Regulatory Report 2026

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Our Mandate

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 to us:

- **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.

A Message From

Janet Gillies

CPA, CA
Executive Vice-President, Regulatory & Standards

CPAs continued to operate in a complex and rapidly evolving environment defined by changing standards, growing geopolitical risk and the rapid scaling of artificial intelligence (AI). What has not changed is CPA Ontario's responsibility in this moment: to protect the public interest, uphold professional standards and reinforce the public's trust in the CPA designation.

In the face of unprecedented and accelerating change, our role as the regulator is critical to supporting that trust. But this requires more than just enforcement. It requires a proactive approach that helps members navigate developing standards, technological disruption and economic shifts, ensuring that CPAs can continue to be well positioned to address risks before they emerge.

That's why CPA Ontario has spent the last year expanding our suite of resources, including non-authoritative guidance. The insights we provide are especially relevant for CPAs working in small and medium practices who rely on our support so that they, in turn, can support the Canadian small businesses who rely on them.

We introduced *Standards in Focus*, a new series designed to help CPAs stay engaged on developments in standard setting, including changes to Canadian Auditing Standard 570, *Going Concern* and Canadian Auditing Standard 240, *Fraud*. We welcomed Bob Bosshard, CPA, CA, ICD.D, Chair of the Auditing and Assurance Standards Board to share his perspectives on what the changes to these standards mean for CPAs practicing today.

The guidance we develop must be informed by what we observe on the ground and the way CPAs practice in the real world. Through practice inspection, we highlight areas where firms are facing challenges and develop practical guidance that reduces the risk of non-compliance and future harm. This year, the findings from practice inspection led to the launch of CPA Ontario's Quality Management Bulletins – practical, scalable best practices that firms can apply to their own systems of quality management.

We also recognize that every CPA and every practice is unique, which is why CPAs facing complex dilemmas reach out to our professional advisors. This past year, advisors responded to thousands of inquiries, providing timely and practical support on practice issues, the application of standards and applying the *CPA Code of Professional Conduct* (the Code). These professional advisory services are not a replacement for the professional judgment of CPAs. They are a supplementary resource to help guide members and mitigate potential risks to the public.

Members also understand, firsthand, how current standards and public policy intersect with the Canadian business landscape and the reality CPAs face today. That's why CPA Ontario continues to draw on their experience and expertise to inform discussions with national and international standards setters, fellow regulators, and those working in public policy. This past year we brought the views of Ontario's CPAs to the Canadian Public Accountability Board's Public Company Audit Summit and the International Auditing and Assurance Standards Board's Technology Roundtable as they explored themes such as AI and its impact on the assurance and accounting landscape. CPA Ontario also supported the assessment of Canada's framework to combat money laundering and terrorist financing by participating in the Financial Action Task Force review of Canada.

While CPA Ontario aims to proactively help members understand and meet the standards expected of them, we also set clear expectations and respond when those expectations are not met. That means taking action when it's clear the public is at risk. This can include investigation and, if warranted, referral for disciplinary action. If it's found that a member or student has failed to live up to the trust that the public has placed in the profession, the sanction is timely, certain and reflects the seriousness of the conduct.

Trust in the CPA profession is at the core of our economy and our society. Through oversight, guidance and enforcement, we help to ensure that the CPA profession in Ontario remains strong, resilient and trusted.

Janet Gillies, CPA, CA
Executive Vice-President, Regulatory & Standards

The Regulatory Continuum

CPA Ontario's regulatory mandate is at the core of who we are and what we do. We deliver on this mandate through a continuum of compliance, advising, inspecting, investigating and imposing discipline if members, students or firms fall short of professional standards. Together, these activities help maintain public trust in the profession and protect the public interest. No matter how the business landscape changes, we never waver in that commitment.

Protection of the public is at the core of what we do at CPA Ontario.

1 **Registrar's Office** — Admission & Licensing | Registering Firms | Monitoring Compliance

2 **Professional Advisory** — Education | Advisement | Guidance

3 **Practice Inspection** — Compliance with Standards | Member & Firm Inspections

4 **Enforcement** — Complaints | Investigations | Prosecutions

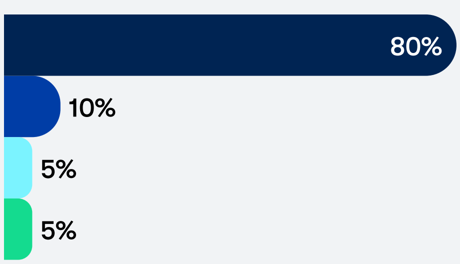
Registrar's Office

Upholding Professional Standards at Every Stage of a CPA's Career

From the moment a student begins their CPA journey, and through their entire CPA career, CPA Ontario is there to reinforce their responsibility for protecting the public and upholding the reputation and standards of the profession. Through the work of the Registrar's Office, CPA Ontario drives technical rigour and excellence by overseeing entry requirements, upholding compliance with regulatory and professional obligations and enabling cross-country and international labour mobility.

CPA Ontario ensures that all applicants for admission to membership and licensure meet the profession's high standards for education, experience and good character. By setting clear expectations and monitoring compliance with regulatory obligations, we help safeguard public trust.

Member Entry Pathways



- Student
- Provincial Transfer
- Direct admission under international agreements
- Memorandum of Understanding international agreements

106,975
CPA Ontario Members

1,086
Certificates of Authorization

18,628
CPA Ontario Students

4,134
PAL Holders

8,297
Firms

Good Character and Public Trust

Maintaining public trust in the profession requires more than technical competence. Rigorous academic and experience requirements, paired with a strong emphasis on good character, are essential for ensuring that only candidates with the highest integrity are admitted into the profession. As part of the admission process, all prospective CPAs must demonstrate that they can uphold trust in the profession by being of good character and through a readiness to meet the profession's ethical expectations.

Where concerns arise, such as a criminal record, academic dishonesty or the use of misleading or inaccurate information, the Registrar's Office refers the matter to the Admissions and Registration Committee (ARC) for a Good Character Hearing. Matters referred to the ARC resulted in 9 decision(s) this year and are included in Appendix B.

Upholding Standards and Professional Accountability

Consistent compliance and ongoing learning are essential to maintaining professional standards. CPA Ontario monitors key regulatory and professional obligations through regular, risk-based audits that include:

- Continuing Professional Development (CPD)
- Professional Liability Insurance (PLI)
- Eligibility for Annual Membership Dues (AMD) reductions or exemptions

Where members cannot meet these obligations, administrative action may be required, including suspension, revocation of membership, or loss of a public accounting licence. This approach ensures that obligations are reinforced by accountability, strengthening trust in the profession.

Fitness to Practice

Concerns that a member may be incapacitated and unable to carry out their professional obligations must be treated with a high degree of sensitivity to ensure the rights of the member are respected, while also ensuring that the risk to the public is mitigated. Potential capacity issues may be assessed in accordance with elements of the Code related to professional behaviour, integrity and due care, objectivity and confidentiality. The Registrar is responsible for investigating and bringing forward any capacity matters to CPA Ontario's Capacity Committee for consideration.

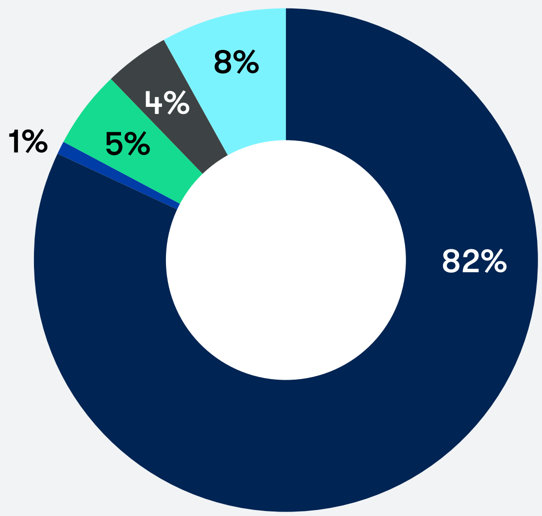
Suspensions, Revocations and Deregistrations

This year, the following administrative actions were taken due to non-compliance with regulatory obligations:

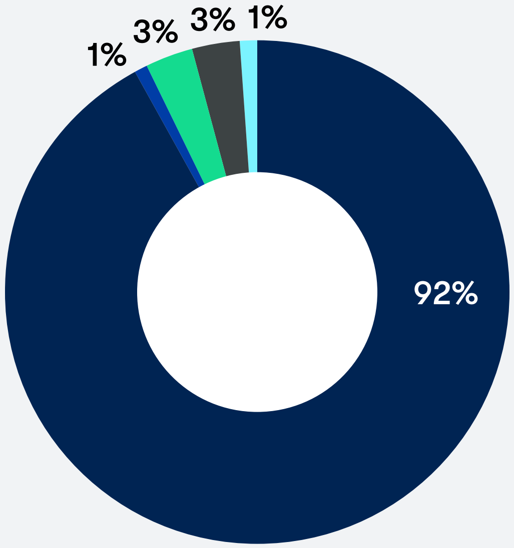
Members	FY26	FY25
Suspensions	552	572
Revocations	392	391
Licences	**FY26**	**FY25**
Suspensions	7	8
Firms	**FY26**	**FY25**
Suspensions	25	15
Deregistrations	28	18

FY26 Reasons for Administrative Actions

Suspensions due to failure to meet obligations:



Revocations due to failure to meet obligations:



- AMD & CPD
- Non-payment of other dues
- Regulatory audits
- PLI
- Other

Reinforcing the Importance of Professional Development

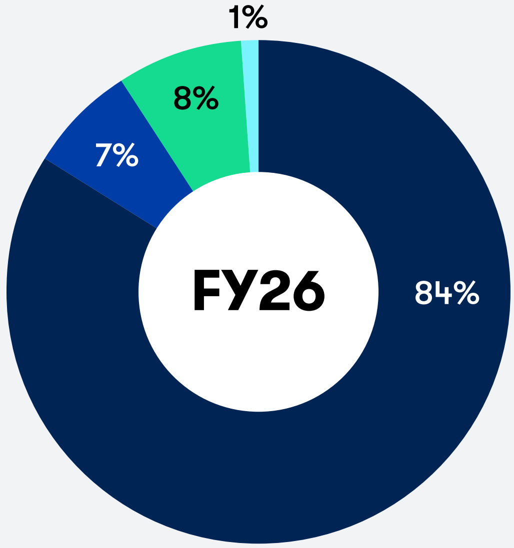
Continuing professional development (CPD) is a mandatory requirement for CPAs, ensuring that they build and maintain the competencies needed to reinforce the public's trust in their skills, expertise and ethical practice. As the role of the CPA continues to grow both in scope and complexity, CPD supports high-quality performance and ensures CPAs continue to meet the standards of the profession and the expectations of the public.

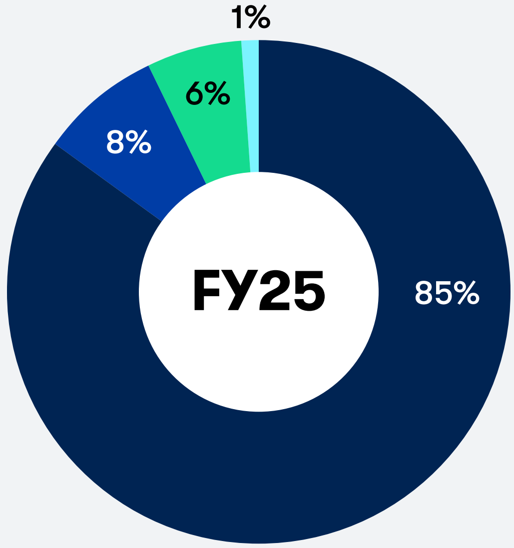
Members are required to ensure CPD meets the requirements set out in the Code and Regulation 7-2. Under Regulation 7-2, members must complete a minimum of 120 hours of relevant CPD over a rolling three-year period, and at least 50% of that CPD must be verifiable. CPD must also contain significant intellectual or practical content.

For members applying for, or renewing, a Public Accounting Licence (PAL), CPD must support the required competencies and comply with International Education Standard 8. CPD for PAL holders must be progressive, proportionate to their role and reflect the breadth of their area of practice, with sufficient technical depth to sustain and advance competence in public accounting.

This year, CPA Ontario's CPD audit included over 3,000 members, including 10% of PAL holders.

CPD Audit Results





- Compliance
- Guidance Provided
- Other regulatory action*
- Suspensions

* Other regulatory action includes completion of additional verifiable CPD hours to rectify deficiencies identified through the audit and ensure the members were meeting the standard.

Common Reasons for CPD Non-Compliance

The top five reasons members received further direction on fulfilling their CPD requirements were:

1. **Lack of technical content –** CPD must contain significant intellectual or practical content and be related to the competencies needed to carry on the member's employment or practice.
2. **Committee membership that does not qualify –** Participation and work on technical committees includes an audit committee of a public company, registered charity or not-for-profit, or on CPA Ontario Council or Committees.
3. **Insufficient detail –** CPD audit submissions must include all required information, such as individual course names, dates and hours.
4. **Inappropriate content –** All CPD must be relevant to the responsibilities and competencies of a CPA.
5. **Work activities used as CPD –** Acceptable learning activities that comply with the CPD requirements are set out in Regulation 7-2, section 1.10 and 1.11.

PLI Compliance

CPA Ontario routinely audits firms to verify compliance with insurance requirements, reinforcing the importance of meeting these obligations for maintaining membership and the public's trust. This year's audit showed 98% of firms selected for audit met insurance requirements.

Maintaining PLI protects the public and the practitioners, and it is an essential responsibility for registered firms. Non-compliance may lead to the suspension of both the firm representative and the firm itself.

Student Oversight and Compliance

CPA Ontario's regulatory oversight extends to CPA students registered with CPA Ontario, who must meet good character requirements in order to be registered as a student, and who must comply with the student regulatory framework and the *CPA Ontario Student Code of Conduct* throughout their CPA student journey.

Where students fail to meet the standards set out in the *CPA Ontario Student Code of Conduct*, CPA Ontario may take action, including referring matters to the appropriate regulatory committees. Setting clear expectations early helps reinforce the importance of the public's trust in the profession, and why every CPA is responsible for upholding it.

Supporting Interprovincial and International Mobility

CPA Ontario's regulatory framework enables interprovincial labour mobility while ensuring effective oversight of all CPAs practising in the province through:

- Harmonized education and admission standards
- Common CPD requirements
- A highly harmonized Code of Professional Conduct
- Adherence with Canadian accounting and assurance standards across all provincial and territorial bodies

The CPA skill set is portable and in high demand around the world, which is why the ability to assess qualified professionals so they can practice across jurisdictions has become critical to helping ensure Canada and Ontario have the talent needed to grow and prosper.

Mobility Across Canada

Through alignment with our provincial and territorial counterparts, CPA Ontario supports the seamless movement of CPAs across Canada and maintains consistent standards of entry into the profession. Recent amendments to the Ontario Labour Mobility Act (OLMA) introduced new requirements for domestic labour mobility, including deemed membership and licensure. As of January 1, 2026, eligible members from other Canadian jurisdictions may obtain deemed membership with CPA Ontario, with full rights and obligations of membership for up to six months, after which they must have completed full admission to membership.

International Mobility

Internationally Trained Accountants (ITAs) remain an important source of talent. Through a robust network of international agreements, under which applicants must meet our good character requirements and eligibility requirements specific to the relevant agreement, CPA Ontario is able to help build international professional networks and a stronger profession overall.

CPA Ontario's international agreements are based on mutual recognition. In addition to providing a pathway for members of partner accounting bodies to gain admission to CPA Ontario, these agreements also enable our members to seek membership with those bodies. This reciprocity supports member mobility and global career opportunities.

CPA Ontario's approach to labour mobility is grounded in a clear regulatory purpose: protecting the public interest, sustaining trust in the CPA designation and supporting the entry of talent into the profession, and Ontario's workforce.

Fair Access Legislation

As a self-regulated profession, CPA Ontario complies with the *Fair Access to Regulated Professions and Compulsory Trades Act (FARPACTA)*. Read our Fair Registration Practices Report prepared for the Office of the Fairness Commissioner (OFC).

Mutual Recognition Around the World

Accounting body/bodies	Jurisdiction(s)
IMCP Mexico and U.S. State Boards of Accountancy	Mexico and USA
CAANZ	Australia and New Zealand
ICAEW	England and Wales (United Kingdom)
CIMA	United Kingdom
HKICPA	Hong Kong
CA Ireland	Ireland
ICAS	Scotland (United Kingdom)
SAICA	South Africa
ICAZ	Zimbabwe
ICAN	Nigeria
IEC-IAB	Belgium
CSOEC	France
JICPA	Japan
ICAI	India
ICAP	Pakistan
ICMAP	Pakistan

Professional Advisory

Supporting Members Through Guidance, Insight and Engagement

Trust depends on CPAs making sound professional and ethical decisions. CPA Ontario's professional advisors equip members with the guidance they need in a fast-moving and complex world. They provide direct, real-time clarity on professional standards, regulations and bylaws, as well as the application of the Code in day-to-day practice. By supporting members through complex professional and ethical dilemmas, our advisors enable them to meet their regulatory compliance obligations, exercising sound professional judgment and maintaining the high standards of the profession.

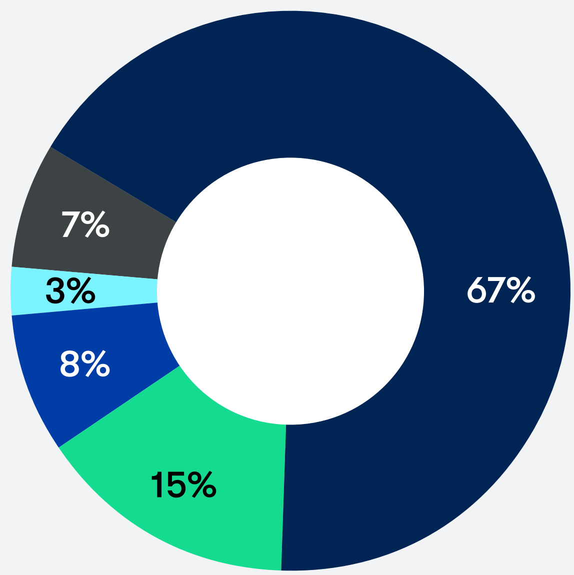
Over the past year, professional advisors addressed over 3,300 member and student inquiries on a variety of topics ranging from regulatory compliance and practice management matters to professional ethics and conflict resolution.

Our professional advisors also supported members with financial reporting and assurance questions in complex areas like revenue recognition, functional currency, accounting policy changes, special reports and quality management standards.

Through the analysis of member inquiries, CPA Ontario proactively identifies areas of risk and develops guidance and supports for members navigating evolving professional expectations.

Equipped with these findings, this year we expanded our outreach and thought leadership activities to help members understand and respond to those trends, including areas such as AI and new and evolving professional responsibilities.

Member and Firm Inquiries by Topic FY26



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

Small and Medium Practices Advisory Committee

Small and medium practices (SMPs) play a vital role in the fabric of Ontario's economy. They provide services to families, nonprofits and businesses in every sector, and in every corner, of the province. The needs of these practices are unique, and CPA Ontario leverages the perspectives of our Small and Medium Practices Advisory Committee (SMPAC) to help inform the development of specially tailored guidance and resources.

Committee members provide an important view into the challenges, and opportunities facing small and medium practices, and by offering up their experiences, they are helping to ensure CPA Ontario's resources are relevant, scalable and aligned with the realities of working in a practice of this size today. Based on feedback from SMPAC, we redesigned our SMP information hub to help guide CPAs through every step of starting, running and growing a practice. This new and improved hub includes information about registering and marketing a firm, insurance requirements and how to obtain a PAL.

In addition to practical tools, CPA Ontario is also providing SMPs with insights they can use in their businesses. In January of 2026, CPA Ontario hosted the Tax Reform and AI Tools webinar. The first in an ongoing series for SMPs, the event amplified their voice in tax reform discussions, increased awareness of available resources and provided practical insights on how to use AI to drive efficiency without sacrificing quality and accuracy.

> I am so thankful for this service and the wisdom of this team. Advisory services are a critical part of our success as a small firm."

> I'm a sole practitioner practicing in the assurance area. I rely on Practice Advisory to assist me with difficult situations."

> The advice I received was way beyond what I was expecting."

Sustainability Simplified

The sustainability landscape underwent a significant shift in the past year. While Canadian Sustainability Disclosure Standards are still voluntary and the Canadian Securities Administrators has paused its work on developing new mandatory climate-related disclosure rules, existing legislation requires issuers to disclose material information affecting their business, including material climate-related risks. Furthermore, there remains an expectation that the importance of sustainability disclosures to investors and the public will continue to grow.

Through our Sustainability Simplified Knowledge Hub, CPA Ontario keeps CPAs up to date as the regulatory and legislative environment evolves. Through regularly updated comparative analysis of international sustainability standards and regulations, and practical guidance on how standards and frameworks impact the work of CPAs, we are equipping members with the tools they need to play a leading role in sustainability.

Sustainability reporting and assurance is here to stay. Guided by the advice and insights of our Sustainability Strategic Advisory Committee, we will continue to ensure that Ontario CPAs are equipped to lead.

Guiding the Profession Through Transformation and Uncertainty

The world, and the profession, are changing.

This transformation can be seen in how standard setting is responding to a changing global environment, and in the expanding roles and responsibilities of CPAs. In response, members look to CPA Ontario for greater clarity on applying existing and changing standards to emerging and complex circumstances. Through non-authoritative guidance, conferences, webinars and other engagement opportunities, CPA Ontario helps CPAs understand how to apply professional standards and fulfill their professional obligations. Ultimately, we empower CPAs to maintain the highest levels of compliance and integrity so they, in turn, can safely guide and protect Canadian business.

Drawing on technical expertise, inspection insights and in-depth analysis of emerging issues, CPA Ontario continues to update its library of resources with a focus on new and emerging areas, including changing national and international standards, trade disruption and AI.

More than just resources, this guidance helps to ensure that CPAs fulfill their professional obligations and have the tools they need to provide the trust, integrity and informed direction that Canadian businesses look for in an unpredictable economic environment.

Standards in Focus

Standards in Focus: A Fireside Chat with the Chair of the AASB (Left: Janet Gillies, CPA, CA, Executive Vice-President, Regulatory & Standards; Right: Bob Bosshard, CPA, CA, ICD.D, Chair of the AASB)

When significant changes are made to standards, CPA Ontario helps members stay informed. This past year we introduced Standards in Focus, a new series designed to help CPAs stay engaged on new developments in standard setting. Strategically designed to clarify technical complexities and provide critical guidance, Standards in Focus empowers members to understand and apply them in real-world circumstances.

When corporate failures underscored the need to clarify auditor's responsibilities, the Auditing and Assurance Standards Board (AASB) issued revisions to two important assurances standards. Through Standards in Focus the revised Canadian Auditing Standard (CAS) 570, *Going Concern* and the revised Canadian Auditing Standard (CAS) 240, *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*, as well as practical frequently asked questions (CAS 570 FAQ and CAS 240 FAQ), CPA Ontario helped members break down what these significant changes meant for CPAs working today.

This guidance was anchored by a fireside chat at CPA Ontario's offices with Bob Bosshard, CPA, CA, ICD.D, Chair of the AASB on November 6, 2025, providing members with the opportunity to ask questions directly to one of Canada's leading voices in global standard setting.

A Changing World, An Evolving Profession

Reinforcing a culture of continuous improvement is essential to strengthening the trust in the designation, and CPA Ontario is committed to supporting CPAs and firms in building that culture by providing curated resources and learning opportunities aligned with emerging risks and market demands.

The Challengers: Ethics, Technology and the Evolving Role of the CFO

As the CFO's role expands beyond traditional financial stewardship into areas such as data governance, strategy, sustainability reporting and AI, this resource examines how core CPA ethical principles continue to guide CFOs as they navigate greater complexity, risk and responsibility.

Potential Impacts of Trade Relations with the United States on the Financial Statements of Private Enterprises

Amid global trade turmoil and evolving U.S. tariffs, this resource outlines how changing trade conditions may affect private enterprises' financial statements under Accounting Standards for Private Enterprises (ASPE).

Stay Current. Stay Compliant.

Created by CPAs for CPAs, our Guidance on Compliance Knowledge Hub offers timely guidance and curated resources on assurance standards, financial reporting, sustainability standards and more.

In addition to the resources on the Hub, CPA Ontario's Regulatory Standard newsletter provides guidance, thought leadership and information on member and firm obligations.

Bringing the Insights of Ontario CPAs to National and International Standards

CPAs in Ontario operate at the forefront of Canadian and global business. As professional standards continue to evolve, it's important real world perspectives inform how those standards change. CPA Ontario plays an active role in bringing the front line experience of Ontario CPAs to Canadian and international standard setting discussions by responding to exposure drafts and attending national and international roundtables and forums.

Over the past year, CPA Ontario collaborated directly with a number of Canadian and international standard setting bodies, including:

Professional Ethics & Leadership

- Contributed to the **International Ethics Standards Board for Accountants (IESBA) Roundtables on Firm Culture and Governance.**
- Advanced Canadian perspectives to the **IESBA Roundtables on the Evolving Role of the CFO.**

Auditing, Assurance & Technology Integration

- Engaged with national audit leaders at the **Canadian Public Accountability Board (CPAB)'s Public Company Audit Summit.**
- Brought Ontario CPA insights together with Ontario CPAs to the **International Auditing and Assurance Standards Board (IAASB)/Canadian Auditing and Assurance Standards Board (AASB) Technology Quality Management Roundtable.**

Domestic Financial Reporting Frameworks

- Responded to the **Accounting Standards Board (AcSB) ASPE Detailed Review Consultation Paper.**
- Provided technical input on the **AcSB Exposure Draft on Intangible Assets & Goodwill.**

Sustainability Assurance Standards

- Contributed feedback to strengthen Indigenous considerations in the **AASB Re-exposure Draft Canadian Standard on Sustainability Assurance (CSSA) 5000 related to Indigenous matters.**
- Responded to the **Canadian Sustainability Standards Board (CSSB) consultation on Proposed Strategic Priorities for 2025 to 2028.**
- Brought CPA Ontario perspectives to the **Member Advisory Resources Group (MARG).**

Supporting Efforts to Combat Financial Crime

Trust in our capital markets and our economy depends on safeguarding our system against financial crime. As important players in Canada's anti-money laundering (AML) landscape, CPAs help protect the integrity of that system. Over the past year, CPA Ontario has provided guidance to help members understand their place in combatting money laundering and terrorist financing. At the same time, CPA Ontario also brought the perspectives of CPAs to help shape AML policy at the provincial, national and international level.

Timely Guidance on Emerging Developments

CPA Ontario actively monitors legislative and regulatory changes and translates these developments into practical insights for CPAs. This past year, this included updates on AML legislation in our budget analyses:

- 2025 Federal Budget: Highlights and Takeaways
- 2026 Ontario Budget: Highlights and Takeaways for CPAs

Our guidance this past year also included a breakdown of changes to the Strong Borders Act (Bill C-2) in the article New Tools in the Fight against Money Laundering: What CPAs Need to Know About the *Strong Borders Act (Bill C-2)*.

Strengthening Alignment Through Collaboration

CPA Ontario's guidance is informed by ongoing engagement and collaboration with policymakers and other regulatory bodies, ensuring that the unique perspective of Ontario's CPAs helps strengthen AML systems in Canada and Ontario.

When the Ontario government announced the creation of a provincial **Beneficial Ownership Registry**, CPA Ontario was asked to consult on the registry's design and implementation. Our submission focused on aligning with the federal government's program and the importance of transparency, accuracy and accessibility in designing a system that effectively reduced the risk of financial crime without creating duplicative reporting burdens for business.

To support information-sharing and coordinated efforts to help safeguard the integrity of Canada's financial system, CPA Ontario entered into a MOU with the **Financial Transactions and Reports Analysis Centre of Canada** (FINTRAC). At the international level, CPA Ontario contributed to the **Financial Action Task Force** (FATF) **review of Canada**, supporting the assessment of Canada's framework and highlighting the role CPAs play in disrupting financial crime.

Supporting the Profession's Role in Protecting the Public

CPA Ontario's guidance emphasizes the role of CPAs in identifying risks, exercising professional skepticism and applying ethical judgment in situations where financial crime may be present. By providing timely resources and engaging with governments, regulators and standard setters, CPA Ontario is reinforcing the integrity of the profession and the Canadian financial system.

CPAs in the Lead in Artificial Intelligence

Over the past year, CPA Ontario provided targeted guidance to support CPAs as the adoption of AI continues to transform the economy, the workforce and the world. While AI offers opportunities to drive efficiency, insight and innovation, it also introduces risks related to explainability, bias, cybersecurity, reliability and reproducibility of results. CPA Ontario's guidance emphasized that responsible adoption must be grounded in professional judgment, strong governance and, above all, the protection of the public interest and reputation of the profession.

Contributing to Standards Through Collaboration

To better understand how AI is being used in practice, CPA Ontario actively engaged with standard setters, regulators and practitioners. In October 2025, CPA Ontario participated in the **IAASB Technology Roundtable in Toronto, co-hosted with Canada's AASB**. This forum brought together audit firms, regulators, investors and academics to share real-world use cases, while exploring responsible AI adoption and safeguarding engagement quality. These forums will help inform the direction of future IAASB guidance and standards on the use of AI in audit.

CPA Ontario also took part in the inaugural **Public Company Audit Summit for Smaller Firms, hosted by the Canadian Public Accountability Board**. These discussions focused on the impact of accelerated AI adoption, economic volatility and talent pressures on small and medium practices. The insights gathered through these important conversations have helped inform guidance for members on how firms of all sizes can approach AI adoption.

Turning Ethical Principles into Practical Guidance

CPAs are on the front lines of building the trust that is critical for the adoption and governance of AI, and that experience has granted them the foresight to understand how to balance the benefits with the risks. Insights gathered from leading CPAs in the innovation space helped inform CPA Ontario's contributions to the public debate on AI through our submission to the federal government's consultation on Canada's AI strategy. CPA Ontario's submission focused on the importance of closing the Canadian AI trust gap before Canada can drive innovation, scale up our success stories, and take steps to protect privacy, data and sovereignty.

Tapping into the insights of CPAs has led to the development of tailored supports on the evolving role of CPAs in AI-augmented practice. CPA Ontario reinforced that the same ethical obligations grounded in the Code must be applied when using AI.

Through The Regulatory Standard newsletter, the Guidance on Compliance Knowledge Hub and CPA Ontario Insights, members were supported with practical resources that addressed:

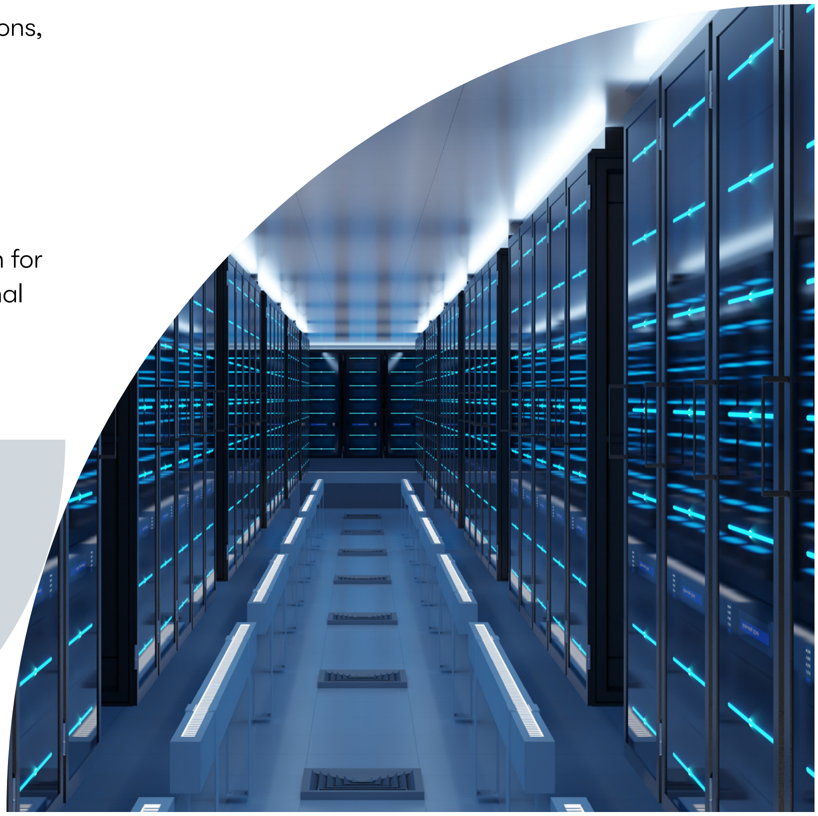
- Governance and policies for the ethical use of generative AI.
- Identification of key risks, including hallucinations, bias, confidentiality and cybersecurity.
- Building appropriate technical expertise and oversight within firms.

The principles that underpin the CPA Code of Professional Conduct provides a strong foundation for the establishment of governance of AI in professional practice and in public policy.

Practice-Informed Insights Shaping Future Guidance

CPA Ontario also began discussions with firms to better understand how AI is being integrated into their processes. The observations collected through these engagements will continue to inform CPA Ontario's understanding of AI use in practice, identify emerging risks and inform guidance.

No one can predict how AI will develop in the near term, let alone the long-term. With the profession uniquely positioned to address the risks and opportunities of the technology, CPA Ontario will continue providing the guidance that CPAs need to seize the opportunities these powerful new tools create, while reinforcing the importance of the principles of the Code in protecting the public interest and upholding the integrity of the profession.



Practice Inspection

Maintaining Quality Through Oversight and Accountability

Capital markets, government and business all rely on the work performed by CPA firms. Given their foundational role, reinforcing the importance of quality is key to upholding public trust in CPAs, CPA firms and the profession.

Practice Inspection plays a vital role in protecting and strengthening trust by assessing practitioners who perform assurance, compilation and other specified engagements to ensure compliance with the highest professional standards and provides clear direction about expectations.

CPA Ontario inspects firms a minimum of once every three years. During the 2025–26 inspection year, we inspected or reinspected 1,031 firms, including 394 firms providing assurance services and 637 firms providing compilation services only.

CPA Ontario's approach to practice inspection provides a comprehensive assessment of firm quality through a dual focus on quality management systems and the review of completed engagement files. This balanced methodology provides a thorough evaluation of whether firms are meeting professional standards and upholding the profession's reputation for quality and expertise.

Where deficiencies are identified, the Practice Inspection Committee (PIC) evaluates the appropriate course of

Inspection Findings Definitions

All findings in a practice inspection are classified in one of three categories:

Significant Reportable Deficiency
A reportable deficiency that is important to the quality of the work performed to support the report or the usefulness of the financial statements.

Reportable Deficiency
A finding that is a material departure from Professional Standards.

Non-Reportable Matter
A matter that is an immaterial departure from Professional Standards.

Inspection Outcome Definitions

Satisfactory
No further action was required or the firm provided an acceptable action plan.

Partial reinspection
Certain components of the firm are subject to reinspection such as a focus on a certain partner or accounting or assurance framework.

Full reinspection
All components of the firm are subject to reinspection.

Referral
The firm is referred to the PCC, who will perform an independent investigation to determine whether disciplinary actions are warranted.

action, which may include remedial measures to drive improvement or referral to the Professional Conduct Committee (PCC) for further investigation and potential disciplinary proceedings.

This past year, we also expanded our successful Enhanced Quality Management Review (EQMR) program to additional firms, including selected firms that audit non reporting issuers. Through the EQMR program, CPA Ontario assesses how firms set quality objectives, identify and respond to quality risks, and design effective controls with the goal of driving a culture of continuous improvement within the profession.

Advancing Quality Management

The 2025–26 fiscal year marks the third year of the EQMR program. Building on CPA Ontario's standard inspection process, EQMR goes beyond assessing the design and implementation of a firm's quality management controls and processes by testing their operating effectiveness. This enhanced approach helps firms translate quality management requirements into practice and strengthens the quality of engagements subject to the Canadian Standards on Quality Management (CSQMs).

Through in-depth reviews, the EQMR program supports a more consistent approach to quality management across the profession.

In 2025–26, the EQMR program was expanded to include twelve additional firms. Firms are selected based on their individual risk profiles, with all firms that audit reporting issuers subject to a review.

Of the 12 firms (nine in 2024-25) reviewed this year:

- Ten firms (eight in 2024-25) had findings that were not considered a significant risk to the public.
- Two firms (none in 2024-25) will be subject to reinspection in 2026-27.
- No firms (one in 2024-25) were referred to the PCC due to the severity and volume of deficiencies. During the year, the matter referred to the PCC in 2024-25 was closed with admonishment.

Upholding High Standards to Protect the Public: Quality Management Reports and Bulletins

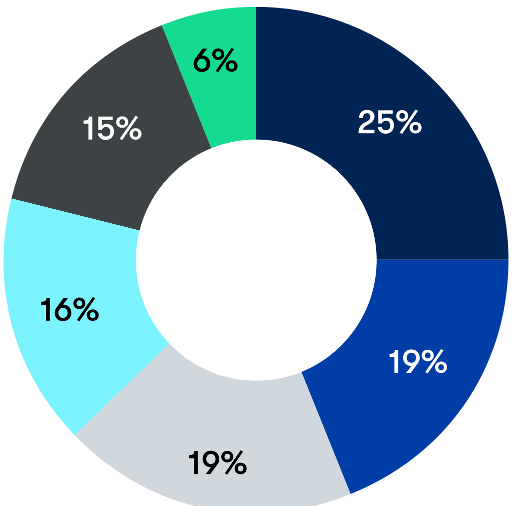
CPA Ontario's EQMR program is a rich source of important data on emerging areas of concern and associated best practices. To help firms proactively strengthen their systems of quality management, CPA Ontario produces quality-focused guidance based on key learnings surfaced through the EQMR program.

In 2023 and 2025, we released quality management reports detailing the findings of our audit quality review and our first EQMR program. This past year we also issued the first in a new series of Quality Management Bulletins. Each bulletin will target a specific element of quality management, with governance as the focus for the inaugural release.

- **Managing Audit Quality 2023**
- **Quality Management Report 2025**
- **Quality Management Bulletin – Governance as the Cornerstone of Quality (2026)**

Every firm that was subject to an EQMR received a Quality Management Review Report, outlining findings and actions the firm needs to take to improve controls and processes. CPA Ontario will continue to expand the EQMR in the coming inspection year to reinforce the role of rigour and quality in maintaining the reputation of the profession and the public's trust.

EQMR Inspections – Findings by Category



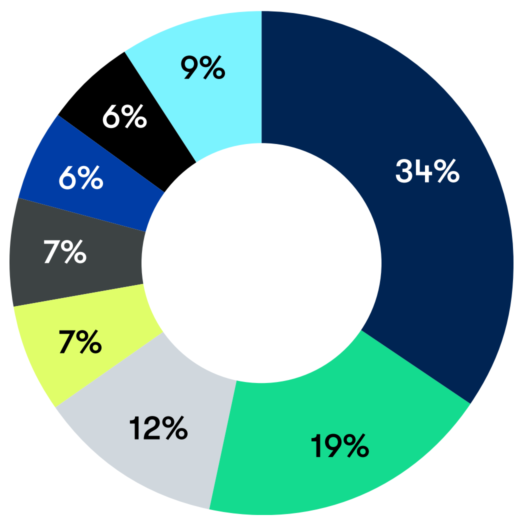
- Engagement performance
- Resources
- Monitoring and remediation
- Governance and leadership
- Relevant ethical requirements
- Acceptance and continuance of client relationships

Protecting the Public Through Risk-Focused Inspections

In 2025–26, CPA Ontario built on the EQMR program to launch enhancements to our risk-based approach to inspection. This evolution in practice inspection applies to firms that audit reporting issuers, all of which are subject to an EQMR. By leveraging EQMR results, this initiative has allowed CPA Ontario to focus inspection efforts on areas that present the greatest risk to the public and to reinforce expectations where they matter most. We expect to continue performing risk-focused inspections of reporting issuer engagements in the upcoming inspection year.

During 2025–26, the most common area of focus was revenue recognition, followed by the valuation of goodwill and intangibles and the fair value of investments. This targeted approach supports clearer guidance for firms, improves resource allocation and drives ongoing improvement in engagement quality where public confidence matters most.

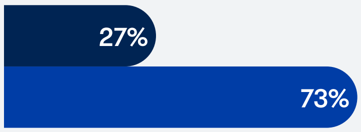
Focus Areas



- Revenue
- Goodwill and intangibles
- Investments
- Provisions
- Business acquisitions
- Inventory
- Mineral Rights
- Other

In 2025-26, 34 files from 14 firms were selected for inspection under the risk-focused inspection methodology. This included five national firms[1], seven small and medium-sized firms and two foreign firms.

National Firm Results



Small and Medium Sized Firm Results

Foreign Firm Results

- **Files with significant reportable deficiencies**
- **Files with no significant reportable deficiencies**

Significant reportable deficiencies were identified in 27% of reporting issuer files audited by national firms. Of the five national firms inspected, three had no significant reportable deficiencies. The remaining two firms are required to perform remedial actions and a root cause analysis which will be reviewed in the 2026-27 inspection year.

Significant reportable deficiencies were identified in all but one of the reporting issuer files audited by small and medium sized firms. Six of seven of the firms selected for inspection pursuant to the risk focused inspection methodology are required to perform remedial actions and a root cause analysis or will undergo a full reinspection in the 2026-27 inspection year. Five of these firms audit ten or fewer reporting issuers.

No significant reportable deficiencies were identified in reporting issuer files audited by foreign firms.

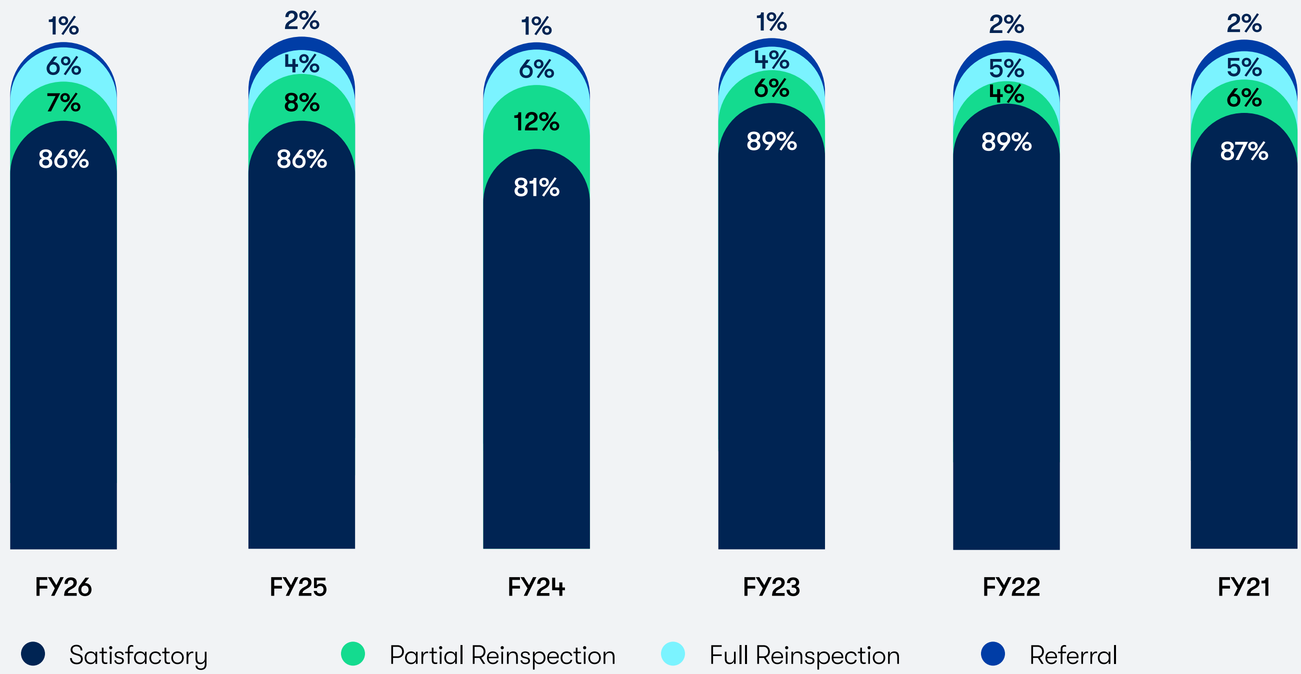
The deficiencies identified in risk-focused inspections, together with findings from the EQMR program, highlight the need for firms to continually evaluate and strengthen their systems of quality management to prevent recurrence. Regardless of firm size, the most common area where significant reportable deficiencies were identified was with respect to insufficient analysis to support the fair value of assets and determination of impairment charges. These deficiencies were often linked to the robustness of the firms' consultation processes – an important component of their systems of quality management, which will be the subject of a future Quality Management Bulletin.

1 National firms include BDO Canada LLP, Deloitte LLP, Doane Grant Thornton LLP, Ernst & Young LLP, KPMG LLP, MNP LLP and PricewaterhouseCoopers LLP, not all of which were inspected in the current year.

Results of Assurance Practice Inspections

Among the assurance firms inspected, 86% achieved satisfactory inspection results while the remaining 14% were found to have reportable deficiencies of such significance that they were subject to reinspection or referral. Satisfactory inspection results remain high with few referrals to the PCC in 2025–26, which speaks to the effectiveness of CPA Ontario's approach of providing firms the opportunity to take corrective action through the reinspection process.

Trends in Inspections of Assurance Firms*



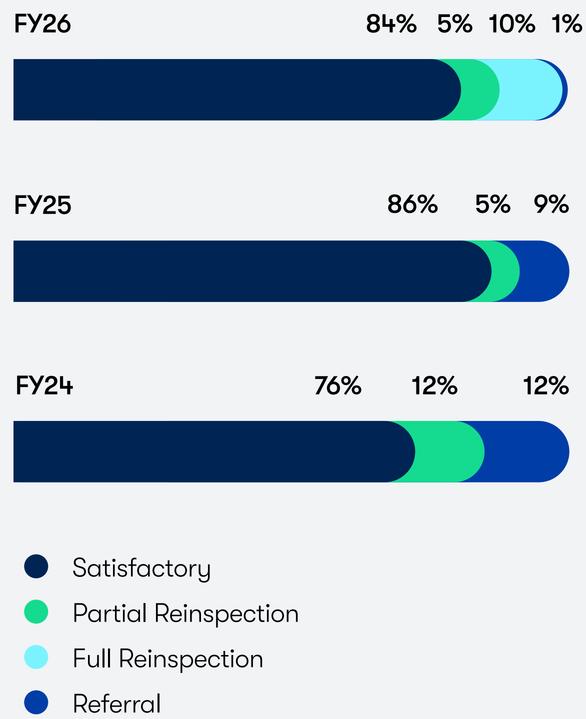
*Represents the results of two three-year inspection cycles.

Results of Assurance Practice Reinspections

When the outcome of an inspection is unsatisfactory but does not pose an immediate risk to the public, firms are required to undergo a reinspection rather than being referred immediately to the PCC. This approach allows firms the opportunity to remediate deficiencies and bring their work into compliance with professional standards.

Most firms regard the reinspection process as constructive, using it as an opportunity to implement timely and appropriate improvements that enhance engagement quality. This is evidenced by the consistently high proportion of reinspections that result in satisfactory outcomes. However, where a firm fails to demonstrate sufficient improvement following reinspection, the matter may be referred to the PCC for investigation to determine whether disciplinary action is warranted.

Trends in Assurance Reinspections



Results of Compilation-Only Inspections

Since the Canadian Standard on Related Services (CSRS) 4200 came into effect in 2021–22, substantially all firms performing only compilation engagements have been inspected at least once under the new standard.

Of the 637 firms inspected in 2025–26, 84% achieved satisfactory results, the strongest performance since the implementation of the new compilation standard. This outcome highlights the success of the reinspection program supported by our provision of non-authoritative guidance, as firms responded to deficiencies identified through practice inspection and implemented their action plans. As firms become more experienced with CSRS 4200, CPA Ontario expects this positive trend to continue into future inspection cycles.

Effective December 15, 2023, firms that perform only compilation services were also required to implement the new quality management standard.

Recognizing that these firms were previously excluded from the former Canadian Standard on Quality Control, CPA Ontario developed targeted in-house tools, including the System of Quality Management for Firms Performing Compilation Engagements, to support effective implementation and reduce the risk of inadequate documentation. As a result, a majority of firms were able to meet the new requirements, with only four firms requiring reinspection of their quality management systems in 2025–26.

Trends in Inspections of Compilation - Only Firms

Percentage of inspections with satisfactory results

84%
FY26

77%
FY25

81%
FY24

Nature of Referrals to PCC

	FY26	FY25	FY24
Inadequate professional standards	3	6	3
Modification/backdating of working papers	2	0	4
Both professional standards and modification/backdating	1	4	1
Both professional standards and licensing issues	1	2	0
Licensing issues	1	0	4
Total Referrals	8	12	12

A total of eight firms were referred to the PCC in 2025–26. Two referrals resulted from insufficient improvement in work quality following a reinspection, while the remaining referrals related to specific matters of concern. These outcomes reinforce the importance for firms to act on identified deficiencies in a timely and effective manner in order to strengthen future engagements and professional practice.

The PCC also received referrals involving three firms where there were possible instances of document modification and backdating intending to make it appear that documents were prepared on or before the date of the related report. In each case, the concerns related to individuals who were immediately referred to the PCC for investigation. The instances of backdating were not considered pervasive across the firms. None of these referrals involved auditors of reporting issuer engagements.

Backdating represents a serious threat to public trust and to the integrity of the profession. It obscures the actual timing and extent of work performed and reviewed, undermining confidence in the accuracy, reliability and quality of engagements. Such conduct is a clear violation of the Code and is never acceptable. CPA Ontario will continue to take direct and decisive action against any instance of backdating to protect the integrity of the profession and the public interest.

Highlighting Common Deficiencies to Build a Culture of Continuous Improvement

Most Common Significant Reportable Deficiencies Identified in Audit Engagements

1. Substantive audit procedures performed not sufficiently documented, most commonly in the areas of revenue, payroll and expenses.
2. Journal entries not tested.
3. Subsequent events procedures not completed up to the date of the report.
4. No evaluation of which types of revenue, transactions or assertions gave rise to fraud risk.
5. Inadequate assessment of risks of material misstatement at the financial statement and assertion levels, including inherent and significant risks.
6. Written representation from management not appropriately dated.
7. Insufficient documentation of risk assessment procedures with respect to obtaining an understanding of the entity's control activities and information systems.
8. Auditor's report not compliant with requirements.
9. Inappropriate design and execution of substantive procedures, including audit sampling and substantive analytical procedures.
10. Inadequate evaluation of work of management's expert.

Most Common Significant Reportable Deficiencies Identified in Review Engagements

1. Inquiry and analytical procedures not sufficiently documented, most commonly in the areas of revenue, related party balances and classification of preferred shares.
2. Management representation letter not obtained or not dated as near as practicable to date of report.
3. Identification of areas where material misstatements are likely to arise not documented.
4. Lack of documentation of individuals performing and reviewing work, including the date of completion and review.
5. Engagement letter not obtained.
6. Practitioner's report missing required items or incorrectly dated.
7. Documentation of understanding of the entity insufficient.
8. Insufficient procedures performed regarding opening balances on initial review engagements.
9. No documentation of acceptance or continuance procedures.
10. Required inquiries of management not completed or inadequate.

Enforcement

Upholding Trust Through Accountability

Effective regulation protects the public. CPA Ontario's enforcement framework plays a critical role in driving trust and professional integrity by addressing alleged misconduct in a fair and accountable manner. Matters progress through a structured process that begins with a formal complaint which may require investigation and, where warranted, a hearing before the Discipline Committee. Disciplinary outcomes may include fines, suspension or revocation of membership, and published decisions.

Assessing Complaints

Public concerns related to CPA Ontario members, students or firms are assessed by the PCC. Each complaint is evaluated against three core criteria:

- **Jurisdiction:** Whether CPA Ontario has oversight of the matter.
- **Professional standards:** Whether the conduct may represent a failure to meet the requirements of the Code.
- **Breach:** Whether there is evidence of a violation of the Code.

As impartial fact finders, CPA Ontario gathers relevant information from all parties. Cooperation with the regulatory process is mandatory, and failure to cooperate may result in proceedings before the Discipline Committee.

In 2025–26, decisions were issued according to our service standard within an average of eight months. Complaint volumes increased by 55% over the past year with notable trends including a rise in complaint complexity, higher numbers of self-reported matters and more complaints related to multiple individuals from a single firm. These trends inform both our guidance and regulatory responses, enabling us to address risks early while maintaining effective enforcement.

After an assessment of a complaint, the PCC provided confidential guidance or admonishment related to 91 complaints, where the PCC believed the member or student was capable of rehabilitation.

Investigating Complaints

Consistent with prior years, investigations of alleged violations of the Code were brought to the PCC expeditiously, meeting targets of an average closure of investigations within five months.

This past year, 51 investigations were completed. Of these, 14% were closed, 47% were resolved through guidance or admonishment from the PCC, and 39% were referred to the Discipline Committee.

Reinforcing Accountability Through Discipline

Sanctioning professional misconduct is critical to protecting the public, promoting confidence in the profession, deterring others from engaging in misconduct and maintaining high ethical standards.

As part of the disciplinary process, members, students or firms may be ordered to repay a portion of the costs associated with investigation and discipline proceedings, ensuring the financial burden is not borne solely by the broader membership. A requirement to repay costs is an indemnification and is not considered a penalty or sanction.

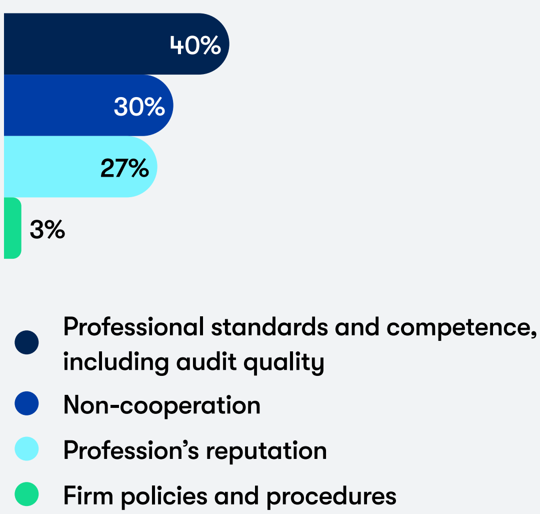
During the past year, 32 discipline and settlement cases were completed. Of these, 40% of the proceedings related to assurance standards and audit quality. In addition to fines, outcomes associated with assurance standards included seven practice restrictions and one revocation of membership, as well as one practice supervision order. In one instance, a member's privilege of using the Fellow designation (FCPA, FCA) was permanently suspended. These measures reinforce accountability, drive quality improvement and maintain public trust in the CPA designation.

Tribunal Outcomes

	FY26	FY25	FY24*
Number of Proceedings Concluded	32	29	33
Sanctions			
Fines	$ 920,500	$ 742,000	$2,415,000
Suspensions	2	8	5
Revocations	8	8	12
Practice Restrictions	8	4	9
Costs Ordered	$1,240,838	$570,283	$1,793,020

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

Nature of Cases



Unauthorized Practice – Court Proceedings

CPA Ontario prosecutes non members in the Ontario courts under the *Provincial Offences Act* for misuse of the CPA designation or other unauthorized practice. This year, we concluded the prosecution of two individuals in provincial court for various registration and licensing offences, resulting in total fines and costs of $25,000. In both cases, probation orders were also obtained.

Appendix A

Summary of Disciplinary Actions

FATHI ABU-FARAH, CPA, CA (2017, Mississauga)

Conduct:	The member failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to rule 206.1 of the Code.
Decision Date:	January 27, 2026
Sanction:	• Written reprimand • $25,000 fine • Practice restriction – prohibited from performing audits of reporting issuers • Practice supervision – 18 months • Re-Investigation • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$42,000
Discipline File:	D-25-008

LAURIE BISSONETTE, CPA, CA (1987, Sudbury) [Settlement Agreement]

Conduct:	While acting as the engagement partner with respect to a single audit, the member failed to act in a manner which will maintain the good reputation of the profession and serve the public interest and failed to perform professional services with integrity and due care and perform her professional work in accordance with the generally accepted standards of practice of the profession, contrary to rules 201.1 and 202.1 of the Code.
Decision:	On June 27, 2025, a panel of the Discipline Committee approved the settlement agreement dated May 30, 2025.
Terms:	• $50,000 fine • Permanent suspension of and restriction on the use of the Fellowship Status • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • 2/3 of the total cost incurred by the Professional Conduct Committee in investigating and prosecuting the matter
Settlement File:	S-25-006

WILLIAM G. BUTLER, CPA, CA (2013, Burlington) [Settlement Agreement]

Conduct:	The member failed to perform his professional work in accordance with the generally accepted standards of practice of the profession, contrary to rule 206.1 of the Code.
Decision:	On March 25, 2026, the settlement agreement, dated February 19, 2026, was approved by the Discipline Committee panel.
Terms:	• $7,500 fine • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • $18,500 costs
Settlement File:	S-26-002

JACK CAYNE (1987, Markham) [Revoked CPA, CGA]

Conduct:	The member failed to co-operate with the regulatory processes of CPA Ontario, failed to perform professional services in accordance with generally accepted standards of practice of the profession, failed to take reasonable steps to maintain information for which he was responsible, failed to perform professional services with integrity and due care, signed or associated with documents or representations which the member knew, or should have known, were false or misleading, and failed to take appropriate measures to maintain and protect confidential information of clients, contrary to rules 104, 206.1, 218, 202.1, 205(a), and 208 of the Code.
Decision Date:	March 7, 2025
Sanction:	On June 16, 2025, the panel ordered sanctions including: • $45,000 fine • Revocation of membership • Revocation of public accounting licence • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$105,000
Discipline Files*:	D-23-016 & D-24-027

*Two cases were combined in a single hearing, with a single sanction outcome.

PETER CHOY (2014, Markham) [Revoked CPA, CGA]

Conduct:	The member failed to conduct himself in a manner that will maintain the good reputation of the profession and serve the public interest, failed to sustain his professional competence by keeping informed of, and complying with, developments in professional standards in all functions in which he provides professional services or is relied upon because of his calling, submitted a signed, mandatory annual registration filing to CPA Ontario which contained a statement or representation which he knew, or should have known, was false and/or misleading, and failed to perform his professional services in accordance with generally accepted standards of practice of the professional, contrary to rules 201.1, 203, 205, and 206.1 of the Code.
Decision Date:	March 19, 2026
Sanction:	• $15,000 fine • Revocation of membership • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$16,500
Discipline File:	D-25-015

BRIAN R. DAWE* (1977, Toronto) [Revoked CPA, CA]

Conduct:	The member failed to co-operate with the regulatory process of CPA Ontario, contrary to rule 104.2 of the Code.
Decision Date:	May 21, 2025
Sanction:	• $7,500 fine • Co-operate with the regulatory process of CPA Ontario within 30 days • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$4,000
Discipline Files:**	D-24-020 and D-24-028

*As a result of the member's failure to comply with the order, his membership was revoked effective July 25, 2025.
**Two cases were combined in a single hearing, with a single sanction outcome.

SANJIV K. GUPTA (2003, Mississauga) [Revoked CPA, CGA]

Conduct:	The member failed to comply with the legislation, bylaws, regulations, and regulatory processes of CPA Ontario by issuing assurance statements without a public accounting licence. In the course of a business transaction on behalf of a client, he failed to act in a manner which will maintain the good reputation of the profession and serve the public interest, failed to perform professional services with integrity and due care, signed or associated with documents or representations that he knew, or should have known, were false or misleading, and failed to determine whether a conflict of interest existed prior to providing professional services, contrary to rules 101.1(b), 104, 201.1, 202, 205, and 210 of the Code. He further attempted to mislead PCC investigators in the course of their investigation, contrary to rule 104.
Decision Date:	July 15, 2025
Sanction:	• $75,000 fine • Revocation of membership • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$50,000
Discipline File:	D-24-004

FELICE IORIO, CPA, CA (1993, Woodbridge)

Conduct:	The member failed to perform professional services with due care in the course of accepting an audit engagement, including failure to maintain professional skepticism and to take sufficient steps to address allegations of suspected fraud and other audit risks made by a predecessor auditor. While acting as the engagement partner on that audit over a period of two years, he failed to perform professional services in accordance with generally accepted standards of practice of the profession, contrary to rules 202.1 and 206.1 of the Code.
Decision Date:	February 12, 2026
Sanction:	• $100,000 fine • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public
Costs:	$345,000
Discipline File:	D-23-029

DONG (TONY) JIANG, CPA, CA (2009, Richmond Hill) [Settlement Agreement]

Conduct:	The member failed to perform his professional work in accordance with the generally accepted standards of practice of the profession, contrary to rule 206.1 of the Code.
Decision:	On May 27, 2025, the Discipline Committee approved the settlement agreement, dated April 22, 2025.
Terms:	• $7,500 fine • Practice restriction – no assurance engagements • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • Newspaper publication • $12,500 Costs
Settlement File:	S-25-005

RAYMOND KIZIAK, CPA, CA, CMA (1967, Bolton) [Settlement Agreement]

Conduct:	The member failed to perform his professional work in accordance with the generally accepted standards of practice of the profession, contrary to rule 206.1 of the Code.
Decision:	On May 2, 2025, the Discipline Committee approved the settlement agreement, dated March 31, 2025.
Terms:	• $10,000 fine • Practice restriction – no assurance engagements • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • Newspaper publication • $10,000 Costs
Settlement File:	S-25-004

STEVE KOSTICH, CPA, CA (2003, Markham)

Conduct:	While acting as the engagement partner on a single audit over a period of two years, the member failed to perform professional services in accordance with generally accepted standards of practice of the profession, contrary to rule 206.1 of the Code.
Decision Date:	February 12, 2026
Sanction:	• $50,000 fine • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public
Costs:	$313,900
Discipline File:	D-23-028

PAUL LATOUR* (2014, Georgetown) [Revoked CPA, CGA]

Conduct:	The member failed to promptly reply in writing to the communication from CPA Ontario with respect to three complaints, contrary to rule 104.2 of the Code.
Decision Date:	November 19, 2025
Sanction:	• $8,000 fine • Co-operate with the regulatory process of CPA Ontario within 30 days • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$3,700
Discipline File:	D-25-009

*As a result of the member's failure to comply with the order, his membership was revoked effective May 13, 2026.

JEFFREY M. LINGARD, CPA, CA (2003, Peterborough) [Settlement Agreement]

Conduct:	The member failed to perform his professional work in accordance with the generally accepted standards of practice of the profession and failed to maintain the good reputation of the profession and serve the public interest, contrary to rules 201.1 and 206.1 of the Code.
Decision:	On March 10, 2026, the settlement agreement, dated January 22, 2026, was approved by the Discipline Committee panel.
Terms:	• $15,000 fine • Public accounting licence revoked • Practice restriction – no assurance engagements • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • Newspaper publication • $13,200 costs
Settlement:	S-26-001

JAY D. MARU* (2023, Calgary) [Revoked CPA]

Conduct:	The member failed to comply with the legislation, bylaws and regulations of CPA Ontario and the Code by advertising the provision of public accounting services when he did not hold a public accounting licence, and failed to conduct himself in a manner that will maintain the good reputation of the profession and serve the public interest in that he provided falsified documentation to the regulator, contrary to rules 101.1 and 201.1 of the Code.
Decision Date:	April 7, 2025
Sanction:	• $15,000 fine • Suspension of membership for 6 months • Completion of specified professional development course • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$10,000
Discipline File:	D-24-026

*As a result of the member's failure to comply with the order, his membership was revoked effective May 26, 2026.

AMIT MISTRY (2009, Caledon) [Revoked CPA, CMA]

Conduct:	The member performed professional services through his firm without requisite professional liability insurance and failed to perform professional services with integrity and due care by failing to carry out accounting functions adequately and appropriately, including proper accounting of the general ledger and tax filings, and failed to take reasonable steps to maintain information evidencing the extent of work done in respect of any professional service, contrary to rules 101.1(b)(i), 202.1, and 218 of the Code. He associated with numerous statements over an extended period for a client entity which he knew or ought to have known were false including holding himself out as having a senior role in that entity to lend it legitimacy in a report for potential investors, by virtue of his CPA designation, contrary to rule 205. He further failed to cooperate with the PCC investigator in the course of her investigation, contrary to rule 104.
Decision Date:	April 1, 2025
Sanction:	• $20,000 fine • Revocation of membership • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • Newspaper Publication
Costs:	$30,000
Discipline File:	D-24-017

VALENTINA MULLAI* (2015, North York) [Revoked CPA, CGA]

Conduct:	The member failed to cooperate with the regulatory process of CPA Ontario, contrary to rule 104.2 of the Code.
Decision Date:	March 6, 2026
Sanction:	• $5,000 fine • Cooperate with the regulatory process of CPA Ontario within 30 days • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$3,400
Discipline File:	D-25-012

*As a result of the member's failure to comply with the order, her membership was revoked effective May 12, 2026.

HEATHER RASO* (2009, Welland) [Revoked CPA, CA]

Conduct:	The member failed to cooperate with the regulatory process of CPA Ontario, contrary to rule 104.2 of the Code.
Decision Date:	March 13, 2026
Sanction:	• $7,500 fine • Cooperate with the regulatory process of CPA Ontario within 30 days • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$2,800
Discipline File:	D-25-013

*As a result of the member's failure to comply with the order, her membership was revoked effective May 15, 2026.

TIMOTHY RITTENBERG, CPA, CMA (2004, Ottawa) [Settlement Agreement]

Conduct:	The member failed to comply with the legislation, bylaws, and regulations of CPA Ontario in that he performed assurance engagements without a public accounting licence, and failed to perform professional services in accordance with the generally accepted standards of practice of the profession, contrary to rules 101.1(b) and 206.1 of the Code.
Decision Date:	August 11, 2025
Terms:	• $20,000 fine • Practice restriction – no assurance or compilation engagements • Completion of professional development courses • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • $14,500 costs
Settlement File:	S-25-007

JOHN ROSENTHAL (1978, Toronto) [Revoked CPA, CA]

Conduct:	The member failed to conduct himself in a manner that will maintain the good reputation of the profession and serve the public interest, contrary to rule 201.1, including offering investment and lending services through the accounting firm RZN LLP and converting funds intended for investment purposes to his own use. He failed to document and administer funds as required by rule 212.1 of the Code, including commingling investor funds with RZN's general accounts and using those funds to pay firm expenses and partnership withdrawals. He further failed to take reasonable steps to retain records or other documentation which reasonably evidenced the nature and extent of the work done in respect of any professional service in that he failed to retain documents related to promissory notes valued at over $850,000, contrary to rule 218.
Decision Date:	April 30, 2025
Order Date:	October 1, 2025
Sanction:	• Written reprimand • $75,000 fine • Revocation of membership • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$36,894.22
Discipline File:	D-23-024

JOHN ROSENTHAL (1978, Toronto) [Revoked CPA, CA]

Conduct:	The former member failed to maintain the good reputation of the profession and serve the public interest, contrary to rule 201.1, including offering investment and lending services to two clients through the accounting firm RZN LLP, and failed to repay those clients in accordance with the terms of their investments or promissory notes. He made or associated with statements or representations to the regulator which he knew, or ought to have known, were false or misleading, contrary to rule 205. He failed to document and administer funds as required by rule 212.1 of the Code including failing to document and retain appropriate records of investors' investments and promissory notes and failing to repay the investors in accordance with the terms of their investments. He failed to take reasonable steps to retain records or other documentation which reasonably evidenced the nature and extent of the work done in respect of any professional service in that he failed to retain documents related to investor payments to RZN valued at over $550,000, contrary to rule 218 of the Code. He further failed to cooperate with the PCC investigator in the course of her investigation, contrary to rule 104.
Decision Date:	October 21, 2025
Sanction:	• $100,000 fine • Prohibition from applying for readmission to membership until October 21, 2030* • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$20,450
Discipline File:	D-25-003

*John Rosenthal's membership in CPA Ontario was previously revoked by order of the Discipline Committee on October 1, 2025.

JOHN ROSENTHAL (1978, Toronto) [Revoked CPA, CA]

Conduct:	Between May 2, 2025 and July 9, 2025, the former member failed to cooperate with the regulatory process of CPA Ontario with respect to four complaints, contrary to rule 104.2 of the Code.
Decision Date:	November 14, 2025
Sanction:	• $15,000 fine • Prohibition from applying for readmission to membership until November 14, 2030* • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$3,900
Discipline File:	D-25-006

*John Rosenthal's membership in CPA Ontario was previously revoked by order of the Discipline Committee on October 1, 2025.

RZN LLP* (Concord) [Deregistered Firm]

Conduct:	The firm failed to act at all times in a manner which will maintain the good reputation of the profession and serve the public interest in that it failed to monitor or control a partner's use of its financial accounts for personal investment purposes and failed to appropriately record transactions and track interest in its financial accounts and accounting records, contrary to rule 201.1. The firm failed to establish, maintain, and uphold appropriate policies and procedures designed to ensure that partners of the firm complied with the Code, contrary to rule 502, including failure to institute measures to ensure its financial accounts were not used for personal purposes, and failure to institute measures to restrict the use of its trust accounts.
Decision Date:	October 21, 2025
Sanction:	• $50,000 fine • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$6,000
Discipline File:	D-25-002

*RZN LLP was subsequently deregistered as a firm with CPA Ontario by order of the Discipline Committee on November 14, 2025.

RZN LLP (Concord) [Deregistered Firm]

Conduct:	From May 14, 2025 to July 9, 2025, failed to cooperate with the regulatory process of CPA Ontario, contrary to rule 104.2 of the Code.
Decision Date:	November 14, 2025
Sanction:	• $15,000 fine • Deregistered as a firm with CPA Ontario • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$3,700
Discipline File:	D-25-005

MARIO SGRO, CPA, CA (1992, Mississauga) [Settlement Agreement]

Conduct:	The member failed to perform his professional work in accordance with the generally accepted standards of practice of the profession, contrary to rule 206.1 of the Code.
Decision Date:	April 25, 2025
Terms:	• $10,000 fine • Practice restriction – no assurance engagements • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • Newspaper publication • $18,000 costs
Settlement File:	S-25-003

ADAM J. SHAW (2000, Woodstock) [Settlement Agreement]

Conduct:	The member failed to perform his professional work in accordance with the generally accepted standards of practice of the profession.
Decision Date:	October 15, 2025
Terms:	• $7,500 fine • Practice restriction – no assurance engagements • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • Newspaper publication • $4,500 costs
Settlement File:	S-25-008

NAVEEN K. TAGORE (2014, Oakville) [Suspended, CPA, CGA]

Conduct:	The member failed to conduct himself in a manner that will maintain the good reputation of the profession and serve the public interest, contrary to rule 201.1 of the Code in that he had been convicted of an assault for which he was sentenced to a conditional discharge.
Decision Date:	January 30, 2026
Sanction:	• $10,000 fine • 9-month suspension • Permanent restriction from acting as a CPA Ontario mentor • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public
Costs:	$5,700
Discipline File:	D-25-010

ALAN WALKER (1994, Etobicoke) [Revoked CPA, CMA]

Conduct:	In the course of providing professional services, the member failed to handle with due care $75,000 entrusted to him, contrary to rule 212.1, including that he failed to document the agreement to hold the funds, failed to keep them separate from his personal funds, used the funds to offset his personal debts without authorization, failed to account for interest earned on the funds and failed to maintain contemporaneous records of any repayments made. He failed to act in a manner that will maintain the good reputation of the profession and serve the public interest, contrary to rule 201.1, in that he misappropriated approximately $40,000. He further signed or associated with documents or representations which he knew, or should have known, were false and misleading, contrary to rule 205.
Decision Date:	April 3, 2025
Order Date:	May 12, 2025
Sanction:	• $40,000 fine • Revocation of membership • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$55,000
Discipline File:	D-24-008

MARK ZARETSKY (1982, Toronto) [Revoked CPA, CA]

Conduct:	The member failed to conduct himself in a manner which will maintain the good reputation of the profession and serve the public interest, contrary to rule 201.1 in that he failed to document or retain records regarding $500,000 issued in trust to RZN LLP to which he personally signed a guarantee and failed to repay a promissory note in the amount of $500,000 when it became due. He allowed his professional or business judgment to be compromised by bias, conflict of interest or the undue influence of others, contrary to rule 202.2, in that he knew of and acquiesced to the conduct of his partner, who had accepted monies for investment purposes and passed those funds through the RZN bank accounts, used the investors' funds to pay off RZN's facility loan and his partnership withdrawals, comingled trust monies with RZN accounts and used the investors' funds to make loans to third parties.
Decision Date:	April 30, 2025
Order Date:	October 1, 2025
Sanction:	• Written reprimand • $50,000 fine • Revocation of membership • Notice to all members of CPA Ontario, Public Accounting Standards Committee, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$36,894.22
Discipline File:	D-23-025

MARK ZARETSKY (1982, Toronto) [Revoked CPA, CA]

Conduct:	The former member failed to act in a manner which will maintain the good reputation of the profession and serve the public interest, contrary to rule 201.1, in that while responsible for the oversight and reconciliation of RZN LLP's financial accounts and the issuance of relevant tax receipts, failed to monitor his partner's personal use of RZN's financial accounts and failed to appropriately record transactions and track interest of RZN's financial accounts in RZN's accounting records. He allowed his professional judgment to be compromised by bias, conflict of interest, or the undue influence of others, contrary to rule 202.2, in that he knew of and acquiesced to the conduct of his partner, who had accepted monies from two clients for investment purposes and passed those funds through the RZN bank accounts. While responsible for the oversight and reconciliation of RZN's financial accounts, failed to maintain records to properly account for third parties' money or property, contrary to rule 212 of the Code. He further failed to cooperate with the PCC investigator in the course of her investigation, contrary to rule 104.
Decision Date:	October 21, 2025
Sanction:	• $50,000 fine • Prohibition from applying for readmission to membership until October 21, 2030* • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • Newspaper publication
Costs:	$11,000
Discipline File:	D-25-004

*Mark Zaretsky's membership in CPA Ontario was previously revoked by order of the Discipline Committee on October 1, 2025.

MARK ZARETSKY (1982, Toronto) [Revoked CPA, CA]

Conduct:	Between May 2, 2025 and July 9, 2025, the former member failed to cooperate with the regulatory process of CPA Ontario with respect to five complaints, contrary to rule 104.2 of the Code.
Decision Date:	November 14, 2025
Sanction:	• $15,000 fine • Prohibition from applying for readmission to membership until November 14, 2030* • Notice to all members of CPA Ontario, all provincial CPA bodies, and the public • Cost: $3,800
Discipline File:	D-25-007

*Mark Zaretsky's membership in CPA Ontario was previously revoked by order of the Discipline Committee on October 1, 2025.

Appendix B

Summary of Good Character Matters

If the Registrar is not satisfied that an applicant for registration as a student or admission to membership is currently of good character, the matter may be referred to the Admission and Registration Committee for a decision. The Public Accounting Licensing Board may also refer a person seeking a licence for a good character hearing.

Name: F., K.

Reason for referral: In May 2019 the applicant was convicted of assault with a weapon and assault causing bodily harm, contrary to sections 267(a) and 267(b) of the *Criminal Code*. In April 2021, the applicant declared bankruptcy under the *Bankruptcy and Insolvency Act*.

Outcome: On March 3, 2026, the panel found that the applicant had demonstrated that they were of good character and directed the Registrar to register the applicant as a student with CPA Ontario.

Good Character File: G-25-008

Name: F., Y.

Reason for referral: In May 2019, the applicant was disciplined by the CPA Atlantic School of Business for failure to attend a mandatory Professional Education Program workshop. The applicant failed to disclose their disciplinary suspension to CPA Ontario.

Outcome: On June 18, 2025, the panel found that the applicant had demonstrated that they were of good character and directed the Registrar to admit the applicant as a member of CPA Ontario.

Good Character File: G-24-002

Name: G., J. C.

Reason for referral: In December 2005 and March 2017, the applicant declared bankruptcy under the *Bankruptcy and Insolvency Act*.

Outcome: On November 11, 2025, the panel found that the applicant was not of good character and refused their application for registration as a student. It was ordered that the applicant may reapply on or after November 11, 2027.

Good Character File: G-25-004

Name: M., A.

Reason for referral: In August 2024, the applicant was suspended by their employer, Canada Revenue Agency, for applying for and receiving Canada Emergency Response Benefits (CERB) payments to which they were not entitled.

Outcome: On September 16, 2025, the panel found that the applicant had demonstrated that they were of good character and directed the Registrar to admit the applicant as a member of CPA Ontario.

Good Character File: G-25-006

Name: N., K.

Reason for referral: In October 2021, the applicant was convicted of one count of failure or refusal to comply with a demand under section 320.15(1) of the *Criminal Code*. The applicant did not disclose their charges or conviction to CPA Ontario while they were a student, or while applying for admission to membership.

Outcome: On December 3, 2025, the panel found that the applicant had demonstrated that they were of good character and directed the Registrar to admit the applicant as a member of CPA Ontario.

Good Character File: G-25-005

Name: P., A. J.

Reason for referral: In March 2008, the applicant was convicted of theft over $5,000, contrary to section 334(a) of the *Criminal Code*.

Outcome: On November 13, 2025, the panel found that the applicant had demonstrated that they were of good character and directed the Registrar to admit the applicant as a member of CPA Ontario.

Good Character File: G-25-003

Name: K., J.

Reason for referral: In September 2014, the applicant was convicted of impaired driving causing death under section 255(3) of the *Criminal Code*.

Outcome: On July 3, 2025, the panel found that the applicant had demonstrated that they were of good character and directed the Registrar to admit the applicant as a member of CPA Ontario.

Good Character File: G-25-002

Name: R., A.

Reason for referral: In November 2009, the applicant was convicted of five counts of fraud over $5,000. In February 2012, the applicant was convicted of perjury in relation to false testimony in a trial. The applicant failed to disclose this history to CPA Ontario.

Outcome: On September 2, 2025, a panel of the Admission and Registration Committee found that the applicant had failed to demonstrate that they were of good character. The application for membership was refused.

Good Character File: G-25-001

Name: T., E.

Reason for referral: In November 2017, the applicant was convicted of assault causing bodily harm contrary to section 267(b) of the *Criminal Code*. In May 2018, the applicant was found to have breached the CPA Ontario *Academic Code of Conduct* in relation to nine submissions during a Professional Education Program module. On June 3, 2021, a panel of the Admission and Registration Committee found that the applicant had failed to demonstrate that they were of good character.

On re-application for membership, and in addition to the misconduct arising from the first application, the Registrar was advised of concerns over the applicant misusing the CPA, CA designation and listing themselves as the director of an unregistered firm providing accounting services to the public.

Outcome: On February 12, 2026, the panel found that the applicant was not of good character and refused their application for membership. It was ordered that the applicant may reapply on or after February 12, 2028.

Good Character File: G-25-007

Appendix C
Regulatory Committees

Admission and Registration Committee

The Admission and Registration Committee (ARC) hears and decides appeals of determinations by the Registrar that affects the status of any person, such as denial of admission or registration, suspension, revocation or deregistration.

The ARC also reviews denials by the Public Accounting Licensing Board of a licence and matters of good character.

Appeal Committee

The Appeal Committee hears and decides appeals brought from decisions of the Discipline Committee, Admission and Registration Committee, and Capacity Committee. The Appeal Committee can confirm, overturn or amend decisions and orders. It can also order a new hearing to be held.

Capacity Committee

The Capacity Committee is responsible for considering any capacity matters brought forward by the Registrar. It may order that members be suspended indefinitely or be subject to certain terms and conditions to ensure the protection of the public from any risk posed by the member continuing to engage in regulated activities.

Discipline Committee

The Discipline Committee hears and decides allegations of professional misconduct made by the PCC and applications for a preliminary suspension prior to a finding of professional misconduct. It also reviews and approves settlement agreements.

Practice Inspection Committee

The Practice Inspection Committee (PIC) is made up of experienced volunteer members of the profession appointed by Council. The Committee is responsible for administering the practice inspection program and for determining the outcome of inspections.

Professional Conduct Committee

Composed of seasoned volunteer professionals and public representatives, the Professional Conduct Committee (PCC) administers the Code and the Student Code. Operating solely as an investigative – not adjudicative – body, the PCC draws its conclusions exclusively from evidence gathered during inquiries, without formal hearings.

Public Accounting Licensing Board

The Public Accounting Licensing Board (PALB) is responsible for matters relating to public accounting licences, certificates of authorization and the practice of public accounting. This responsibility includes, but is not limited to, overseeing CPA Ontario's licensing standards responsibilities, functions and processes.

Public Accounting Standards Committee

The Public Accounting Standards Committee (PASC) maintains the Public Accounting Standards that guide the regulation of licensed public accountants in Ontario, as well as any other instruments referred to in the *Public Accounting Act, 2004* or relating to public accounting.

The PASC reviews, provides advice on, and recommends to CPA Ontario Council the adoption of any proposed public accounting-related amendments to CPA Ontario regulatory instruments.

Further information on public accounting is available in our Annual Report on Public Accounting.

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