues over expenses	\$ 432,500	\$ (74,900)
Amortization	191,800	93,700
Net change in non-cash current assets and liabilities related to operations (Note 6)	(317,000)	(328,200)
Cash provided by (used in) operating activities	<u>307,300</u>	<u>(309,400)</u>
Investing activities		
Decrease in long term investments	(18,200)	1,049,000
Purchase of tangible capital assets	(333,700)	(215,600)
Cash used in investing activities	<u>(351,900)</u>	<u>833,400</u>
Net increase (decrease) in cash	(44,600)	524,000
Cash and short term investments beginning of year	1,993,300	1,469,300
Cash and short term investments end of year	<u>\$ 1,948,700</u>	<u>\$ 1,993,300</u>

THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS OF SASKATCHEWAN NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021



1. Nature of operations

The Institute of Chartered Professional Accountants of Saskatchewan (the "Institute") was established as a corporation by *The Accounting Profession Act* proclaimed in the Saskatchewan Legislature on November 10, 2014. It is a not-for-profit organization under the *Income Tax Act* and therefore is not subject to either federal or provincial income taxes. The objects of the Institute are to regulate the practice of the profession, govern the registrants in accordance with the Act and Bylaws and to assure the public of the knowledge, skill, proficiency, and competency of registrants in the practice of professional accounting and other services provided.

2. Summary of significant accounting policies

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 amount of assets, liabilities, revenues, and expenses. Actual amounts could differ from these estimates.

Financial instruments - recognition and measurement

Financial assets and financial liabilities are recorded on the statement of financial position when the Institute becomes party to the contractual provisions of the financial instruments. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions. Measurement in subsequent periods of equity instruments is at fair value. All other financial assets and financial liabilities are subsequently measured at amortized cost adjusted by transaction costs, which are amortized over the expected life of the instrument.

Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market. Changes in fair value of financial assets and financial liabilities measured at fair value are recognized in excess of revenues over expenses.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted cash flows expected or the proceeds that could be realized from sale of the financial asset. Such impairments can be reversed if the value subsequently improves.

Cash and cash equivalents

Cash is comprised of short term investments and demand deposits. The short term investments are highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Investments

Investments are reported at fair market value.

**THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS
OF SASKATCHEWAN NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021**



2. Summary of significant accounting policies (continued)

Tangible capital assets

Tangible capital assets are stated at cost less accumulated amortization. Office equipment and leasehold improvements are amortized on the straight-line basis over ten years. Computer hardware and software are amortized on the straight-line basis over three years.

Revenue recognition

Member fees, firm fees, and candidate/student fees are recorded as revenue in the accounting period to which they apply. Revenues from member services and events are recognized in the period when the events are held.

3. Cash and investments

	2021	2020
Long term investments	\$ 1,395,200	\$ 1,377,000
Short term investments	1,084,400	1,511,300
Cash	864,300	482,000
Total cash and investments	<u>\$ 3,343,900</u>	<u>\$ 3,370,300</u>

Long term investments consist of long term guaranteed investment certificates and federal, provincial, and A rated bonds with maturity dates ranging from June 2022 to December 2050 and an average interest rate of 1.51% (2020 – 2.66%).

Short-term investments consist of guaranteed investments certificates with an average interest rate of 2.30% (2020 – 2.32%)

4. Tangible capital assets

	Cost	Accumulated Amortization	Net Book Value 2021	Net Book Value 2020
Office equipment	\$ 238,400	\$ 156,200	\$ 82,200	\$ 68,600
Computer hardware	98,200	66,400	31,800	18,300
Computer software	482,800	144,300	338,500	174,200
Leasehold improvements	496,200	341,100	155,100	204,600
	<u>\$ 1,315,600</u>	<u>\$ 708,000</u>	<u>\$ 607,600</u>	<u>\$ 465,700</u>

During the period, tangible capital assets were amortized in the amount of \$191,800 (2020 - \$93,700).

5. Commitments

The Institute is committed to annual lease payments for office space, services, and post secondary support as follows:

2022	\$545,700
2023	\$428,500
2024	\$394,500
2025	\$257,200

**THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS
OF SASKATCHEWAN NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2021**



6. Net change in non-cash current assets and liabilities related to operations

The net change in non-cash current assets and liabilities related to operations consists of:

	2021	2020
(Increase) in accounts receivable	\$ (331,400)	\$ (309,100)
Decrease (Increase) in prepaid expenses	8,700	(14,700)
Increase (decrease) in accounts payable & accrued liabilities	(61,600)	21,400
Increase (decrease) in GST payable	-	(37,100)
Increase in dues and fees received in advance	67,300	11,300
	<u>\$ (317,000)</u>	<u>\$ (328,200)</u>

7. Chartered Professional Accountants of Canada (CPA Canada)

CPA Saskatchewan has an agreement with Chartered Professional Accountants of Canada (CPA Canada) to work together to achieve a common mission and vision, to administer 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. The provincial bodies such as the Institute share in the cost of the operations of the national committees. The Institute also collects member fees on behalf of CPA Canada and remits those to CPA Canada.

8. Chartered Professional Accountants Western School of Business (CPAWSB)

The Bylaws of the Institute allow the Board to approve an educational institution to administer the registration of candidates and the delivery of the CPA Canada professional education program. The CPA Western School of Business (CPAWSB) delivers and administers pre-certification education to candidates and students in the four western provinces and the territories, in accordance with an agreement signed by the CPA bodies in Alberta, British Columbia, Manitoba, and Saskatchewan and the CPAWSB, effective September 29, 2015. Effective June 1, 2018, the western CPA provincial bodies approved changes relating to the governance structure of CPAWSB. The Board of Directors of CPAWSB is comprised of the CEOs from the four western provinces.

CPAWSB is a registered charity incorporated under the Canada Not for Profit Corporations Act and is not subject to income taxes. In the event of dissolution or winding up of the corporation, all of its remaining assets after payment of liabilities shall be distributed to qualified donees as defined in Section 149.1(1) as amended, of the Income Tax Act (Canada), and therefore are not available to CPA Saskatchewan. Accordingly, no ownership interest of CPAWSB is reflected in the financial statements. If a member body withdraws from the agreement prior to operations ceasing, that body would have no right to any of the assets or other property of CPAWSB.

Effective April 1, 2019, CPA Saskatchewan entered into two agreements between the CPA bodies in Alberta, British Columbia, Manitoba, and Saskatchewan and the CPAWSB. As per the operating agreement, CPAWSB will deliver and administer pre-certification education as an agent on behalf of each of the provincial bodies. The revenue earned and expenses incurred by CPAWSB will be allocated to each provincial body based on the number of learners in each province.

During the year, the CPAWSB collected annual candidate and student dues and course module fees of \$2,797,300 (2020 - \$2,753,000) on behalf of CPA Saskatchewan. The CPAWSB charged CPA Saskatchewan \$2,280,200 (2020 - \$2,434,200) for delivery of the education program. Prior to year end, CPAWSB collected annual candidate and student dues and course module fees of \$996,800 (2020 - \$892,600) on behalf of CPA Saskatchewan pertaining to the programs to be delivered on or after April 1, 2021, which are recorded as accounts receivable and fees received in advance.

THE INSTITUTE OF CHARTERED PROFESSIONAL ACCOUNTANTS OF SASKATCHEWAN NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021



8. Chartered Professional Accountants Western School of Business (CPAWSB) continued

Amounts due from CPAWSB at March 31, 2021 totaled \$1,513,900 (2020 – \$1,225,100) and are included in accounts receivable.

During the year ended March 31, 2021, CPA Saskatchewan charged \$0 (2020 - \$16,700) to CPAWSB for operating costs incurred on behalf of CPAWSB. The transactions are in the normal course of operations, and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. CPA Insurance Plans West (CPAIPW)

CPA Insurance Plans West (CPAIPW) administers benefits plans for members of the CPA bodies in Alberta, British Columbia, Manitoba, Saskatchewan and the Territories.

CPAIPW is a not for profit organization under the *Income Tax Act* and therefore is not subject to income taxes. The Board members are appointed by the western provincial bodies.

During the year ended March 31, 2021, the Institute paid benefit plan premiums for its employees to CPAIPW totaling \$60,000 (2020 - \$62,400). CPAIPW provided sponsorships to the Institute of \$6,000 (2020 - \$4,500). The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

10. Financial risk management

The Institute has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant financial risks to which the Institute is exposed are:

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. The Institute is exposed to credit risk on the accounts receivable from its members, however, does not have a significant exposure to any individual customer or counterpart. In order to reduce its credit risk, the Institute regularly reviews outstanding accounts receivable and follows internal collection policies.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Institute's exposure to liquidity risk is dependent on the receipt of funds from its operations, external borrowings, and other related sources. Funds from these sources are primarily used to finance working capital and capital expenditure requirements and are considered adequate to meet the Institute's financial obligations.

11. Internally restricted funds

Effective April 1, 2021, the CPA Saskatchewan Board approved the internal restriction of funds for future discipline costs of \$250,000 and future investment in education of \$400,000.

12. Significant Event

On March 11, 2020, the World Health Organization declared a global pandemic for the COVID-19 virus. The Institute is following health advisories and mandatory requirements from local, provincial and national health and government organizations. The Institute continues to fulfill the mandate set out in *The Accounting Profession Act*. As a result of the pandemic, the Institute transitioned to virtual offerings of events and education for the year ended March 31, 2021.



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