



• Annual Report 2024

Listening and Leading

Shaping the future of the profession

Our Mandate

The CPA profession is a provincial responsibility, which is established through provincial legislation.

CPA Ontario is the regulatory body responsible for overseeing CPAs and accounting firms in Ontario.

Like our provincial, territorial, and Bermudian (PTB) counterparts across Canada, the critical work we do protects the public, advances the profession and enables CPAs to lead business and society forward in the province and across the country.

CPA Ontario delivers on these significant responsibilities that the government has entrusted us to:



Govern and regulate CPAs and accounting firms in Ontario

which includes compliance, enforcement and disciplinary processes.



Educate and assess CPA students

by delivering a world-class professional education program.



Ensure the CPA pipeline meets market demands

through recruitment activities within Post Secondary Institutions and high schools, and by supporting new entrants to Canada.



Grant CPA designations and public accounting licences

while maintaining the rigour and high standards that set the profession apart.



Enhance the skill and knowledge of CPAs

through professional development and thought leadership.



Support standard setting

within Canada and at the international level.



Enable mobility

across Canada and internationally.



Work with our provincial, territorial and Bermudian CPA counterparts

to facilitate common entry to the profession and the portability of the designation.



Our Purpose

We **PROTECT**
the public.

We **ADVANCE**
the profession.

We **ENABLE** CPAs to
lead business and
society forward.

Our Values

How we do things is just as important as what we do.

Our values guide the way we work and the decisions that we make. They reflect who we are as an organization and what we believe is right. Our values align with our purpose and enable us to deliver our strategy in a way that we can all be proud of.

These values embody how we aspire to behave in all situations with each other, our members and students, and other stakeholders. They set the expectations we have of each other.

We act with INTEGRITY

We always do the right thing and take accountability for our decisions and work.

We are THOUGHTFUL

We are considerate in the way we make decisions, and how we engage with the public, employers, our members, students, and colleagues.

We work TOGETHER

We are a supportive and inclusive team and empower each other to achieve our personal and professional goals.

We make an IMPACT

We strive to make a meaningful difference to our stakeholders and the profession, delivering results with excellence.

We are FORWARD-THINKING

We are curious, innovative, and data-driven, and ensure our work benefits business and society.

Our Strategic Priorities

Our strategy defines our priorities as an organization and guides the work that we do.

Our strategy is designed to meet the needs of today's complex business environment while responding to the trends and forces reshaping our profession and the economy at large.

Our five strategic pillars focus our efforts. Everything we do supports these pillars and ensures that our work helps us achieve our purpose.

PROTECT the public interest by ensuring our members, students and employees maintain the highest standards of integrity.

ADVANCE the profession by developing CPAs who can lead in an ever-evolving world.

BUILD a robust pipeline of high calibre individuals.

CREATE a strong brand and demand for CPAs.

CULTIVATE an environment that enables our people to thrive together.



Contents

Mandate	3
Purpose	4
Values	5
Our Strategic Priorities	6
Message from the Chair	7
Message from the CEO	9
A New Way Forward for the Profession	12
Protecting the Public	14
Preparing Members for the Future	20
For the Innovation Economy	27
To Build Trust in AI	32
To Take the Lead in Sustainability	34
Preparing Aspiring CPAs for Tomorrow	36
DEI and the CPA Ontario Foundation	42
Enterprise Risk Management	46
Financials	50
CPA Ontario Council and Committees	58



MESSAGE FROM THE **Chair**

It was an honour to be appointed Chair of the CPA Ontario Council after serving on Council for the past four years. My first year as Chair has reinforced how the leadership role that Ontario CPAs are playing in Canada and internationally continues to evolve in a complex global economy. But even amidst all of this change, the skills, insights and ethical mindset of the CPA, and the importance of appropriate oversight and strong governance, have never been more important. And neither has CPA Ontario's role and mandate as the regulator of the profession.

These principles – our role of protecting the public, the importance of the CPA in the global marketplace and the necessity of strong governance - have served as our guide as we continued to make progress architecting a new way of working with our fellow provincial, territorial and Bermudian bodies, and with CPA Canada.

And there has been important progress. We have come to a new agreement on education that will maintain the uninterrupted journey of CPA students. And CPA Ontario has always committed to funding standard setting and providing members access to resources such as the Handbook and Board Guidance which are foundational to the profession, and critical to protecting the public.

As we have made progress, we have continued to listen. Over the past year, we have engaged with members, students and employers on the future of the profession. Over 6,500 CPAs participated in town halls with Ontario's top employers, we

surveyed 30,000 members and we have spoken with and met thousands of CPAs across Ontario.

We heard about pride in the designation, the importance of recruiting high calibre individuals into the profession, and the value that you place on CPA Ontario's role of maintaining and enforcing the high standards of the profession.

As we look to the future of the profession, CPA Ontario's role protecting the public as the granter of the designation and the regulator of the profession remains the foundation of who we are and what we do.

With the work of CPAs in Ontario so critical to our capital markets, and to business both here in Canada and around the world, CPA Ontario's approach as a regulator will continue to evolve. The launch of the Enhanced Quality Management Review (EQMR) program, considering the results of our focused review of audit quality and the move from quality control to quality management under Canadian Standards on Quality Management, is just one example.

Many more can be found in this Report, as well as in our 2024 Regulatory Report.

Meeting with members, students and top employers in my role as Chair has given me a new perspective on the technological, social and economic forces

that are driving change around the world, and for our profession. And it reconfirmed the importance of our focus on the future and the changing forces our profession is facing.

I want to thank my fellow CPA Ontario Council members for their leadership, commitment and insight. I would also like to thank the President and CEO, Carol Wilding, and her entire team at CPA Ontario for their work over the past year.

And as we continue to look forward in a time of change our focus of protecting the public, supporting the role of CPAs in this global economy and ensuring strong governance will continue to serve as the bedrock of who we are at CPA Ontario.



TONY PEDARI, FCPA, FCA
Chair, CPA Ontario Council



MESSAGE FROM THE

President & CEO

Our mandate is to protect the public.

Ontario is home to over 103,000 CPAs, or 40% of the profession in Canada. And with many of our CPAs operating in global markets and in a global context, it is essential that Ontario members and students are equipped to drive business and society forward, both across Canada and around the world. And as we experience rapid innovation and disruption — from sustainability and standards to innovation and AI — the way that we protect the public and advance the profession is also changing.

Earlier this year, the Canadian Sustainability Standards Board released the first Canadian Sustainability Disclosure Standards for consultation, a strong signal that mandatory sustainability standards are coming. This shift in standards and reporting is coming at the same time as Canada is facing significant economic headwinds. In light of Canada's declining productivity, seizing the innovation economy, driven by intangible assets and artificial intelligence, is essential for securing our future prosperity. A fact driven home by the Global Innovation Index 2023, which positions intangible assets as an overall weakness for the Canadian economy.

In this dynamic environment, the technical acumen, strategic insights and strong ethical mindset of the CPA are essential. And as capital markets, business leaders and the public rely on CPAs, preparing them to continue to lead in the future is critical. It's why, over the past year, we have focused on a series of forward-looking initiatives to help members meet the demands of the public, and the future economy.

Sustainability Simplified is a knowledge hub with resources to help CPAs understand and respond to the fast-moving world of sustainability reporting. From guidance on standards to information on how to upskill for a sustainability role, *Sustainability Simplified* has the information that CPAs need to take the lead in this space. To fill a skills gap in the Canadian start-up and scale-up space, we partnered with John Ruffolo, FCPA, FCA and Jim Balsillie, FCPA, FCA to launch the Innovation Leadership Accelerator program. And to help CPAs harness the power of AI and embrace their role in its governance and stewardship, we launched our new thought leadership paper, *Trust in New Frontiers: Putting AI Governance into Practice*, as well as offered new and innovative professional development programs.

This focus on the future of the profession must start at the very beginning of the CPA journey. It's why we are embedding skills in AI, data and sustainability, as well as enhancing the core competencies of critical thinking, analytics and technical expertise, into our new pre-certification education program. Launching in 2027, this new program will ensure the next generation of CPAs is prepared to maintain the high standards that the profession is known for, even as the work of the profession continues to evolve.

As we look to the future, there's never been a greater opportunity for CPAs to take on a leadership role in the Canadian economy, one which the next generation will be ready to seize.

This is the message we have brought to students in high schools and universities across the province. By profiling remarkable CPAs through programs like Designated for Greatness and Own Your Future, we are demonstrating to students the impact CPAs make across the economy, while building a strong pipeline of talent that can meet the challenges and opportunities of the future head on.

None of this would have been possible without CPAs across the province contributing their time, passion, and expertise to the profession. CPAs like the members of our Small and Medium Practitioners and Sustainability Strategic Advisory Committees. The instructors and mentors at the heart of our Innovation Leadership Accelerator. The AI specialists who shared their insights with us as we advocate for the role CPAs can play in building trust in AI. The volunteers who donated their time to mentor new CPAs. On behalf of everyone at CPA Ontario, thank you to every CPA helping us drive the profession forward.

I want to thank CPA Ontario Council for their leadership and the entire team at CPA Ontario for their dedication. I also want to thank all of the members who volunteer their time and their efforts to the profession, including the volunteers who play a critical role in our regulatory mandate by sitting on our regulatory committees or in tribunals. Every day, you are helping us protect the public.



CAROL WILDING, FCPA, FCA
President & CEO
CPA Ontario

The Role of the CPA in a Changing Economy

CPA Ontario's mandate to protect the public includes facilitating the use of CPA expertise to address some of the biggest challenges facing Canada and the world today. Our work includes:

- Representing the perspectives of Ontario CPAs in international standard setting. This includes responding to International Auditing and Assurance Standards Board (IAASB) and International Ethics Standards Board for Accountants (IESBA) exposure drafts and participating in the International Financial Reporting Standards (IFRS) Sustainability Symposium in New York.
- Launching Sustainability Simplified to provide up to date information to CPAs and business leaders on the dynamic and changing world of sustainability reporting and assurance.
- Meeting with the Attorney General of Ontario and Ontario's Minister of Finance, as well as officials in the Office of the Attorney General and the Ministry of Finance to discuss the changing role of CPAs.
- Participating in discussions on Canada's pressing economic productivity challenge with leading economists and business leaders.
- Contributing the views of CPAs and leading experts on the development of the new grade 9 and 10 business studies curriculum in Ontario to ensure it accurately reflects the reality of being a CPA today.
- Engaging with leaders in the technology and innovation economy through the Council of Canadian Innovators on the role of CPAs in supporting Ontario's start-up and scale-up ecosystem.



A New Way Forward for the Profession

The role and expectations of CPAs are rapidly changing amidst the rise of major disruptors like generative AI, mandatory sustainability reporting and big data. In the face of these disruptors, the way the profession was collaborating across the country was not working.

This is why, in June 2023, CPA Ontario and CPA Quebec decided to conclude their current agreement with CPA Canada and our provincial, territorial and Bermudian (PTB) counterparts, which becomes effective in December 2024.

The existing business agreement, known as the Collaboration Accord, did not provide the direct oversight of CPA Canada needed given CPA Ontario and CPA Quebec's legislated mandates to regulate the profession in their respective provinces. Nor did this agreement establish a governance model that enables the direct oversight, or the financial transparency and accountability needed given the work CPA Canada undertakes on our behalf or the services we pay them to provide to us.

Over the past year, we have been working with CPA Canada and our PTB counterparts to ensure continuity during this transition period, and to architect a different way of working together moving forward, which will enable us to better respond to the forces transforming the profession.

Listening and Learning

We made important progress over the past year, and throughout the process we engaged with thousands of members, students, employers and business leaders to gather their perspectives. We've conducted roundtables across the province, held focus groups, met with the largest employers of CPAs, and had countless one-on-one conversations.

What we have heard from our members time and time again is the need to move forward. It is a perspective reflected in a survey of 30,000 of our members, which provided an important window into what is top of mind for CPAs in Ontario. Here are a few of the key findings:

- 60% of members feel **that the issues which drove CPA Ontario's decision to withdraw from the Collaboration Accord were important.**
- Two-thirds of members (66%) agreed that **it was time to move forward and focus on the important issues facing the profession.**
- Members identified the top three issues facing the profession as being **maintaining and enforcing high standards** and a professional code of conduct, **AI**, and the **recruitment of high caliber individuals.**
- 91% Members feel **CPA Ontario has a critical role to play in recruiting high calibre individuals into the profession.**
- 82% Members think **CPA Ontario should play a role preparing CPAs for the rising use of AI and other technologies.**

Looking Forward

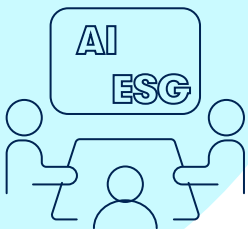
In November 2023 a new education agreement was agreed to by CPA Canada, CPA Ontario and CPA Quebec which will maintain the uninterrupted journey of CPA students.

Over the past year we have continued to work with CPA Quebec and CPA Canada to have additional agreements in place and on matters of importance to the profession, including:

- **Standard setting.** CPA Ontario is committed to funding standard setting and providing members access to the Handbook and Board Guidance, which are the foundation of our profession and a critical resource to protect the public.
- **Mobility.** Mobility is and always has been a provincial responsibility. Being a member in good standing of your provincial body allows access to MOUs and MRAs for international work, as well as inter-provincial mobility agreements.
- **International representation.** We remain committed to ensuring that Canada has a strong voice on the world stage.

These efforts will see CPAs in Ontario continue to play their leadership role in building Canada's economy. From the innovation ecosystem to building sustainable businesses, Canada needs the ethical mindset, technical acumen and strategic insights of the CPA.

Members recognize the challenges and the opportunities that lie ahead. Working together, our new way forward will take the profession into the future.



Roundtables with Emerging Leaders on how forces such as Generative AI, ESG, Innovation and Technology are impacting the profession, and how we can drive the profession's attractiveness

Engagement By The Numbers

30,000

members surveyed on the future of the profession

6,500+

CPAs at town halls with many of Ontario's top employers

230

Meetings with Ontario's top CPA employers, representing more than 20,000 CPAs

2,000

members and students registered for sessions to find out more about CPA Ontario Council's decision to end our current arrangement with CPA Canada and our provincial counterparts

500+

direct emails and calls with members

110+

FCPAs joined roundtables across the province on the future of the profession



Protecting the Public

CPAs play a fundamental role in our capital markets, our economy, and our society. And in these transformational times the mandate of CPA Ontario to protect the public is critical. Our responsibilities, set out in the [Chartered Professional Accountants of Ontario Act, 2017](#), and the [Public Accounting Act, 2004](#), will always remain the foundation of who we are and what we do.

In the past year, CPA Ontario has continued to act as a smart, proactive regulator through measures to reinforce the strong core of the profession, while supporting and upskilling members as they adapt to change.

We conducted a review on audit quality and, as a result of the findings, followed it with the start of an Enhanced Quality Management Review (EQMR) program.

To ensure our members and firms are staying at the forefront of the industries they serve, we continued with our robust compliance review program to monitor members' and Public Accounting Licence (PAL) holders' continuing professional development obligations. At the same time, we provided members with the advice and guidance they needed to address ethical dilemmas, adopt new standards, and maintain the technical rigour that is demanded of a CPA.

Throughout the year we investigated allegations of professional misconduct, and when necessary, we sanctioned members and firms for failing to uphold the [CPA Code of Professional Conduct](#).

We prosecuted unregistered and unlicensed foreign firms operating in Ontario without critical

regulatory oversight. And through enforcement, we ensured that public confidence in our regulatory oversight, and in the profession, remained strong.

The following summarizes our regulatory work over the past year, with more in-depth information available in our 2024 Regulatory Report.

Managing audit quality

The foundation of Canada's economy is the public's trust. The cornerstone of that trust is the audit, ensuring transparency in financial reporting and providing critical information that investors rely on. Trust in audit comes from knowing that audit firms have designed and consistently implemented policies and procedures that promote and support audit quality in accordance with professional standards. With the recent change from quality control to quality management under the Canadian Standards on Quality Management (CSQM), there has been a fundamental shift in how the effectiveness of those policies and procedures are assessed and measured. It requires firms to take a new approach focusing on quality objectives and identifying quality risks specific to firms and their engagements.

With this shift, and concerns surrounding audit quality identified by the CPA Ontario practice inspection team through two practice inspection cycles, a proactive review was necessary.

That's why CPA Ontario conducted a focused review of audit quality at accounting firms that conduct audits of reporting issuers. Firms which collectively audit over 99 per cent of the reporting

issuers in Ontario were required to report on how they manage audit quality to meet the standards and expectations of the profession.

We published the results of this Audit Quality Review in [Upholding High Standards to Protect the Public: Managing Audit Quality 2023](#), identifying five areas of risk that, if left unaddressed, could represent a threat to audit quality.

- **Governance and decision-making:** Reinforcing responsibility and accountability for audit quality at the most senior level
- **Ethical mindset:** Safeguarding the foundation of trust through professional ethics, values and attitudes
- **Talent and technology:** Investing in people and technology to support consistent delivery of quality audits
- **Working papers:** Employing tools and controls to maintain and protect the integrity of working papers
- **Monitoring activities:** Detecting, remediating, and deterring audit quality issues and deficiencies

In addition to the areas of risk, the review also identified four firms, representing audits of less than 1% of reporting issuers, with deficiencies warranting a referral to the CPA Ontario Practice Inspection team for additional review.

With CSQM 1 now effective for all firms who provide assurance and related service engagements in Ontario, it is the responsibility of the firms to uphold the new standards. CPA Ontario will be monitoring firms' adoption of these standards through the practice inspection team's newly launched EQMR program.

Evaluating quality and reinforcing professional standards

For CPA Ontario, practice inspection serves a dual purpose. First to protect the public and its confidence in financial information by assessing if members and firms engaged in the practice of public accounting are adhering to professional standards. The second is to help practitioners

improve their performance to meet those standards. With firms now required to meet the CSQM and considering the findings in [Upholding High Standards to Protect the Public: Managing Audit Quality 2023](#), the practice inspection team has launched a new program to assess the design and implementation of quality management systems and test their effectiveness.

The Enhanced Quality Management Review (EQMR) program was piloted with three firms in 2023. As part of the process, every firm who is selected for an EQMR receives a Quality Management Review Report, which outlines the findings of the review as well as direct actions the firms should take to improve their quality management systems. As a result of this process and the deficiencies identified, one of the three firms who underwent an EQMR in 2023 will undergo a reinspection, and plans are underway to expand the EQMR review to nine firms in 2024.

While not every firm will be subject to an EQMR in 2024, all firms are expected to comply with the quality management standards. As part of a firm's regular cyclical inspection, CPA Ontario will be undertaking targeted inspection activities of selected controls in the coming year.

Given the importance of audit it is incumbent on every firm, from small and medium practices to the national firms, to take steps to reinforce quality and ensure they are meeting the new standards. National firms in particular have greater resources and should have the capacity to put in place robust systems that support the quality of their engagements.

During the 2023 inspection year, the Practice Inspection team inspected 252 engagement files issued by Ontario's national accounting firms.¹

Significant reportable deficiencies were identified in 28% of inspected files, compared to 23% in 2022 and 39% in 2021. These inspections resulted in two firms requiring reinspection in 2023, compared with one in 2022 and none in 2021.

1. BDO Canada LLP, Deloitte LLP, Ernst & Young LLP, Grant Thornton LLP, KPMG LLP, MNP LLP, PricewaterhouseCoopers LLP

None of these deficiencies would have adversely affected the opinion on these engagements to the extent that a referral to CPA Ontario Professional Conduct Committee (PCC) was warranted. However, these deficiencies are an important signifier of the quality of the work being performed and underscores the need for firms to do more to improve engagement quality.

CPA Ontario expects that national firms perform a thorough assessment of their quality management systems and develop action plans to reduce deficiencies, improve quality, and meet the standards.

Ensuring CPAs stay ahead in a changing world

With the ongoing evolution of professional standards and the transformational potential of emerging technologies, CPAs must have the relevant skills to maintain quality, uphold standards and meet the needs of the economy of the future. In this environment, a commitment to robust continuing professional development has never been more important.

CPAs are required to complete a minimum of 20 hours per year, and a total of 120 hours by the end of each triennial period, in continuing professional development (CPD) hours. And to hold members to account to this requirement, CPA Ontario's Registrar's Office conducts regular audits of CPD hours.

CPA Ontario uses a risk-based approach to auditing compliance with CPD requirements. We selected 3%, or almost 3,000 members, from a cross-section of firms for a CPD audit, a minimum of 10% of which were Public Accounting Licence (PAL) holders.

Of those audited, 10% of members were provided with guidance on CPD requirements and 4% were subject to regulatory action, which included completing additional CPD hours to rectify deficiencies.

In addition, CPA Ontario's focused review of audit quality uncovered areas of concern with CPD for PAL holders. PAL holders must complete their CPD hours in activities directly related to public accounting and in compliance with [International](#)

[Education Standard \(IES\) 8](#), Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised). Two of the four firms referred under the review were cases where the parallel review of PAL holders working in those firms uncovered CPD deficiencies that demonstrated a strong disconnect between what these firms had described as robust learning and development policies and the findings around the specific CPD activities of staff, calling into question the system of quality management. In response to these findings CPA Ontario issued guidance to help PAL holders comply with the requirements of IES 8.

CPD under IES 8 should be progressive:

“Did I learn something new or build on my previous knowledge as a PAL holder?”

CPD under IES 8 should cover the breadth of the area of practice:

“Did my learning align with and cover my public accounting practice?”

CPD under IES 8 should be proportionate to the role:

“Did my learning contain sufficient technical content to sustain and advance my competence in public accounting?”

CPA Ontario is the only body authorized to license and govern members in the practice of public accounting. As the PAL demonstrates an additional depth of experience and expertise, it is incumbent

on every PAL holder to ensure they have the competencies and skills needed to deliver for their clients.

Providing guidance and advice

Whether facing an ethical dilemma, looking to start a practice or needing direction on a technical matter, members, and firms can reach out to CPA Ontario’s professional advisory services (PAS) team. Professional advisors help members navigate the world of accounting and assurance standards, regulations, practice management and ethics.

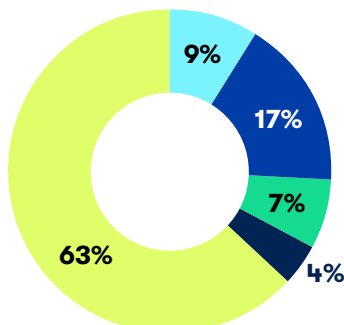
During the past year, CPA Ontario received over 3,000 inquiries, the majority of which were related to the CPA Ontario Bylaws, Regulations, accounting and assurance standards and the CPA Code of Professional Conduct.

These inquiries provide valuable insights for determining which issues and concerns are top of mind for members and the public. Using these inquiries as a foundation, CPA Ontario regularly develops and issues guidance through [regulatory publications](#), including the [Guidance on Compliance Knowledge Hub](#).

With a consistent 24-hour turnaround time on all inquiries, over 90% of members surveyed indicated that they were satisfied with our advisory services. By helping to identify and resolve issues early, before they become a risk, CPA Ontario is demonstrating how to proactively and effectively protect the public.

Member and Firm Calls by Topic

- Accounting/Assurance
- Public Accounting Act
- Definition of public accounting
- Bylaws, Regulations, Code
- Miscellaneous



What Members Said About Professional Advisory Services

90% of members surveyed indicated that they were satisfied with our advisory services.

“The gentleman I spoke with on the phone had a very detailed understanding of CPA Ontario’s professional code of conduct/ethics. Overall, he was able to provide me with comfort that I was, in fact, abiding by the regulations set out in the code of conduct, and was able to reference which exact rules/regulations I should be referring to for the matter at hand.”

“I was impressed with how quickly the Advisor replied to me (the same day I sent my question via email), by her knowledge of the subject and her clear explanation of the issues, as well as with her sending of relevant articles on the same day as we spoke.”

“Wonderfully helpful, keeping things in perspective and reinforcing my concerns so I could confidently navigate through the issue.”

International representation on standards

As home to Canada's largest stock exchange and 40% of the country's CPAs, many of whom are working in global business, the perspectives of CPA Ontario members on international standards need to be heard. Through roundtables of members with the relevant expertise, CPAs from Ontario provided input on several international exposure drafts, including:

- The International Auditing and Assurance Standards Board (IAASB) **International Standards on Sustainability Assurance (ISSA) 5000** exposure draft
- The International Ethics Standards Board for Accountants (IESBA) **International Ethics Standard for Sustainability Assurance (IESSA)**.
- IAASB's International Standard on Going Concern exposure draft, the **International Auditing Standard (ISA) 570**.
- IAASB's **International Standard on Fraud, International Auditing Standard (ISA) 240**.

CPA Ontario also represented the profession by responding to the International Sustainability Standards Board (ISSB) consultation on agenda priorities. In addition, CPA Ontario also participated in discussions at the International Financial Reporting Standards (IFRS) Sustainability Symposium in New York on jurisdictional uptake of sustainability standards, and building capacity to support those standards.

These activities ensure that the important perspectives of Ontario's CPAs are considered as these standards continue to evolve.

Enabling international and provincial mobility

Through our member survey and widespread engagement program of roundtables, employer townhalls and information sessions, we heard that the recruitment of high caliber individuals is one of the most important issues facing the profession.

Attracting CPAs from across Canada and around the world is just one important way CPA Ontario is helping bring exceptional talent to Ontario.


In its 2022–2023 Annual Report, Ontario's Office of the Fairness Commissioner (OFC) underscored CPA Ontario's commitment to ensuring accessible entry to the profession, while upholding the rigorous professional standards expected from the public and the capital markets. The OFC noted that CPA Ontario has practices in place that maintain high quality, timeliness and fairness in assessment and registration decisions.

CPAs from global markets are welcomed into Ontario through a variety of agreements. As an open profession, CPA Ontario maintains agreements with many professional accounting bodies around the world. These Mutual Recognition Agreements, Reciprocal Membership Agreements and Memorandums of Understanding are collectively known as "the international agreements, and encompass jurisdictions including Australia and New Zealand, Hong Kong, Ireland, Japan, India and Pakistan, among others."

In 2023, CPA Ontario entered a Memorandum of Understanding with the Chartered Institute of Management Accountants (CIMA), which provides qualifying CIMA members with an accelerator route to the CPA designation. Through these efforts, CPA Ontario is building strong international networks, and a stronger profession.

Accountability through enforcement

As the regulator of the profession and granter of the designation, CPA Ontario is responsible for protecting the public by ensuring that members, students and firms act in accordance with the expectations of the profession, including adhering to high professional and ethical standards.



Learn more about disciplinary process, including Standards Enforcement in our Regulatory Report, or access the full record of discipline actions & settlements on our website.

Failure to observe standards in professional and non-professional interactions with the public can undermine public confidence in the profession and harm the reputation and value of the CPA designation.

The discipline process is designed to meet three goals: public protection, accountability and deterrence, ensuring that our sanctions are appropriate in terms of timeliness, certainty and severity.

Concluded proceedings

Court Proceedings – Unauthorized Practice

CPA Ontario reached a \$1.2 million out of court settlement with US-based Marcum LLP, resolving its investigation and prosecution of offences under the *Chartered Professional Accountants of Ontario Act, 2017*, and the *Public Accounting Act, 2004*. The settlement resolved allegations of multiple instances of partners of the firm engaging in public accounting work in Ontario without being registered with CPA Ontario or holding Public Accounting Licences in the province.

Unregistered and unlicensed foreign accounting firms operating in Ontario do so without our critical regulatory oversight that ensures public protection and confidence in public accounting. As part of this resolution, Marcum LLP paid CDN \$1 million to the Government of Ontario and CDN \$200,000 to CPA Ontario in respect of its investigation and prosecution costs.

In addition, CPA Ontario concluded the prosecution of five individuals in provincial court for various registration and licensing offences, resulting in total fines of \$88,000. In four cases, two-year probation orders were also obtained.

Tribunal Outcomes

During the past fiscal year, 33 discipline/settlement cases were completed, the results and sanctions of which are set out below.

43%

Professional Standards and Competence

24%

Non-cooperation

27%

Profession's Reputation

6%

Firm Policies and Procedures

	FY2024	FY2023
Number of Proceedings Concluded	33	17
Sanctions		
Fines	\$2,415,000*	\$322,500
Suspensions	5	2
Revocations	12	7
Practice Inspections	9	6
Costs Orders	\$1,793,020	\$237,955

* Contributing to the increase in overall fines and costs in FY24 were significant outcomes from settlements with two firms.

For more information, please see CPA Ontario's 2024 Regulatory Report.



Preparing Members for the Future



103,178

CPA Ontario Members

From the rise of generative AI and its impact on the economy, to sustainability standards to opportunities in the innovation economy, it has never been a more exciting time to be a CPA. At the same time, the competition for talent has never been fiercer.

Through town halls, surveys, focus groups, roundtables, letters and emails we have heard the perspectives of members, employers, business leaders, academics and entrepreneurs on how these global forces are shaping the future of the profession, and how the profession should respond.



74%

CPA Ontario members believe the public has a high level of confidence in the profession today

CPA Ontario recognizes that the CPA designation is at a crossroads and, informed by these insights, we have been working over the last year to provide our members with the skills, supports and tools they need to continue to lead in business, the economy and society.

Through new professional development, thought leadership and resources, we are helping members develop the competencies they will need to succeed in the economy of today, and tomorrow. We are celebrating the accomplishments of our Fellows and Emerging Leaders, while harnessing their experience to help us plan for the future. And based on the feedback from members, we continue to expand our benefit offerings with a focus on providing the best value.



88%

Members are proud to be a CPA

Ontario's CPAs have told us that they are proud of the profession, and of the confidence that the public has in the designation. At the same time, there is also a wide recognition that this confidence must be earned. And as the world changes, what is required by CPAs to maintain the public's confidence will change, and the profession must be prepared for it.

Upskilling for a Changing Economy and a Changing World

90% of members see preparing CPAs for the changing demands of the knowledge economy as one of CPA Ontario's most critical roles

The changing role of the CPA will require the development of new skills while maintaining the profession's core competencies in areas such as ethics, tax, accounting and finance.

Members have told us that they are looking for professional development content that meets their professional needs, in a way that fits with their busy professional lives. To address this demand for relevant, high-quality content, CPA Ontario continues to build our courses in important topics, including new standards and regulations, emerging technologies, and sustainability.

Through a new, mobile-friendly [PD site](#), members can access content when and where they need it. The new site has made searching for courses easier and integrated AI provides recommendations to members based on their previous courses and searches. A diverse mix of offerings, including courses, bundles, certificates, and conferences means that members have access to learning and development that best meets their individual needs. Looking ahead, CPA Ontario will continue to listen to the market and create the professional development offering that supports CPAs in maintaining their required technical expertise and professional competencies, while developing the skills needed to succeed in the future.

130,847

Hours of PD delivered

16,072

Hours of complimentary PD delivered



Most Popular CPA Ontario Professional Development Courses:

Ivey Leadership Certification for CPAs:

Developed through collaboration between CPA Ontario and Ivey Business School, Canada's #1-ranked provider of executive education, the Ivey Leadership Certification for CPAs guides professionals through strategies and real-world scenarios needed to accelerate career growth. Subjects covered include emphasizing influence and presence, strategic change management, practicing leadership character, and building high-performing teams.

“It was a fantastic experience that I would recommend to any CPAs in leadership positions.”

Fundamentals of ESG Certificate

With sustainability rapidly becoming an emerging critical area for business, CPAs have the fundamental skill set to help companies manage risks, comply with reporting requirements and maintain their reputation. Part of CPA Ontario's Sustainability Simplified initiative, the Fundamentals of ESG equips CPAs with the specialized knowledge they need to take the lead in sustainability reporting.

“I would like to thank CPA Ontario and all the experts who designed the Fundamentals of ESG Certificate. I strongly recommend this certificate to all professionals because it provides broad knowledge of the different components and processes of implementing ESG in a corporation.”

ChatGPT for Accountants

Emerging artificial intelligence technologies like ChatGPT are transforming our economy, and CPAs need to understand these tools to use them effectively. ChatGPT for accountants analyzes the key use cases for ChatGPT, its limitations, the potential risks and the impact that these tools will have on the profession.

“This was an incredibly informative session, and hands down the best course I had taken thus far through CPA Ontario.”

CPA Ontario's Ethics Conference: Accountability Matters

Even in changing times, technical expertise, strategic insights, and an ethical mindset will always serve as the foundation of the role the CPA plays in business and in society. Featuring a keynote from Pulitzer Prize Winning Journalist Bob Woodward, Accountability Matters provided members with the tools they can use to navigate ethical dilemmas and protect the public.

“With an emphasis on ethical behaviour, it was an informative conference on various relevant topics. Having different speakers with diverse backgrounds provided added perspectives, and there was something I could gain from each one.”

Enhancing Member Benefits

Through our survey, members clearly told us that they want more services to support them both personally and professionally.

This year, in addition to expanding what we offer, CPA Ontario partnered with Perkopolis to provide members and students with thousands of new perks, discounts and special offers from trusted brands. From travel and entertainment to shopping, wellness and more, members and students can access these benefits through one easy to use portal.

CPA Ontario also introduced two new standalone benefits to members. Through the Exclusive Affinity Insurance plans, members have access to travel insurance. Through the Family Employee Assistance Program (FEAP) App, members can access hundreds of resources such as articles, videos, audio recordings, health assessments and more.

Many of these services and benefits are of particular importance for new members just starting out in their careers or those in small and medium sized businesses and firms. This past year, we launched an orientation webinar program to help new members learn more about these offerings and familiarize themselves with all of the supports and services available to them through CPA Ontario.

YOU TOLD US



43%

of CPA members report they were satisfied with the CPA Ontario membership perks & benefits

WE LISTENED



5,000+

Perkopolis special offers & discounts now available to CPA Ontario members

Leading the Profession into the Future



63

Emerging Leaders
since 2018

Since 2018, we have asked members to help us identify the next generation of exceptional CPAs. Emerging leaders under the age of 35 who possess the talent, the vision, the drive and the commitment to lead the profession into the future.

This year, we welcomed [12 new Emerging Leaders](#) to this group, each one celebrated for their own unique contributions to entrepreneurship and artificial intelligence, public accounting, health care and sustainability.

These Emerging Leaders possess an in-depth understanding of what the market needs from a CPA today, and where it's heading in the future. In the past year, CPA Ontario has engaged with our Emerging Leaders, past and present, to gather their views and perspectives and to help them bring their stories of success to high school and post-secondary students across Ontario.

Through a series of roundtables, we asked them how CPAs can harness the transformative

potential of AI, and how CPAs can leverage their skills to support Canadian businesses on their sustainability journey. And given our Emerging Leaders understand the doors the designation can open for ambitious and talented individuals, we used their insights to help attract new talent into the CPA pipeline.

True champions of the profession, many of our Emerging Leaders support our recruitment programs by regularly speaking with high school and post-secondary students about their own journeys, or by acting as mentors to those following in their footsteps. They also work with us to advise on the development of curricula and education policy to ensure that it better reflects the reality of being a CPA today.

There is a future full of opportunity ahead of the profession. To reach it we will need guides, like our Emerging Leaders, to continue showing us the way.



Stewarding the Profession

35

2023 CPA Ontario Fellows

The FCPA is the highest distinction that can be granted to a member of the profession. Nominated by their peers, FCPAs not only serve as stewards of the profession and as examples to follow, they are also a demonstration of the leadership role that CPAs play in Ontario.

Each of the [35 Fellows honoured in 2023](#) represent the very best of the profession. From the CEO of one of Canada's most prestigious and globally recognized brands, Roots, to the national leader in tax policy at CIBC, to an expert in forensic accounting from the Ontario Securities Commission, this year's Fellows represent the incredible potential of what can be achieved through the designation.

As leaders in both business and the community, FCPAs share an in-depth understanding of how

1,472

CPA Ontario FCPAs

the profession must evolve and adapt. That's why this past year, we invited our FCPAs to participate in a cross-Ontario series of roundtables to hear their thoughts and ideas on the challenges and opportunities of a changing world.

The feedback they provided was invaluable. They discussed how we can continue to advocate for the profession, improve recruitment by embracing the possibilities of emerging technology, strengthen audit quality and work together differently across the country on matters of importance to the profession.

As true Canadian leaders, we will continue to actively engage with FCPAs as we chart our path forward.

Giving Back to the Community and the Profession

CPAs are proud of their profession, and they are passionate about the impact that they make every day.

That passion can be seen in the thousands of volunteer hours members donate to help strengthen the profession, and our communities.

For some, that means taking the time to mentor the next generation of CPAs or taking the time to speak with students about their experience. Their work is helping future CPAs visualize the impact that they can make with the designation.

For others, that means donating their expertise to help protect the public by serving on regulatory committees and adjudicative tribunals. Their work is playing an important role in ensuring the standards of the profession are upheld.

Finally, for some it means donating their time to tax clinics and helping those most in need realize tax benefits and credits they may not have otherwise been aware of. Their work is helping to support those less fortunate at a time when household budgets are under pressure.

Thank you to every member who helps build a stronger profession, a stronger Ontario and a stronger Canada.

38

Adjudicative Tribunal
Volunteers

90

Association
Volunteers

86

Regulatory
Committee Members

7,907

Practical Experience
Mentors

775

Tax Preparation
Assistance Program
Volunteers

113

Capstone Panel
Volunteers

Preparing CPAs for the Innovation Economy



Playing a leadership and advisory role to business and becoming financial/business leaders was cited as one of the top five opportunities facing the CPA profession by members.

“ With the emergence of generative AI alongside longstanding intellectual property, data governance and cyber security issues, CPAs can play an essential role in positioning Canada’s innovation sector to grow and succeed on the world stage. ”

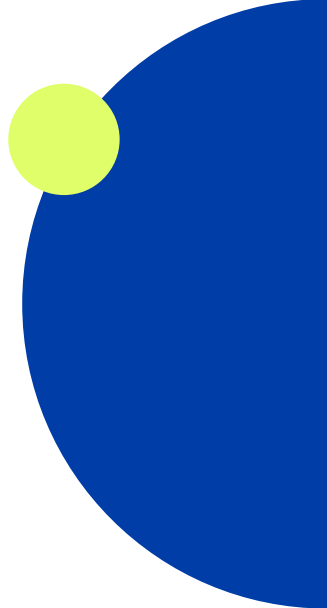
– Jim Balsillie, FCPA, FCA, and Innovation Leadership Accelerator co-founder

Canada’s lagging productivity, virtually unchanged for the past ten years, is no longer news. To compete on the global stage, Canada needs to harness the potential of artificial intelligence, intangibles and the innovation economy.

Through conversations with innovation leaders like John Ruffolo, FCPA, FCA and Jim Balsillie, FCPA, FCA, it was clear that the technical rigour and ethical mindset of the CPA has an important role to play in supporting the growth and success of the Canadian start-up and scale-up ecosystem. As CPA Ontario illustrated in our thought leadership papers [You Can’t Touch This: The Intangible Assets Debate \(2021\)](#) and [The Scale and Potential of Ontario’s Intangible Economy \(2022\)](#), the Canadian intangible economy can help fuel our future prosperity.

But according to the innovation leaders we have spoken with, finding the right CPA, with the right skillset, was a challenge. CPAs need to understand how to apply their skills in the context of start-ups and scale-ups. They needed the mentorship of leading innovation experts to help them navigate this sector of our economy. And they needed to be a part of a network of CPAs active in the innovation space.

These conversations were the catalyst for the Innovation Leadership Accelerator (ILA) program. An intimate and exclusive program for CPAs looking to fuel Canada’s innovation economy. The first successful cohort of ILA students graduated the 15-week program this spring.



With the help of some of Canada’s foremost business leaders they had the opportunity to build their knowledge on capital raising, IP strategy, AI, data governance and cyber security, all while applying controllership to this sector of our economy and better understanding the founder’s mindset.

The program also connected participants to mentors in the innovation ecosystem and created a network of like-minded CPAs looking to make their mark in the innovation space. Armed with the right connections and the right skills, these CPAs left the ILA program with what they need to help build the next global Canadian success story.

Applications for the next Innovation Leadership Accelerator opened on June 28, with an expanded program set to begin in January of 2025.



What members said about the Innovation Leadership Accelerator

“ Every week we got to hear from leaders of startups and scale ups or CFOs, and they all talked candidly about their journey, what they learned, what they failed at, and things you’ve got to learn. ”

“ It allows you to advance your thinking from just the controller function and think about the finance function strategically and in a forward looking way, rather than focusing on the past and getting your numbers ready for your quarter end or month end. ”

“ This program has really helped me understand how to run a business. What are the key things that drive sales? That drives growth? What your CEOs are thinking about? ”



Thank you to the CPA Ontario Innovation Leadership Accelerator's Inaugural Speakers:

ALI ASARIA, CEO of Tulip

JIM BALSILLIE, FCPA, FCA, Founder of the Council of Canadian Innovators

JANET BANNISTER, Founder and General Partner of Staircase Ventures

CURTIS BARCLAY, former CFO at Miovision

DAVID BRENNAN, Executive Coach at David S. Brennan Executive Coaching

DARRELL COX, CPA, CA, CFO at LMN

ROB CURCIO, CPA, CA, CFO at Viral Nation

SANJAY DHAWAN, CPA, CA, experienced finance, people & culture, and operations executive

DENNIS ENSING, Chief Venture Advisor and VP, Venture Programming at MaRS

ANTHONY DE FAZEKAS, IP lawyer and strategist

MATT HODGSON, CPA, CGA, Chief Accounting Officer at Vidyard

RUSS JONES, FCPA, FCA, ICD.D, former CFO of Shopify Inc.

CAROL LEAMAN, CEO of Axonify

ANGELO LOBERTO, CPA, CA, COO at Magnet Forensics

CHRIS LYNCH, CFO at ArcherAlex Capital Advisors

DON MAL, Chairman & Co-Founder, fluence technologies

MIKE MUNROE, CPA, CA, CFO of Viafoura

LOIS NORRIS, CFO at PopReach Corporation



LALLY REMENTILLA, CPA, CMA, Managing Partner, Intellectual Property-Backed Financing at BDC Capital

RALF RIEKERS, experienced financial and corporate leadership executive

GEORGE ROSSOLATOS, FCPA, FCA, founding CEO of the Canadian Business Growth Fund (CBGF)

JOHN RUFFOLO, FCPA, FCA, Founder and Managing Partner of Maverix Private Equity

BRICE SCHESHUK, CPA, CA, Managing Partner of Globalive Capital

TOM SEEGMILLER, CPA, CA, CFO at Texada Software

GARY TAUBE, CPA, CA, Co-Founder of Accountimize Inc.

JOHN VUKOVIC, CFO at Axonify

MICHAEL WASHINUSHI, Co-CEO of Third Lane Mobility

YVETTE WU, CEO of Yield Exchange



Preparing CPAs to Build Trust in AI

82%

Members think CPA Ontario should play a role preparing CPAs for the rising use of AI and other technologies and its implications on accounting jobs

“There are no experts in the early days, only explorers.”

– Erin Kelly, CPA, CMA, President and CEO, Advanced Symbolics Inc.

Global public company CEOs and institutional investors are already integrating AI into their operations, with nearly half of them strategically deploying the technology. At the same time the challenge for the tech industry in explaining AI outcomes has raised concerns, leading to a lack of public confidence. A 2024 survey found that the majority of Canadians worry about the governance of AI and over three quarters believe it should be regulated.

And while there is a widespread understanding of the potential that AI represents, with 89% of surveyed accountants across Canada saying that AI will positively impact the accounting profession, there remain concerns on the actual impact that AI may have.

This interest was evident in the popularity of professional development focused on AI. In the last two years, we have launched 40 AI focused courses, certifications and conferences, resulting in over 3000 registrations.

The opportunity in AI for CPAs extends beyond using or embedding these tools into their own practice. Through discussions with academics, business leaders, AI leaders and CPAs in the artificial intelligence space, it has become clear that there is an opportunity for CPAs to help build sorely needed public trust in AI technology. In our thought leadership paper [Trust in New Frontiers: Putting AI Governance into Practice](#), we advocate for the role CPAs, guided by technical expertise and high ethical standards, can play strengthening AI governance and standards so the public can feel confident in harnessing its economic potential.

Through a combination of upskilling and thought leadership, we are ensuring that CPAs can play a leading role in the coming AI-powered economy.





CPA Ontario's Top AI-focused PD Courses:

Introduction to Generative AI for CPAs Certificate

This course highlights the importance for accountants to master Generative AI, given their critical roles in society as trusted advisors to their clients and organizations. Members learn advanced strategies using 30 top current generative AI tools to automate tasks, gain insights, and leverage creativity.

Understanding AI

This on-demand intro-level course, designed by a CPA for CPAs, takes a practical view of AI applications that are in the market today, providing an understanding of how AI works and what it takes to get useful results.

AI Symposium: Unlock the Power of AI in your Practice

This symposium provided members with the opportunity to hear from experts on why AI is disrupting “work” as we know it, how to use AI tools today, and the potential risks and opportunities of AI in practice.

In addition to these courses CPA Ontario will be hosting its first annual Artificial Intelligence conference in the coming year.



Preparing CPAs to Take the Lead in Sustainability

Sustainability information is being viewed by investors as just as important as financial information. That's why standards setters and regulators are acting, recognizing the need for high-quality, consistent, and comparable sustainability reporting and disclosures.



Mandatory sustainability reporting is coming, and it is coming quickly. This past March, the Canadian Sustainability Standards Board issued a draft of the Canadian Sustainability Disclosure Standards, and the U.S. Securities and Exchange Commission released its Climate Disclosure Rule, both of which can have a potential impact for Ontario CPAs working in Canada and the U.S.

57%

Members think CPA Ontario should play a role in how ESG reporting and assurance will impact the profession

So where does the role of the profession come in? With the core skills of risk assessment, professional skepticism, problem-solving and decision-making, CPAs can take the lead in sustainability reporting, governance and strategy.

[CPA Ontario's Sustainability Strategic Advisory Committee](#) was formed to advise us on sustainability-related matters as we help members advance their sustainability journeys. Committee members representing diverse professional backgrounds, including public practice, industry, consulting, high-growth firms, boards, and academia, diligently supported our work to keep CPAs informed and engaged on the evolving world of sustainability. And as international standards for sustainability have continued to evolve, we have provided comment on exposure drafts to bring the lens of CPAs in Ontario to the development of these standards.

To help members stay up to speed with the pace of change, [Sustainability Simplified](#) was launched to make the complex and rapidly evolving world of foundational sustainability knowledge more accessible. Serving as a one-stop shop for everything from reporting and assurance standards to Canadian and international regulations, Sustainability Simplified offers clear, concise resources for CPAs looking to learn all they need to know about sustainability.

As a part of our Sustainability Simplified program, more than 500 members joined an in-depth webinar looking into what CPAs need to know about the sustainability reporting, assurance and regulations that are impacting Canadian businesses. Additionally, in the last fiscal year, over 3,000 hours of professional development in sustainability was taken by members through CPA Ontario's 27 unique courses and offerings.



CPA Ontario's Top Sustainability-focused PD Courses:

Sustainability Assurance: ISSA 5000 Exposure Draft

This session de-mystifies the ISSA 5000: Sustainability Assurance Exposure Draft that was released on August 2, 2023. CPAs who can provide assurance on sustainability reports can meet the growing demand of key stakeholders who are increasingly seeking reliable information on a company's sustainability practices and add value for their clients or organizations.

Sustainability Symposium Series: Preparing for the Release of New Standards by the ISSB

With the ISSB global sustainability standards effective as of January 1, 2024, it is incumbent on members to ensure that they know these new standards, and how they can directly or indirectly impact finance, reporting, assurance and advisory roles.

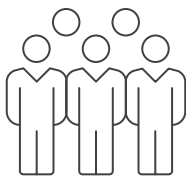
The Sustainability Symposium Series equips CPAs with the knowledge and the tools they need to navigate the road ahead.

What CPAs Need to Know about ESG and Sustainability

With a step-by-step approach, this course helps CPAs begin their sustainability journeys within their organization, exploring topics including why sustainability is a critical component of business ethics, how it relates to a CPA's ethical responsibilities, and the return on investment on sustainability initiatives.



Preparing Today's Aspiring CPAs for Tomorrow



19,709

CPA Ontario students

The next generation of CPAs want a future-proofed career and the opportunity to make an impact through purpose-driven work. To become skilled, ethical leaders who are globally recognized, securely in demand and who enjoy professional versatility.

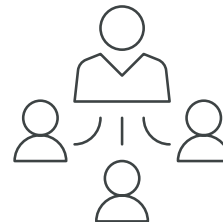
Our recruitment teams meet thousands of students every year. Starting in high school, we help students develop positive perception of the profession by demonstrating that the CPA can deliver the diverse, exciting, and impactful work they desire, and understand how the CPA opens up opportunities they may never have considered before.

As students enter university, and in the critical first and second year before they make a definitive choice on their career, it's equally if not more important to ensure the CPA is top of mind. Programs like the Post Secondary Ambassador Program (PSAP) as well as on campus recruiting

events help reinforce the choice students are making when they select accounting as their major.

Students entering our Professional Education Program do so with confidence in our high standard of delivery and support. As part of our transition to a new way of working across the country, we recently signed an updated education agreement with CPA Canada that maintains the uninterrupted journey of CPA students. As we look further into the future where it is critical to prepare CPAs to lead in a fast-changing economic, technological and social environment, the new certification program will introduce a modernized education model beginning in 2027.

No matter the pathway that a student is on, our education and recruitment teams are there to help them understand the opportunities the designation offers and support them in reaching their goals.



91%

Members feel CPA Ontario has a critical role to play in recruiting high calibre individuals into the profession



2,458

Successful 2023 CFE writers

Continuity for Students

Ensuring continuity in pre-certification education and providing that reassurance to employers and students has always been a key priority for us as we look to architect new ways of working with CPA Canada and with our fellow provincial, territorial and Bermudian bodies.

That's why CPA Ontario, l'Ordre des CPA du Québec, and CPA Canada [signed an education agreement](#) in November 2023 – ensuring an uninterrupted journey and that we maintain common standards of entry into the profession across Canada.

This agreement means CPA Canada will continue to develop curriculum and examinations for preparatory courses, CPA PEP and CFE on our behalf and through funding from CPA Ontario and our counterparts across the country. Equally, CPA Ontario will continue to deliver all CPA education courses, modules and exams, just as we do today.

As a result of this new Agreement, the journey for aspiring CPAs will not change after December 2024 when the current business agreement, the Collaboration Accord, comes to an end.

Modernizing the CPA Certification Program

While providing this certainty to employers and current students was a priority, it is also critical that we have a firm eye on the future. That's why evolving the CPA certification program is essential – helping future CPAs navigate a fast-changing economic, technological and social environment.

CPA Ontario has been working with PTB colleagues across the profession on a new program. Through research, environmental scanning, and consultation with more than 4,000 academics, learners, and CPAs across the country, a new certification program model has been developed. This new program builds on the CPA's competencies in critical thinking, technical accounting, and ethical mindset by adding the new topic areas (i.e., AI, data, and sustainability) needed to excel in today's economy.

Through the new program, learners will continue to meet the profession's high standards through education, experience, and comprehensive, competency-based assessments. But how they get there will be different. Trends in higher education, new ways of learning and pedagogical approaches, coupled with changing student needs will lead to more modern experience through simulations and practical case work.

By continuing to work with our PTB counterparts across the country, CPA Ontario will ensure the profession's common entry standards are upheld through the meeting of practical experience requirements and successful completion of all three parts of the comprehensive and summative examinations.

Aspiring CPAs should remain on their current education path, as there are no changes planned until early 2027. Beyond that time, students will be supported through a period of transition which will include the offering of the Common Final Exam (CFE) and options for exemptions based on courses successfully completed.

Celebrating student success: CFE results

No matter which pathway they take, students are supported by student services during their pre-certification education journey right through to the CFE.

As any CPA will say, the day of CFE results is one you never forget. It's critical that students are able to access the information quickly and reliably, as soon as they are released. Successful writers' names are posted on the student learning platform, our website, and now also on CPA Ontario's social media channels so that successful writers can celebrate this incredible accomplishment with their friends, family and networks the moment they find out.

Celebrating student success: Convocation

Successful CFE writers joined their peers and invited their families, mentors, and friends to celebrate this significant milestone at the CPA Ontario Convocation ceremony.

Throughout the day, the enthusiasm of the graduates and their guests highlighted the importance of this achievement and the bright futures that await them. They were entertained by Hitman Drumline, Jade's Hip Hop Academy, and Nemesis, a dynamic duo made up of electric violin pioneer Dr. Draw and Canadian Beatbox Champion Scott Jackson.

It was the culmination of years of rigorous study and dedication. Congratulations to all of our successful CFE writers.



33

2023 National CFE
Honour Roll Ontario Recipients

Recognizing top performers: National Honour Roll

Reaching the National Honour Roll represents the impressive achievement of being in the top 1% of all writers across Canada, demonstrating academic excellence and exceptional ability.

In 2023, there were an impressive 33 National Honour Roll recipients from Ontario.

We proudly congratulate Hina Bhimani and Rebecca Katherine Lee for winning the May and September 2023 CFE Ontario Regional Gold Medals respectively.

This incredible group of future leaders celebrated their accomplishments alongside loved ones, friends and mentors at a special event hosted by Emerging Leader Mehak Sethi, CPA, CA.





Attracting future CPAs

With the mandate to attract high school and postsecondary students, internationally trained and educated professionals, and those in the domestic workforce to the designation, CPA Ontario approached the year focused on advocating for the CPA.

CPA Ontario is connected to educators and guidance counsellors who make sure the designation is top of mind in the early years, and help students understand what their next steps may look like once they enter post-secondary. Through the Teacher Advisory Board and the Teacher Colleague Program, we learn what types of resources and support is most needed and is offered access to classrooms. This year CPA Ontario reached almost 6,500 students. And through our engagement with Ontario's Ministry of Education, we were able to influence the new grade 9 and 10 business studies curriculum to ensure it accurately reflects the reality of being a CPA today.

CPA Ontario recruiters understand that to connect with these students – and their parents – their experience needs to provide value while at the same time bring some excitement. Events such as No Limits do just that. Bringing together students and teachers from across the province with CPAs, employers and post-secondary representatives it demonstrates the impact that comes with a CPA. And while our advocacy for financial literacy at an early age is the focus of the *Money Sense High School Conference*, it also showcases the opportunities the designation can provide.

Beyond conferences, CPA Ontario focused on spending time in classrooms, creating workshops on topics like financial literacy and helping students build real-life skills through workshops that help them with summer jobs. The team also hosted multiple competitions on topics such as AI and sustainability, which many teachers integrated into their learning and encouraged participation in as part of their courses. Umaju, a virtual event geared to Black high school students held in partnership with Skills Ontario, helped 1,000 students see how the CPA can equip them with the skills they need to pursue opportunities in entrepreneurship and leadership.

With a refreshed strategy built around the intent to influence post-secondary students in their first and second years to major in accounting, CPA Ontario spent time with students to learn what matters the most and co-create new programming. The Designated for Greatness campaign – featuring stories of our Emerging Leaders – captured the imagination of students and brought to life the impact that CPAs make. A new initiative, *Campus Advantage*, focused on relationship building with key stakeholders at post-secondary institutions. It took CPA Ontario into as many first- and second-year classrooms as possible with a refreshed session sharing information on what a career as a CPA can offer. As a result, we were able to engage 30% more PSI students than we did in the previous year.

“ CPA Ontario applauds the Ministry of Education for taking important steps to prioritize financial literacy among Ontario’s high school students. Making financial literacy a graduation requirement will empower our youth with essential life skills and help them navigate an increasingly complex economy. With our mandate to protect the public, we understand the vital role financial literacy plays in securing Ontario’s future.”

**– Carol Wilding,
President & CEO, CPA Ontario**

Our marquee post-secondary ambassador program (PSAP) is designed to inspire future CPAs through a series of exclusive events, workshops, and ambassador connections. This year, there were 2,270 PSAP registrants across the province. One of the highlights of the PSAP calendar is Chartered for Success, a virtual conference which attracted over 400 students, with after parties held in three cities – Toronto, London and Ottawa – that evening. Eighty-five CPAs joined the students throughout the event.

For someone who has started their career and wants to get to the next level, the CPA Ontario's workforce team is often the first point of contact. Working closely with employers and recruitment agencies, they help guide professionals to the next step in their career to the designation. Through events like Accelerate Your Career and This Way to CPA, mid-career professionals meet CPAs who have furthered their careers through the designation. This year, the team also created a new [on-demand video series](#) outlining the path to becoming a CPA with a focus on accommodating a flexible schedule while working.

When internationally trained accountants or internationally educated professionals look to bring their skills and experiences from a global market to Ontario, CPA Ontario is there to give advice through one-on-one consultations, networking events, and conferences. Programming is aligned to support newcomer needs through enhanced connectivity to employers, employable skills-building workshops, and low-cost financing options provided through our partnership with Windmill, Achev and the Ottawa Community Loan Fund (OCLF). From 2021 to date, more than 13,000 students and prospective members preparing for pre-arrival engaged with the services and resources they need to help establish themselves in Ontario.

Overall, through these efforts, CPA Ontario was able to increase the number of students and professionals interested in pursuing the designation and the doors it will open for them by over 10%.

Advancing academic accounting

CPA Ontario provides funding for academic research in accounting to advance the profession at the following post-secondary institutions.



Brock University

CPA Centre for Public Policy and Innovation in Accounting



McMaster University

CPA Ontario Centre for Accounting Research in Regulatory Reporting



Queens University

[CPA Ontario Centre for Corporate Reporting and Professionalism](#)



Toronto Metropolitan University

CPA Ontario Centre for Public Sector Accounting and Accountability



University of Toronto

[CPA Ontario Centre for Accounting Innovation Research](#)



University of Waterloo

[CPA Ontario Centre for Sustainability Reporting and Performance Management Research](#)



Western University

[CPA-Ivey Centre for Accounting and the Public Interest](#)



Wilfrid Laurier University

[CPA Ontario Centre for Capital Markets and Behavioural Decision Making](#)



York University

[CPA Ontario Centre in Digital Financial Information](#)

Inspiring the Next Generation of CPAs

A marquee event for high school students, the 22nd No Limits conference is designed to inspire students from across Ontario and show them the limitless potential of the CPA designation.

The conference connected hundreds of high school students, eager to learn about the next steps in their academic journeys, and their teachers with CPAs eager to talk about their own paths to success.

Students came from across the GTA, Hamilton, Guelph, Port Hope and Sudbury. The event also welcomed Pathways to Education students from across the province, hosted by the CPA Ontario Foundation.

Keynote speaker Stefanie Ricchio, CPA shared her story about how the designation propelled her along her career journey to becoming a leading entrepreneur in the tech world. The conference's theme, Your Future is Calling, was echoed

throughout the conference as students participated in skills-building workshops, intimate roundtable conversations with CPAs, a panel of expert CPAs and a workshop led by John Asher, CPA. John took the students through a mini case competition based on a fictional athletic shoe brand that challenged them to create a plan to revitalize growth and expand its market share after a business plateau.

No Limits was supported by post-secondary institutions as well as employers who joined on site to build connections with students. Thanks to the University of Guelph Humber, the University of Toronto Scarborough, the University of Waterloo, Trent University, KPMG, Fidelity Investments, Deloitte and MNP.

The connections made at this event will continue to inspire students as they look to their future with purpose.







DEI and the CPA Ontario Foundation

224 (0.4%)

Members identify as Indigenous*

2,153 (3.6%)

Members identify as Black*

** As of June 2024, according to voluntarily provided data from 60,179 respondents (58% of CPA Ontario members) as part of our Annual Member Dues process.*

Bridging gaps and enhancing diversity in the profession

CPA Ontario strives to ensure that the profession represents and reflects all Ontarians, and to equip every aspiring CPA with equitable opportunity. Since 2021, CPA Ontario has been collecting voluntary, confidential demographic information from our members as part of the Annual Member Dues process. Members can voluntarily self-identify their gender, race and whether they identify as 2SLGBTQ+ or a person with a disability. As of June 2024, 58% of CPA Ontario members (60,179 respondents) have shared this data which is used to inform the strategic direction of the CPA Ontario's diversity, equity and inclusion initiatives and the CPA Ontario Foundation.

Analyzing the member demographic data on an aggregated and anonymous basis highlighted that our profession is under-represented in Indigenous (First Nations, Inuit, and Métis) Peoples and Black persons. When compared to the most recent Ontario census data from 2021: 0.4% of members identify as Indigenous compared to 2.9% of Ontario, and 3.6% of members identify as Black compared to 5.4% of Ontario.

Community engagement and partnerships are one way that CPA Ontario is connecting with

under-represented groups to understand and mitigate systemic barriers to entering the profession. In September 2023, for example, CPA Ontario partnered with the Canadian Association of Urban Finance Professionals (CAUFP) for their Annual Youth Summit where our student recruitment team interacted with 125 post-secondary students who identify as Black, Indigenous, or a Person of Colour. CPA Ontario's engaging workshop featured two past Emerging Leaders, Abdul-Aziz Garuba, CPA, CMA, and Vivienne Lutwama, CPA, who spoke to students about the impact they've made using their designation and the career opportunities it opened up for them.



Another way we are making progress is by making holistic financial investments in priority communities. Through the CPA Ontario Foundation, we are supporting Black and Indigenous aspiring CPAs who face barriers to professional entry.

The early impact of the Foundation includes a multi-year partnership with Pathways to Education Canada and a bursary program through Ontario post-secondary institutions for Black and Indigenous students aspiring to become CPAs.

Circle of Success for aspiring Indigenous CPAs

The Foundation introduced the first stage of the Circle of Success educational grant at Indspire's Soaring: Indigenous Youth Empowerment Gathering in Ottawa, where we connected with more than 200 Indigenous high school students to illustrate our value to their educational journey. Circle of Success's first stage was designed to support Indigenous students on their CPA journey and was developed in close consultation with Indigenous CPAs sitting on the CPA Ontario Foundation's Indigenous Knowledge Building Council and Ontario PSIs.

Through Circle of Success, aspiring First Nations, Inuit, and Métis CPAs receive a range of financial supports, including tuition relief, course and exam fees, books, life expenses, and emergency funds. The educational grant facilitates the continuous support of students, community and network-building with other grant and bursary recipients from across the province, and mentorship connections with more established Indigenous CPAs. Grant recipients have full access to CPA Ontario's student programming, including mental health support.

The Circle of Success educational grant will support the next generation of Indigenous CPAs and business leaders by equipping these aspiring students with the necessary knowledge, skills, network and mentors at a key stage of their education.

“With this award, I’ll be able to focus more on my education, pursue additional learning opportunities, and invest in resources that will enhance my academic journey.”

– 2023 CPA Ontario Foundation bursary recipient from Seneca Polytechnic

CPA Ontario Foundation's Indigenous Knowledge Building Council

ANN WATTS, FCPA, FCA

JESSICA DOXATOR, CPA, CA

KAIN BIG CANOE, CPA

VICTOR PELLETIER



Looking Ahead

The second stage of the Circle of Success educational grant will focus on aspiring Black CPAs and is expected to launch later this year.



Enterprise Risk Management

Risk management

In the normal course of business, risks can be heightened in complex environments and unusual circumstances, while uncertainty can affect the implementation of our strategic and business plans. The ability to respond effectively and in a timely manner to both expected and unanticipated risk is critical to an organization's success. Enterprise Risk Management (ERM) is a crucial element of CPA Ontario's strategic and tactical decision-making process and resulting actions.

Enterprise risk management at CPA Ontario

ERM supports the continued success of CPA Ontario by ensuring that we consider the effects of risk in pursuing our objectives. We embrace ERM by maintaining a program and framework that ensures that risk management is an integral part of the organization's activities and management processes. The ERM program assists all areas of the business by bringing a systematic approach and methodology for evaluating, measuring, monitoring, managing and reporting risks as related to achieving the organization's strategic priorities and objectives.

Our ERM framework is guided by the following key principles, under the leadership of the CPA Ontario Council and the Executive Team:

Governance and Oversight: Ensuring that we have the proper oversight on risk and that we make risk decisions within the organization's risk appetite.

Infrastructure: Embedding the skills, tools and templates to enable risk identification, assessment and management.

Practices: Applying the ERM process for identifying, assessing, managing, monitoring and reporting key risks.

While Council and the Executive Team each have an important oversight role, employees at all levels in the organization are responsible for managing their day-to-day risks. Key risk management roles and responsibilities for the organization are described below:

Council: Council oversees the implementation and effectiveness of the organization's ERM policy and framework, reviews key risks and mitigation strategies and champions a culture that values risk management. Together with management, Council defines the organization's risk appetite, reviewing and approving it annually.

CEO and CFO: The CEO and CFO act as Executive Sponsors of the organization's ERM framework to govern the organization's risk profile and oversee management of enterprise-wide risks. They champion a culture that instills the management of risk, supports the integration of ERM with strategic management, decision-making and business activities and cultivates open communication and transparency about risk and risk-taking expectations.

Executive Team: The Executive Team is accountable for effective management of risks in its respective areas and ensures that risk-taking is consistent with the organization's risk appetite. It also supports the

integration of ERM with strategic management, decision making and business activities and processes.

Risk Owners: Risk owners apply decisions and activities that manage risk to acceptable levels and provide timely and accurate risk management information.

All Employees: All employees manage risks within their functional area and report emerging risks and changes in risks to management.

Non-financial risks

Risk categories for CPA Ontario other than financial risks include brand and reputation, strategic (including regulatory), operational, technology and human capital risks. We have defined strategies to address these risk areas through our ERM process.

Future of the Profession: The CPA profession is facing major new forces and trends which are transforming the way we work and do business. CPA Ontario is tackling these new challenges and opportunities in two important ways. First, by defining a new way of working together across the country on matters of importance to the profession, and second, by ensuring members, firms, and students have what they need to thrive.

In June 2023, CPA Ontario acknowledged that the way the profession was collaborating and working together across the country wasn't working as well as it needed to. The existing business agreement, known as the Collaboration Accord, did not provide for the financial transparency we expected from CPA Canada, nor the level of direct oversight of CPA Canada and the governance model needed to enable this oversight, given our legislated mandate in Ontario to oversee the profession. As a result, CPA Ontario announced its decision to conclude the current Collaboration Accord arrangement and architect a new way of working together with CPA Canada and the provincial, territorial and Bermudian (PTB) CPA bodies.

The existing business agreement will conclude on December 20, 2024 (18 months from the notice date per the terms of the existing agreement), with CPA Ontario using that time to pursue a new way

of working with CPA Canada and the other PTBs. Informed by extensive member engagement, we are focused on finalizing new business agreements that define this way of working. We were pleased to reach a new agreement on education in November 2023, which preserves the current education pathway for students, and ensures common standards of entry into the profession across Canada. CPA Ontario, CPA Canada and the PTBs continue to make progress on reaching new agreements on other areas important to the profession, such as standard setting and international representation. These agreements will afford us the opportunity to modernize how we collaborate and ensure the better use of resources so that we can respond more rapidly to the emerging risks and opportunities facing the profession.

At the same time, the growing innovation economy, rise of generative artificial intelligence and big data, and an increased focus on ESG reporting, are bringing with them a wave of new challenges and opportunities to the profession. In light of these trends, CPA Ontario has placed emphasis on ensuring CPAs maintain the competencies and capabilities needed as the business environment and economy evolves. In doing so, we are ensuring market demand for the CPA skillset remains strong and that we continue to see increasing competition for CPA talent across firms and employers. This remains particularly important given the recent decline in students pursuing a CPA as a career, which has created a future talent risk for the profession. To address this, CPA Ontario is continuously adapting its student recruitment strategy to better showcase the critical role of CPAs and the meaningful impact they make in business and society. Work is also well underway on a New Certification Program, targeted for 2027, which will underpin the next evolution of the CPA certification and education process.

Cybersecurity: CPA Ontario faces the same information security risks that confront all organizations. Cybersecurity attacks come in many forms, including phishing attacks, ransomware, malware, social engineering and insider threats. These attacks are increasing in frequency, sophistication and impact. Factors such as new types of hacking tools, new pathways

for interactions, growing sophistication of cybercriminals and cooperation among hacking groups are contributing to this rising trend. CPA Ontario takes steps to protect member and student data from unauthorized access. We continually harden and update our systems to protect confidential information and minimize the risk of IT disruptions. We regularly educate, monitor and test our employees to encourage the use of appropriate cybersecurity practices and regularly test our ability to respond to cybersecurity incidents through tabletop exercises. We also follow best-practice security processes, protocols and standards and assess partners to ensure they follow the same level of rigour.

Audit Quality: Regulators, including CPA Ontario, have revealed a disappointing number of audit deficiencies identified through practice inspections, with a rising trend over the past few years. This trend, along with the shift in standards from quality control to quality management under Canadian Standard on Quality Management (CSQM) 1 and 2, prompted CPA Ontario to conduct a focused review of public accounting firms that conduct audits of reporting issuers in 2022/23. Fifteen firms were selected, who collectively audit over 99% of reporting issuers in Ontario, to determine if the way they manage audit quality meets the standards and expectations of the profession.

The results of this review were outlined in the release of our report – Upholding High Standards to Protect the Public: *Managing Audit Quality 2023*, and firms were encouraged to use the findings of this review as a lens for evaluating the effectiveness of their own practices.

Audit quality reviews continue in Practice Inspections, through a comprehensive quality management assessment and testing for practices under our Enhanced Quality Management Review (EQMR) program. Firms with more substantive findings from these reviews will be subject to reinspection or other terms and conditions or referral to the Professional Conduct Committee. We have strengthened the review of new Public Accounting Licence applications to ensure compliance with continuing professional

development requirements of the Code of Professional Conduct and IES 8. We have also enhanced communications of disciplinary actions against firms and are committed to addressing unregistered foreign firms operating in Ontario without CPA Ontario registration.

Accelerating Change in Work / Talent

Development: Like other organizations, the evolution of technology, flexible work arrangements and changing societal expectations have changed how and where we work. These factors have accelerated complexity, connectivity and change in the workplace. Our workplace is adopting flexible ways of working and we continue to adopt innovative technology and tools. This allows us to better leverage technology and data, solve organizational challenges and make effective decisions. CPA Ontario is completing modernization of its workplace at 69 Bloor Street East and will continue to leverage hybrid work models to support the new ways of working. We are committed to developing organizational talent and improving digital fluency through building capabilities within our workforce and external recruitment to leverage critical skills. We are also continuing initiatives to drive inclusive corporate culture to harness the strengths of an increasingly diverse workforce.

Financial Risks

In the normal course of business, CPA Ontario is exposed to certain financial risks. These have the potential to adversely affect our operating and financial performance. The risks associated with CPA Ontario's financial instruments are credit, liquidity and market (i.e. currency, interest rate and other price risk).

CPA Ontario manages financial risks in accordance with internal policies, including our investment policy on managing our funds. The policy's objective is to preserve our capital and purchasing power through prudent and diversified investments and ensure liquidity to meet cash flow requirements.

The policy seeks to achieve these objectives by setting parameters for asset quality and for

the fixed income and equity securities in which we invest. The CPA Ontario Council monitors compliance with the investment policy and reviews the policy on an annual basis to ensure it is relevant.

Given the nature of the organization's investments and the constraints imposed by the investment policy, it is management's opinion that CPA Ontario is not exposed to significant risk in respect of financial instruments.

Credit Risk: Credit risk refers to the exposure resulting from the possibility that a counter party will fail to perform its obligations or the exposure arising from a concentration of transactions carried out with the same party, such that CPA Ontario could incur a financial loss. Credit risk associated with accounts receivable is minimized, as CPA Ontario's accounts receivable arise mainly from transactions with many parties, such as members, firms, CPA students and contracted affinity product suppliers. Credit risk associated with investments is minimized substantially by ensuring that these assets are invested in financial instruments of governments and major corporations that have been accorded investment grade ratings by a primary rating agency and/or other credit-worthy parties.

Liquidity Risk: Liquidity risk is the risk that CPA Ontario will not be able to fund its obligations as they come due. CPA Ontario meets its liquidity requirements by forecasting cash requirements in the short and medium term and ensuring sufficient cash and short-term investments that can readily be converted to cash are on hand at any given time, to cover both expected and unexpected operating requirements.

Currency Risk: Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. CPA Ontario mitigates the currency risk exposure of its foreign cash, bonds and equities, by limiting its currency exposure and investing primarily in Canadian securities.

Interest Rate Risk: Interest rate risk arises from fluctuations in interest rates and the degree of volatility of these rates. CPA Ontario is exposed to interest rate risk through holding certain investments, in which changes in interest rates can affect the valuation of the investment and the income received from the investment. Interest rate risk is managed by maintaining a portfolio of assets with a diversified maturity profile, which ensures that investments are always maturing and available to be reinvested at current rates. In addition, CPA Ontario's Investment Policy prescribes asset allocation limits and targets to ensure a balance between fixed income and equity investments, the value and earnings of which are less dependent on market interest rates. These strategies reduce the sensitivity of the portfolio to the impact of interest rate fluctuations.

Other Price Risk: Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. CPA Ontario has an investment policy that restricts the types and amounts of its eligible investments and requires dealing with highly rated counterparties. Diversification of investments in different geographic regions and the use of different investment vehicles help to manage price risk and volatility of investment returns.



Management's Discussion and Analysis

Financial position

CPA Ontario's net asset position remains strong at \$80.1 million at March 31, 2024, as compared to \$79.3 million in 2023. The \$0.8 million increase in net assets was driven by a \$0.6 million surplus of revenue over expenses. CPA Ontario has net assets invested in land, buildings, equipment and other capital assets, as well as internally restricted and unrestricted net assets. We maintain an internally restricted operating reserve that is intended to support the organization's day-to-day operations in the event of unforeseen shortfalls or special projects. In fiscal 2024, we maintained the operating reserve at \$29 million.

During fiscal 2024, cash increased by \$0.4 million from the balance of \$3.0 million at the previous year end. Net cash used in operating activities was \$0.3 million compared to net cash used in operating activities of \$6.2 million in fiscal 2023. The decrease in cash used in operating activities in fiscal 2024 was due to a \$0.6 million surplus compared to a deficit of \$8.4 million in fiscal 2023. Net cash from investing activities was \$0.7 million compared to \$3.9 million in fiscal 2023 due to increased proceeds from the sale of investments partially offset by increased purchases of tangible assets. At March 31, 2024, the organization's cash and cash equivalents totaled \$3.4 million. CPA Ontario believes that our current financial resources are sufficient to meet working capital and capital expenditure requirements for the next 12 months. In fiscal 2024, our total capital expenditures were

\$16.3 million as compared to \$2.4 million in fiscal 2023, due to entering a construction phase in CPA Ontario's modernization of its workplace at 69 Bloor Street East.

Results from operations

CPA Ontario operations in fiscal 2024 resulted in a surplus of \$0.6 million compared to a deficit of \$8.4 million in fiscal 2023 primarily due to higher revenue from professional development and investment income and lower expenses in operations and education. Revenue in fiscal 2024 totaled \$111.5 million (2023: \$106.7 million). Our revenue came from three main sources: member dues, education and professional development. These categories together delivered 89% and 93% of total revenue in fiscal 2024 and 2023 respectively.

Member Dues: CPA Ontario collected \$49.6 million in dues in fiscal 2024, \$0.6 million more than the \$49.0 million collected in 2023. Member dues represented 45% of the organization's revenues (2023: 46%). There was no increase in provincial member dues in fiscal 2024, which have remained at \$580 since 2015 when dues and fees were harmonized. The member population at March 31, 2024, was 103,178, an increase of 1,860 (2%) over the prior year. This growth in membership is in line with that experienced over the past five years as a result of students transitioning to membership. Member dues facilitate CPA Ontario's self-regulation as a profession and supports our ability to maintain the public's trust in CPAs. Our registrar, compliance, inspection and regulatory oversight around complaints and misconduct help ensure that members meet the highest standards

of integrity. In addition, member dues allow us to develop and enhance resources for CPAs and public accounting licence holders who play important roles throughout Ontario's economy as business leaders, strategic thinkers, trusted advisers and financial experts. Member dues collected also enable CPA Ontario to continue to invest in technology and process improvements. These will enhance member and student experiences and deliver economies of scale in the years ahead.

Education Programs: Revenue from the Education program including student dues totaled \$38.5 million in fiscal 2024 (compared to \$39.8 million in fiscal 2023).

Of this total:

- \$23.4 million (2023: \$24.7 million) came from the CPA preparatory course (PREP) and the Professional Education Program (PEP)
- \$0.3 million (2023: \$0.2 million) came from other programs
- \$14.8 million (2023: \$14.9 million) came from student dues

In fiscal 2024, 10,855 students were enrolled in PREP (compared to 10,621 in 2023) and 14,165 in PEP modules (2023: 15,776). This increase was mainly driven by higher PREP enrolments partially offset by lower PEP enrolments and operational efficiencies from aligning PEP and PREP exam days. The student population at March 31, 2024, was 19,709, a 2% decline as compared to 20,191 students at the end of fiscal 2023.

Professional Development (PD) Programs

PD revenue increased by \$1.1 million, from \$10.2 million in fiscal 2023 to \$11.3 million in fiscal 2024, mainly driven by increased demand for seminars, Executive & Certification program, on-demand courses and the launch of the Innovation Leadership Accelerator (ILA).

Professional Standards

Professional standards revenue was \$6.7 million, an increase of \$0.9 million from the prior year. The increase was mainly driven by cost awards received from several disciplinary and settlement cases.

Expenses

Total expenses for fiscal 2024 were \$110.9 million, \$4.1 million lower than \$115.0 million in fiscal 2023. The reduction in costs was primarily driven by decreased spending in Operations due to: lower digital investments, reduced spend on data governance, decreased enrolments for PEP and CFE as well as operational efficiencies achieved through reduced exam facilities costs and alignment of PEP and PREP exam days. These expense reductions were partially offset by an increase in Professional Development program expenses.

CPA Ontario incurred costs of \$2.6 million (2023 – \$2.2 million) representing professional fees and consulting services as we architect a new way of working with CPA Canada and our provincial, territorial and Bermudian counterparts.

Report of the Independent Auditor on Summary Financial Statements

To the Members of Chartered Professional Accountants of Ontario

Opinion

The summary financial statements, which comprise the summary statement of financial position as at March 31, 2024, and the summary statements of operations, changes in net assets and cash flows for the year then ended, and related notes, are derived from the audited financial statements of Chartered Professional Accountants of Ontario for the year ended March 31, 2024.

In our opinion, the accompanying summary financial statements are a fair summary of the financial statements, on the basis described in note 1.

Other Matter

The audited financial statements of Chartered Professional Accountants of Ontario for the year ended March 31, 2023, were audited by another auditor who expressed an unmodified opinion on those financial statements on June 29, 2023.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon of Chartered Professional Accountants of Ontario.

The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated July 25, 2024.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the basis described in note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Welch LLP

Chartered Professional Accountants
Licensed Public Accountants
Ottawa, Ontario
July 25, 2024

Summary Statement of Financial Position as at March 31

(All amounts in thousands of dollars)

	2024	2023
	\$	\$
Assets		
Cash	3,453	3,027
Other current assets	10,611	9,026
Long-term investments	75,560	89,634
Tangible capital assets	21,838	7,756
Software implementation costs	4,361	3,171
Employee future benefits asset	232	-
	116,055	112,614
Liabilities		
Accounts payable and accrued liabilities	16,706	14,567
Deferred revenue	19,110	18,545
Employee future benefits obligation	167	240
	35,983	33,352
Net Assets		
Unrestricted	51,072	50,262
Operating reserve	29,000	29,000
	80,072	79,262
	116,055	112,614

Summary Statement of Operations for the year ended March 31

(All amounts in thousands of dollars)

	2024	2023
	\$	\$
Revenues		
Member dues	49,613	49,028
Pre-certification education	38,511	39,794
Professional development	11,272	10,185
Regulatory and professional standards	6,660	5,736
Investment and other	5,419	1,912
	111,475	106,655
Expenses		
Operations	39,434	43,228
Pre-certification education	32,424	34,080
Professional development	10,544	9,266
Regulatory and professional standards	16,969	17,212
Communications, thought leadership and external affairs	9,086	9,237
Student recruitment	2,460	2,024
	110,917	115,047
Excess (Deficiency) of Revenues Over Expenses	558	(8,392)

Summary Statement of Changes in Net Assets for the year ended March 31

(All amounts in thousands of dollars)

	2024		Total
	Unrestricted	Operating reserve	
	\$	\$	\$
Balance, beginning of year	50,262	29,000	79,262
Excess of revenues over expenses	558	-	558
Remeasurement gains from pension and employee future benefits	252	-	252
Balance, end of year	51,072	29,000	80,072

	2023		Total
	Unrestricted	Operating reserve	
	\$	\$	\$
Balance, beginning of year	58,531	29,000	87,531
Deficiency of revenues over expenses	(8,392)	-	(8,392)
Remeasurement losses from pension and employee future benefits	123	-	123
Balance, end of year	50,262	29,000	79,262

Summary Statement of Cash Flow for the year ended March 31

(All amounts in thousands of dollars)

	2024	2023
	\$	\$
Operating Activities		
Excess (deficiency) of revenues over expenses	558	(8,392)
Adjustments to determine net cash provided by operating activities	(2,001)	1,384
Changes in non-cash working capital items	1,158	770
Cash flows used in operating activities	(285)	(6,238)
Investing Activities		
Cash flows from investing activities	711	3,937
Net change in cash and cash equivalents during the year	426	(2,301)
Cash and cash equivalents, beginning of year	3,020	5,321
Cash and cash equivalents, end of year	3,446	3,020

Notes to the Summary Financial Statements for the year ended March 31

1. Basis of preparation

These summary financial statements are derived from the annual audited financial statements of Chartered Professional Accountants of Ontario (“CPA Ontario”) for the year ended March 31, 2024, which were prepared in accordance with Canadian accounting standards for non-for-profit organizations.

A copy of the complete financial statements together with the independent auditor’s report thereon is available on request.

The set of criteria applied by management in preparing these financial statements is outlined in the paragraph below.

The figures presented in these summary financial statements agree with or can be recalculated from the figures presented in the audited financial statements. Management believes that the summary financial statements contain the necessary information and are at an appropriate level of aggregation so as not to be misleading to the users.

The comparative period amounts presented on the Statement of Operations have been reclassified to conform to the current period presentation.

2. Nature and description of the organization

Chartered Professional Accountants of Ontario (“CPA Ontario”) was established as a corporation without share capital under the *Chartered Professional Accountants of Ontario Act, 2017*, which came into force on May 17, 2017. CPA Ontario regulates its members, firms and students under the authority of the *Chartered Professional Accountants of Ontario Act, 2017* and the *Public Accounting Act, 2004*.

CPA Ontario protects the public interest by governing and regulating the practice, competence and professional conduct of individuals and entities as Chartered Professional Accountants in Ontario. CPA Ontario establishes, maintains, develops and enforces standards of qualification, standards of practice, standards of professional ethics, and standards of knowledge, skill and proficiency, to ensure its members meet the highest standards of integrity and expertise.

The organization serves and supports its over 103,000 members and almost 20,000 students in their qualification and professional development in a wide range of positions in public accounting, business, finance, government, not-for-profits and academia.

CPA Ontario is exempt from income tax under subsection 149(1) of the *Income Tax Act*.

3. New accounting standard

On April 1, 2022, CPA Ontario early adopted AcG-20, *Customer’s Accounting for Cloud Computing of Part II of the CPA Canada Handbook – Accounting*. The new guideline contains guidance on determining whether a software intangible asset exists in the cloud-computing arrangement and provides an accounting policy choice to either capitalize directly attributable expenditures on implementation activities when the arrangement is a software service or expense such expenditures as incurred. CPA Ontario has elected to capitalize directly attributable expenditures on the implementation of cloud-based computing arrangements.



CPA Ontario Council and Committees

CPA Ontario Council

Officers

TONY PEDARI, FCPA, FCA
Chair

JOHANNE BELANGER, FCPA, FCA, ICD.D
Vice-Chair

DANIELA CARCASOLE, CPA, CA
Secretary

CHESTER DAWES, CPA, CA, CPA (Delaware), CFA
Treasurer

Members-at-large

TIFFANY CECCHETTO, CPA, CA

LILIAN LOK-KAN CHEUNG, FCPA, FCA

GILLIAN KUNZA, CPA, CMA

PAULINA MOLNAR, CPA, CA, ICD.D

JENNIFER ROEDDING, CPA, CA

DANIEL ROGOZYNSKI, CPA, CA, CPA (Illinois)

BENJIE THOMAS, FCPA, FCA

ILIANA ORIS VALIENTE, CPA, CA

Public Representatives

JOHN BECK, P. Eng

GINNY DYBENKO, ICD.D

GRAHAM PARSONS, BA (Econ)

MARDI WITZEL, ICD.D, GBC.D, MBA

Young CPA Representative | Non-Voting

KATIE BLUM, CPA

Standing Committee of Council

CHESTER DAWES, CPA, CA, CPA (Delaware), CFA
Finance & Audit Committee, Chair

JOHN BECK, P. Eng
Human Resources Committee, Chair

DANIELA CARCASOLE, CPA, CA
Governance & Nominating Committee, Chair

PAULINA MOLNAR, CPA, CA, ICD.D
Risk Committee, Chair

Adjudicative Committees

Discipline Committee

BERNARD SCHWARTZ, FCPA, FCA
Chair

Admission and Registration

GARY KATZ, FCPA, FCA
Chair

Capacity Committee

JOHN LOVE, CPA, CMA
Chair

Appeal Committee

SALIM SOMANI, CPA, CA, LPA
Chair

Regulatory Committees

Practice Inspection Committee

CHRISTA CASEY, CPA, CA
Chair

Professional Conduct Committee

FRANK MENSINK, FCPA, FCA, FCGA
Chair

Public Accounting Standards Committee

KAM GREWAL, CPA, CA
Chair

Public Accounting Licensing Board

COLLEEN GIBB, FCPA, FCA
Chair

