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APRIL/MAY 2014

Volunteering in the profession

The immeasurable impact of member engagement



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CPABC INFOCUS

April/May 2014, Vol. 2, No. 3

British Columbia's CA, CGA, and CMA bodies are currently working to unite under the CPA designation. *CPABC in Focus* is their flagship magazine.

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About

CPABC in Focus is published in British Columbia six times a year, and is sent to more than 34,000 CA, CGA, and CMA members, candidates, and students. Opinions expressed are not necessarily endorsed by the ICABC, CGA-BC, or CMABC.

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Notes from the Leadership

By Karen Christiansen, CPA, FCA, David Sale, CPA, FCGA, and Tammy Towill, CPA, FCMA

April marks the beginning of a new and exciting chapter for CPABC, as our team begins implementing our first, fully combined, full-year integrated plan and budget for the three-way joint venture, which was approved by all three boards at a joint meeting on March 5, 2014.

This coming year, the goal of the profession in BC will be to become one organization, with integrated processes in the majority of areas within CPABC. And as we integrate, we are looking for opportunities for growth, for enhancing how we protect the public interest, how we provide services to our members, and how we support candidates who wish to become Chartered Professional Accountants.

Many of these activities will require the know-how of our members. For decades, all three of our organizations have developed extensive volunteer networks in order to achieve our goals, and these networks will continue, as well as evolve, as the new organization takes shape. In this issue, we honour our past as well as celebrating the future of our profession's volunteerism (page 18). In particular, we will be coming to you over the next few months as we establish new CPABC chapters and develop a provincial mentoring program that will support our CPA candidates.

While many of our services will evolve and become integrated over the coming year, the regulatory processes of the three bodies cannot be fully integrated until CPA legislation is enacted in this province. In this issue, we provide a legislative update—an issue that is of critical importance in order to establish CPABC as the single regulatory body for our members (page 26). Driving this agenda and ensuring government moves on this file is the number one issue on which your leadership will be focusing over the coming months.

We would also like to bring your attention to the fact that this issue of the magazine includes important notices for the ICABC and CMABC annual general meetings, both of which will be held on June 25. See pages 14-15.



Karen Christiansen, CPA, FCA



David Sale, CPA, FCGA



Tammy Towill, CPA, FCMA



David Sale, Karen Christiansen, and Tammy Towill at the Provincial Board Chairs' Reception, hosted by the CPA Young Professionals Forum (event recap on page 9).

Sponsorships & Events

The ICABC, CGA-BC, and CMABC sponsored or attended a number of events this past February and March to promote the CPA designation. These included the Registrars & Executive Directors Luncheon (January 22), the Forum for Women Entrepreneurs Gala (February 11), the Vancouver Board of Trade's Federal Post-Budget Address with Industry Minister James Moore, the BC Chamber of Commerce's BC Budget Recap Luncheon (February 19) and various other post-budget events (summarized on page 7), and *Business in Vancouver*'s Influential Women in Business Awards (March 5). Upcoming sponsorships include *Business in Vancouver*'s CFO of the Year Awards (May 14) and the *BC Business* Top 100 event (May 26). For more information on upcoming CPABC-sponsored events and an archive of past events, visit the News & Events section of **bccpa.ca**.

To promote the profession to students, the ICABC, CGA-BC, and CMABC sponsored or attended a variety of on-campus events, including the UBC Okanagan MSA Distinguished Leadership Gala (March 13), the UVic Leadership Conference (March 13-16), the UBC Me Inc. Conference (March 14), and the SFU Business Administration Student Society's annual banquet (March 19), as well as career fairs at North Island College (March 5), the University of the Fraser Valley (March 12), the College of the Rockies (March 12), and BCIT (March 24).



Vancouver Board of Trade – Federal Post-Budget Address

L to R: Iain J.S. Black, Vancouver Board of Trade (VBOT) president and CEO; Lorne Segal, president of Kingswood Properties Ltd. and a VBOT director; CPABC CEO Richard Rees, CPA, FCA; Len Boggio, CPA, FCA, vice-chair of the Canadian Institute of Chartered Accountants; Janet Austin, CEO of the YWCA and VBOT senior vice-chair; Elio Luongo, CPA, FCA, Canadian managing partner of tax for KPMG LLP and VBOT chair; Industry Minister James Moore; Walter Pela, CPA, CA, partner-in-charge of GVA tax for KPMG LLP; and Jon Schubert, a director and audit committee chair for the VBOT. Photo by Kim Stallknecht Photography for The Vancouver Board of Trade.



BIV Influential Women in Business Awards

Barbara Brink, vice-president of Applied Strategies Ltd. and a public representative on the ICABC Council, receives her Lifetime Achievement Award from CPABC CEO Richard Rees, CPA, FCA, at the BIV Influential Women in Business Awards. Photo by Dominic Schaefer for BIV Media Group.



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CPABC Budget Response Team Weighs In at BC Budget Lock-Up and Post-Budget Events

This year, for the first time, BC's more than 28,000 professional accountants were represented at the BC Budget Lock-Up in Victoria by the CPABC Budget Response Team, led by CEO Richard Rees, CPA, FCA. Speaking on behalf of CPABC, Richard characterized the provincial budget as a step in the right direction, but noted that there is room for improvement when it comes to creating a more competitive investment climate.

Said Richard: "The loss of input tax credits through the re-introduction of the PST in 2013 increased costs to business by $1.5 billion, and has led to decreased investment in the province over the short term, and will impact productivity and job creation over the long term."

In addition to providing its assessment directly to government, the CPABC Budget Response Team also did its part to promote discussion between the business community and the government by sponsoring several post-budget events in conjunction with The Vancouver Board of Trade, the BC Chamber of Commerce, the Richmond Chamber of Commerce, and the Vancouver Chapter of Financial Executives International (FEI).

Premier Christy Clark and BC Finance Minister Mike de Jong both spoke to BC business leaders about the recently released budget. The Premier addressed a business audience at the BC Chamber of Commerce's Budget 2014 Luncheon, held on February 19. Minister de Jong spoke to local chamber members at the Richmond Chamber of Commerce's Luncheon on February 21. De Jong also spoke at the FEI Vancouver Chapter event on February 21.

The Vancouver Board of Trade's Budget Recap Breakfast, held on February 19, featured two experts from Deloitte, who provided a technical briefing and discussed relevant changes introduced in this year's budget: Duncan Sinclair, CPA, CA, a managing partner with Deloitte and a member of the firm's national board of directors, and Janice Roper, CPA, CA, the lead indirect tax partner for Deloitte's BC region and a co-chair and lecturer for CPA Canada's GST/HST In-Depth Course. Sinclair spoke about the importance of sound fiscal planning to ensure our province's long-term prosperity. Roper discussed some of the major changes—including those involving the PST, the First-Time Home Buyers' Tax Credit, the Early Childhood Tax Benefit, the BC Training and Education Savings Grant, and a proposed tax regime for liquefied natural gas—and discussed their potential impact for accountants.

Richard Rees and CGA-BC chair David Sale, CPA, FCGA, also presented at the various post-budget events. In their speeches, they encouraged the provincial government to introduce CPA legislation and praised the balanced provincial budget. They also recommended that the government review the competitiveness of the current tax structure and consider changes to create a strong investment climate.



L to R: Dan Little, CPA, FCA, managing partner of Hayes Stewart Little & Co., and first VP of the ICABC Council; Edward Downing, director of communications and marketing for CGA-BC; CPABC CEO Richard Rees, CPA, FCA; and Kerri Wilcox, director of external affairs for the ICABC, at the BC Budget Lock-Up in Victoria. Photo by Diana Nethercott.



L to R: CPABC CEO Richard Rees, CPA, FCA; Jamie Sawchuk, partner and BC public sector industry leader for Deloitte; Jim Belsheim, chair of the BC Chamber of Commerce; Premier Christy Clark; Chris Fowler, president & CEO of Canadian Western Bank; and John Winter, president & CEO of the BC Chamber of Commerce, at the Chamber's Budget 2014 Luncheon. Photo by Darla Furlani Photography.





Above left: CPABC CEO Richard Rees, CPA, FCA, presents a CPA hockey jersey to Finance Minister Mike de Jong at the FEI Vancouver Chapter event. Above right: FEI event organizer Gordon Adair, CPA, FCA (left) with Finance Minister Mike de Jong.

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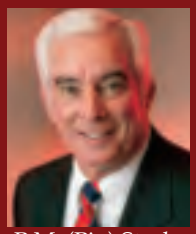
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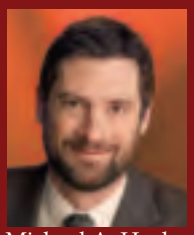
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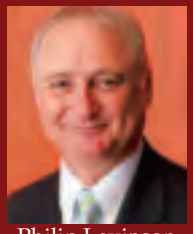
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CPA Young Professionals Forum Events

Provincial Board Chairs' Reception

On January 20, 2014, more than 60 members and students of the ICABC, CGA-BC, and CMABC attended a reception at the Vancouver Club to meet the three provincial board chairs: ICABC council president Karen Christiansen, CPA, FCA (partner with MNP), CGA-BC board chair David Sale, CPA, FCGA (faculty member at Kwantlen Polytechnic University), and CMABC board chair Tammy Towill, CPA, FCMA (faculty member at Capilano University and partner with The Peppertree Group). The chairs provided updates on the merger of the three legacy bodies, the new CPA certification program, and the national branding initiative. In response to questions from the audience, the chairs also shared their personal stories of success and some life lessons learned.

In addition to getting the chairs' perspectives on issues affecting the profession, members also had a chance to meet with their local chapter chairs: Justin Gu, CPA, CGA, chair of the CGA Vancouver Chapter; Edward Ho, CPA, CA, chair of the CPA Young Professionals Forum; and Derek Johnson, CPA, CMA, vice-chair of the CMA Vancouver Chapter.



L to R: Justin Gu, CPA, CGA; David Sale, CPA, FCGA; Karen Christiansen, CPA, FCA; Tammy Towill, CPA, FCMA; Edward Ho, CPA, CA; and Derek Johnson, CPA, CMA.

Job Trends: BC's Economy and the Future for Younger Professionals

The nature of the labour market has changed over the past generation. The notion of job security has become dated, as most workers today expect to have several careers in their lifetimes. Many will change occupations, either to advance or stay employed. And labour market conditions are becoming increasingly competitive.

At this session, hosted by the Young Professionals Forum (YPF) on March 4, economist Marlyn Chisholm, principal of Chisholm Consulting and lead economist on the BC Check-Up reports, discussed current job trends and moderated a panel of human resource specialists from industry, public practice, and the public sector. Panel members included Brian Ellis, CPA, CGA, an auditor of scientific research and experimental development tax credits and a governor on the CGA-BC Board; Cam Macmillan, the president and co-founder of The Headhunters Recruitment Inc.; and Lisa Otterman, CPA, CGA, a recruiter with David Aplin Group. The panel shared their thoughts on the industries expected to be stellar employers in BC's future economy and discussed how younger professionals can adapt to this changing environment.

YPF member Jason Foth, CPA, CA, who helped organize this event, spoke for many in attendance when he said: "This topic is of interest because many young professionals are thinking about how to best position themselves in the current marketplace given the local economic conditions."



Panel moderator Marlyn Chisholm with recruiters Cam Macmillan (Headhunters Recruitment) and Lisa Otterman, CPA, CGA (David Aplin Group), and CGA-BC Board governor Brian Ellis, CPA, CGA.



Panellist Cam Macmillan addresses the crowd.





UBC Connect

The CPABC recruitment team hosted CPABC's inaugural UBC Connect event on February 18 at the Fairmont Waterfront Hotel in Vancouver.

More than 115 UBC BComm and Diploma in Accounting Program students came out to learn more about their career options, what life is like as a designated accountant, details of the CPA program, and the job climate for young business and accounting graduates. They were met by 51 representatives from a variety of industry, government, and pubic practice employers, as well as nine CPABC representatives eager to share their experiences and knowledge.

The night's keynote speaker, Anson Lo, CFA, CPA, CMA, a financial services accountant with BC Hydro, shared his list of tips on how to aim big. His message—you can't get where you want to go without taking risks—struck a chord with students and veteran accountants alike.







1. L to R: Keynote speaker Anson Lo, CFA, CPA, CMA, with UBC DAP student Youssef Assaf. 2. L to R: BCom students Natalie Chen and Qiaojun Lai. 3. Manoj Popat, CPA, CGA (centre), speaking with students. 4. Keynote speaker Anson Lo, CFA, CPA, CMA, speaks to students about aiming high. 5. UBC students network with members and employers at the Fairmont Waterfront Hotel. Photos by Mike Bradley for Ron Sangha Productions.

View more event photos on the CPABC Flickr page at **flickr.com/cpabc/sets**.

CPABC Launches New Careers Site

Looking for a new career opportunity is hard work. Filling a job vacancy with the right candidate is just as hard. To make it easier for both jobseekers and employers to find and fill accounting jobs, CPABC has launched a unified online careers site exclusively for CPA members, candidates, and students in BC. The new careers site can be accessed directly at **careers.bccpa.ca** or on the **bccpa.ca** website under the Careers tab.

The legacy CA, CGA, and CMA job boards, which remained operational until the launch of the new CPABC careers site in early April, now redirect traffic to the new site. These legacy job boards were very popular among members, candidates, students, and employers—collectively, they received up to 50,000 visits from users per month and amassed over 4,700 job postings in 2013 alone. As an amalgamation of these three job boards, the new unified CPABC careers site is expected to become BC's largest accounting job site.

For employers

Employers looking for the perfect candidate can now go to the CPABC careers site to advertise their career opportunities and reach all of BC's accounting professionals, candidates, and students—a welcome change for many employers and recruiters who previously had to post job ads separately on each of the legacy job boards. With a niche careers site, employers have the advantage of reaching a broader targeted audience and receiving applications from a larger number of qualified candidates.

There is a fee to post a job on the new site. Employers who wish to post a job can do so by creating an employer account and purchasing an online job posting with a credit card. Job postings are activated on the site immediately, and "job alerts" can even be sent to jobseekers who elect to receive notifications of postings that meet their job search criteria. Similarly, employers can set up "resumé alerts" and receive notifications when resumés matching their ideal candidate profile are activated on the site.

For employers who want to further engage CPABC in their hiring activities, there is the CPABC Career Connect employer program, which gives participating companies enhanced opportunities to connect with potential candidates both in person and online. Detailed information on the CPABC employer program is posted on the careers site.

For Not-for-Profit Organizations (NPOs)

NPOs looking for members to volunteer on their boards can still post notices for free.

For members, candidates, and students

Members, candidates, and students can search for jobs using simple or advanced search tools, including an enhanced location-based search function that brings up only those jobs within a preferred radius of a jobseeker's desired location.

Applying for jobs online is easier than ever, as members, candidates, and students are able to store resumés online and/or submit resumés in other convenient ways—for example, by uploading from a cloud storage service such as Dropbox or by pulling information from their LinkedIn accounts. This means a jobseeker can apply for jobs even when they're on the go; they can also save job postings to a personal job folder on their CPABC careers site account and apply for these jobs at a more convenient time.

Members, candidates, and students who would prefer to have employers contact them directly (rather than searching for and applying to job ads) have the option of posting their resumés on the new careers site for review by potential employers. Those who wish to store resumés online but don't want their resumés to be searchable have the option of keeping their resumés private.

Given that more and more people are using smartphones and tablets to surf the web, CPABC has optimized the careers site for viewing on screens of any size, thereby making it easier for members, candidates, and students to search for jobs using their mobile devices.

An important benefit

Recognizing that access to career opportunities and enhanced career development services is an important benefit for members, candidates, and students, CPABC plans to add further enhancements to the careers site in the future. In the meantime, if you have any questions about the new careers site, contact us at **careers@bccpa.ca**.

Positions with Approved Training Offices

Positions for CPA candidates in Approved Training Offices will continue to be posted on the **jobs.goCPAbc.ca** site.

Post-Secondary Scholarships Available



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Did you know there are a number of scholarships available to students who are graduating from post-secondary educational institutions in BC and are interested in careers as CPAs?

The CA Education Foundation of BC (CAEF) offers seven $1,000 awards to students in the final year of diploma or degree programs. More information and an application form can be found on the CAEF website at **www.caef.bc.ca**. The deadline to submit applications is May 15.

The CAEF also offers three $1,000 bursaries to BC students registered in CPA PEP (Core Module 1 or their first summer of the MPAcc program). These bursaries are based on financial need. An application form can be downloaded from **www.caef.bc.ca**. Submission deadlines are May 31 (spring session) and October 31 (fall session).

In addition, the CAEF, the CGA Educational Foundation, and the CMA Memorial Scholarship Fund provide a number of awards to recipients who are automatically selected by their respective universities and colleges. Students must contact the awards offices at their post-secondary institutions for more information.



Use of CPA Designation by Members

As per the bylaws passed at special and annual general meetings of the ICABC, CGA-BC, and CMABC in 2013, if you wish to use the Chartered Professional Accountant (CPA) designation, it must be accompanied by your legacy designation. This means your credential would be listed as "CPA, CA," "CPA, CGA," or "CPA, CMA."

In addition, firms are not able to use the CPA designation in the firm name or descriptive style until new legislation has been enacted. We have prepared an FAQ on the use of the CPA designation for your reference. Visit **www.bccpa.ca**, and click on the Members tab.

Michael Dykstra/iStock/Thinkstock

Audit Committee Members – New Guidance and Tools Available

CPA Canada has issued new publications to help members who serve on audit committees enhance their oversight of the external auditor. These tools were developed as an outcome of the recommendations and conclusions of the Enhancing Audit Quality (EAQ) initiative completed by CPA Canada and the Canadian Public Accountability Board (CPAB) in 2013.

The guidance includes an overview of recommended practices for the activities that audit committees perform in overseeing the work of the external auditor. Two companion publications offer practical tools to help audit committees implement EAQ recommendations—specifically, the recommendations that audit committees conduct an annual assessment of the external auditor and a periodic comprehensive review of an audit firm.

For guidance and tools, visit **www.cica.ca** and choose Focus on Practice Areas> Audit & Assurance> Enhancing Audit Quality in Canada.

CRA Invitation to Comment on the Proposed Registration of Tax Preparers Program (RTPP)

The Canada Revenue Agency (CRA) is reviewing their processes to determine better ways to reduce non-compliance.

As a result, a greater emphasis is being placed on the important role played by tax preparers. While the CRA has been developing improved processes for tax preparers (such as the electronic services available to them), it is now considering a more systematic approach to its relationship with tax preparers and is undertaking consultations on the proposed Registration of Tax Preparers Program (RTPP).

Under the proposed RTPP, individuals who prepare income tax returns* for a fee will have to register with the CRA. Generally, this would include:

- Accountants who prepare income tax returns for a fee and who belong to a provincially regulated body;
- Employees of businesses who offer income tax preparation services for a fee; and
- Others who offer income tax preparation services for a fee but who do not fall within the previous two categories.

Note: Those who prepare income tax returns on a volunteer basis and employees who prepare their employer's income tax returns would not have to register.

A consultation paper has been released by the CRA and can be found at **www.cra-arc.gc.ca/gncy/cmplnc/rtpp-pipdr/cnslttnppr-eng.html**. Those who prepare tax returns for a fee are encouraged to provide input. The closing date to submit input, which can be done online, is May 31, 2014.

*T1 - General Income Tax and Benefit Return and T2 - Corporation Income Tax Return

CPA Social Networking Group Hosts Olympics Event

Canada wins gold, and the CPA Social Networking Group (CPA SNG) holds yet another winning networking event! Our latest event celebrated the 2014 Winter Olympics and gave members from across the Lower Mainland the opportunity not only to cheer on Canada's Olympic athletes but also to meet one in person.

The networking event was held on February 12, 2014 at Hooker's Green, a sports bar in Yaletown booked exclusively for the event. Our special guest of the night was Alexa Loo, CPA, CA. During the 2006 Olympics, Alexa became the first Canadian woman to ever compete in the parallel giant slalom event. Alexa shared her experience as an Olympic athlete with the crowd, and described how her background as a professional accountant helped her in her athletic career. While listening to Alexa's inspiring story, participants were served delicious appetizers (ranging from sushi to poutine!) along with refreshments.

Over the course of the evening, participants were given a bingo sheet featuring a list of unique travel locations, hobbies, and job descriptions, and were asked to find nine individuals who shared these same characteristics or experiences. This icebreaker not only facilitated networking—it also gave those who completed the bingo sheet a chance to win cool CPABC swag and Team Canada Olympic gear.

This Olympic Networking Event was a very successful one, as evidenced by the large turnout! Accountants from all three legacy bodies, across industry and public practice, were in attendance and shared the opportunity to meet new people and make new contacts.

On behalf of the entire CPA SNG, I would like to thank the following for their exceptional efforts in helping to organize this event: Joseph Bonvillain, CPA, CA; Kevin Burns, CPA, CA; Allison Burton, CPA, CA; Victoria Chan, CPA, CA; Irena Herbut, CPA, CA; Ankur Merwaha, CPA, CA; and Jessica Vandenakker, CPA, CA. Be sure to join us at our upcoming networking event, which will be a wine tasting! (See event notice on page 14.)

—Kayan Yu, CPA, CA, co-chair of the CPA SNG and manager, audit with KPMG in Burnaby





1. L to R: Angela Semeniuk, CPA, CA; Jason Low, CPA, CA; and ICABC Council 2nd VP Barry Macdonald, CPA, FCA.
2. Olympian Alexa Loo, CPA, CA (centre) with Social Networking Group members (l to r): Joseph Bonvillain, CPA, CA; Irena Herbut, CPA, CA; Kayan Yu, CPA, CA; Allison Burton, CPA, CA; Ankur Merwaha, CPA, CA; and Kevin Burns, CPA, CA. Photos by Kevin Burns, CPA, CA.

CPA Salary Survey Results Available

CPA Canada's *2013 CPA Profession Compensation Study Report*, which was released in December 2013, reviewed the salaries of the CPA profession's members during 2012. According to the study, the average compensation in 2012 was $141,000, while the median was $105,000. Professional accountants in Alberta experienced the highest average compensation rate of $177,000, followed by their colleagues in Ontario and British Columbia (at $145,000 and $142,000, respectively).

The study also measured the average compensation for members residing in Canada based on their areas of practice. Professional accountants working at firms that provide professional services such as consulting saw an average compensation rate of $177,000. This was followed by the averages for members working at firms that provide auditing and tax services ($134,000), members working in the not-for-profit sector ($118,000), members working in government ($113,000), and members working in education ($108,000).

Within industry, average compensation was highest for professional accountants employed by holding companies and conglomerates ($259,000) and oil & gas companies ($203,000). Members working in the arts & leisure sector saw the lowest average compensation rate in industry, at $129,000.

More statistics from the study can be found on page 27 of this magazine, and the full report can be downloaded from CPA Canada at **www.cpasource.com** (click on the Career Resources tab).

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Upcoming Events

CMABC – Certified Management Accountants of British Columbia
ANNUAL GENERAL MEETING - SAVE THE DATE

Wednesday, June 25, 2014
Registration & Breakfast – 7:30 a.m.; AGM – 8:00 a.m.
Vancouver Club, 915 West Hastings Street, Vancouver, BC
Official notice and details to be mailed to members in coming weeks.

2014 ICABC AGM and Members' Recognition Dinner

The ICABC's 2014 AGM is scheduled to take place on the afternoon of **June 25, 2014** in Vancouver (see facing page). Directly following the AGM will be the 14th annual Members' Recognition Dinner.

Wine + Networking

The CPA Social Networking Group (CPA SNG) will be hosting a wine and networking event on Thursday, **May 8,** 2014 from 5:30 p.m. to 8:00 p.m. A location will be announced shortly. Registrations will be accepted in April.

2014 CA Convocation Ceremony

All colleagues, family, and friends of convocating students are invited to attend the 2014 Convocation Ceremony and Gala to celebrate the profession's newest members.

Convocation Event Information – Saturday, May 17, 2014
Vancouver Convention Centre, West Building

Ceremony – 2:30 p.m. start
- No admission is charged; however, you must register with Vivian Tse.
- Doors open at 1:00 p.m.
- Guest seating is on a first-come, first-served basis.
- Students are asked to limit their guests to five, however, additional seating may be available (see online registration form for details).

Gala – 6:30 p.m. start
- Dinner, entertainment, and dancing.
- Guests must be 19 years of age or over.
- If possible, please order Gala tickets through your firm.
- Please advise of any dietary requirements.

Please direct all requests to Vivian Tse at **tse@ica.bc.ca**.

Deadlines for purchase and cancellation
Gala tickets can be purchased until Friday, April 11, 2014. Cancellations must be received in writing 10 business days prior to the event to be eligible for a refund (no exceptions).

CPABC Spring Leadership Conference

Be sure to register for the CPABC Spring Leadership Conference, which will be taking place **May 22-23** at the Hyatt Regency Hotel in downtown Vancouver.

Prior to being offered under the CPABC banner in 2014, the Leadership Conference was hosted by CMABC for seven years, attracting over 500 accounting and financial professionals from around BC annually.

This year's Conference will help you "Do More. Be More." by delivering strategies that will allow you to work more efficiently. We have a great lineup of five nationally and internationally recognized keynote speakers, beginning with award-winning journalist Diane Francis. Following Francis will be world-renowned futurist Jim Carroll, public policy strategist David Eaves, and two of BC's foremost political commentators, Vaughn Palmer and Keith Baldrey.

Visit **cmabc-pd.com** for more details.

Coming this fall: The CPABC Fall Leadership Conference will take place September 17-21 in Victoria.



May 2013 Leadership Conference. Photo by Jay Shaw Photography.

For more information and updates on upcoming events, click on the Members tab at **bccpa.ca**.

NOTICE OF ICABC ANNUAL GENERAL MEETING

The 109th annual general meeting (AGM) of the Institute of Chartered Accountants of British Columbia will be held at the ICABC office, located at Suite 500 – 505 Burrard Street, Vancouver, BC on Wednesday, June 25, 2014 at 3:30 p.m.

AGENDA

1. Notice of Meeting
2. The Membership
3. Appointment of Scrutineers
4. Minutes of 108th AGM of June 26, 2013 and minutes of the Special General Meeting held on September 19, 2013 (available on website)
5. President's Report (available on website)
6. Financial Statements as at March 31, 2014 (available on website)
7. Appointment of Auditors – 2014/2015
8. Notice of Motions – Amendments to the Bylaws and Rules of Professional Conduct (available on website)
9. Election of Council – 2014/2015 through 2015/2016 (available on website)
10. Other Business
11. Adjournment

Meeting Material on Website

Meeting material—including proxy, Council candidate voting information, and all other meeting material—will be available on the ICABC website at www.ica.bc.ca by June 3, 2014. If you do not have access to the Internet, you may request that a meeting package be mailed to you by contacting the ICABC at 604-681-3264 or 1-800-663-2677 (toll free in BC).

Attendance Record

Voting procedures require that an accurate nominal roll be taken of all members in attendance at the AGM. Members attending the meeting will be required to present a properly completed "attendance record card" before being admitted to the meeting. Attendance record cards will be available at the entrance to the meeting room.



Richard Rees, CPA, FCA
CEO
March 31, 2014

Institute of Chartered Accountants of British Columbia
505 Burrard Street, Suite 500, Box 22 Vancouver, BC V7X 1M4
Tel: 604 681.3264 Fax: 604 681.1523 Toll Free in BC: 1 800 663.2677
www.ica.bc.ca

Notes on Licensing

Pursuant to its meeting of February 7, 2014, the ICABC's Practice Review & Licensing Committee announces that the following offices are no longer in public practice under these names and locations:

Firm Name	City
Bingham & Company	Vancouver
Eidsvik & Associates	Prince Rupert
ESP	Victoria
Gadicke Minichiello Carr	Kaslo
Peter Hansen, CA	Saanich
Dayna Holland Ltd.	North Vancouver
Norman Jang, CA	North Vancouver
C F Loveless CA	Victoria
Wayne Low Ltd.	Vancouver
Morine & Co. Chartered Accountants LLP	Mill Bay

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Connect with CPABC online on our Facebook, Twitter, YouTube, and Flickr social media pages:

- Facebook.com/cpabc
- Twitter.com/cpa_bc
- YouTube.com/cpabritishcolumbia
- Flickr.com/cpabc

CPABC publications are now online



CPABC in Focus

Digital editions of *CPABC in Focus*, *BC Check-Up*, *Industry Update*, and *CPABC eNews* are available at **bccpa.ca** under the Publications tab.



Industry Update

Student & Candidate Resources



CPA Prerequisite Education Program (PREP)

Summer 2013 intake:

Module 9: Intermediate and Adv. Mgmt Accounting

- *Mid-term evaluation – May 24*
- *Final evaluation – July 5*

Winter 2014 intake:

Module 5: Intermediate and Adv. Financial Accounting

- *Final evaluation – May 3*

Module 6: Corporate Finance

- *Classes begin – May 5*
- *Final evaluation – June 14*

Module 7: Audit and Assurance

- *Classes begin – June 16*
- *Final evaluation – August 16*

CPA Professional Education Program (PEP)

Spring 2014 term – key dates:

Core Module 1

- *Module start – May 3*
- *Orientation workshop – May 3-4*
- *Withdrawal deadline – May 30*
- *Module workshop – May 31-June 1*
- *Exam date – July 7*

Core Module 2

- *Module start – May 3*
- *Withdrawal deadline – May 30*
- *Module workshop – June 14-15*
- *Exam date – July 7*

Summer 2014 term – key dates:

Core Module 2; Tax and Performance Mgmt electives

- *Registration period – April 14-May 26*
- *Module start – July 26*

Summary schedule at **www.cpasb.ca**.

Legacy info

CASB: **www.casb.com**

CGA Program of Studies: **www.cga-bc.org/students-home.aspx**

CMA Strategic Leadership Program: **www.cmabc.com**

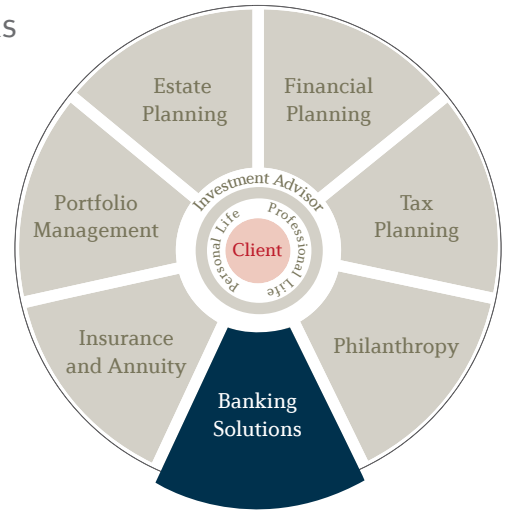
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1) Must be a certified member of a provincial professional order related to one of the following professions: CGA, CA, or CMA.

2) Subject to credit approval by National Bank. Certain conditions apply. A statement of account is issued monthly. There is no account handling charge.

3) Prime rate means the annual variable interest rate published by National Bank from time to time as the benchmark interest rate for Canadian dollar demand loans granted by National Bank of Canada. The Line of credit bears interest as of the date it is used. The minimum monthly payment is limited to the monthly interest and the life insurance premium (if applicable) as long as limits are respected.

Examples of credit charges calculated for a 30-day period at the rate in effect in May 2013:

If average monthly balance of line of credit is $500, then monthly credit charges at 3.75% would be $1.56.

If average monthly balance of line of credit is $3,000, then monthly credit charges at 3.75% would be $9.38

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NATIONAL BANK FINANCIAL
WEALTH MANAGEMENT

Volunteering in the Profession

The immeasurable **impact** of member engagement

Through dedicated volunteerism, members have long played a vital role in the operations and initiatives of the three legacy bodies, helping to shape the accounting landscape on the provincial, national, and international levels in the process. As we continue making the transition to CPABC, member involvement remains of paramount importance.



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Honouring a proud history

All three legacy bodies have called on and benefited from the myriad talents of their members in a range of areas, from networking to regulation. The expertise and passion for the profession inherent in the memberships has allowed the accounting profession in BC to evolve and improve, and to continue to attract the next generation of business leaders. Collectively, the examples of legacy member engagement are too numerous to list in this article, so here are just three extraordinary examples of members giving back to our profession.

CGA-BC chapters

Although volunteers are key to virtually all of CGA-BC's achievements, the largest and most dependable groomer of volunteers has been the chapters, which date back almost to the founding of CGA-BC in 1951. The chapters have been the nexus—both the network and common bond—of thousands of students and members.

At the time of this writing, 165 volunteer directors run CGA-BC's 15 chapters, which cover every region of the province. Historically, each chapter board has selected its own officers and directors, each chapter has hosted its own social and professional development events, and each chapter has organized its own community teams. Common to all the chapters has been the annual student night, designed to give students the opportunity to mingle with and ask questions of members.

Volunteering with the chapters has proven to be a reliable way of introducing members and students to the inner workings of CGA-BC. And many chapter directors have gone on to accept leadership roles on CGA-BC committees and advisory groups, and on the Board of Governors.

CMABC mentorship

Recognizing that mentorship is a powerful resource for university students who are looking to jump-start their careers, CMABC launched a mentorship program in 2007. This program grew considerably over the next six years, thanks to the tremendous contributions of member volunteers. The CMABC Mentorship Program matched up to 40 CMABC members with university students interested in pursuing the profession after graduation. Mentors were drawn from various industries and paired with students who were interested in pursuing careers in similar fields.

Mentors and mentees were encouraged to meet once every six weeks over the course of a year to help the latter set and achieve personal and professional goals. Many mentors also provided career direction and advice—often taking mentees to their workplaces and accompanying them to industry networking events. For members, volunteering as mentors proved to be a highly rewarding experience. Several even hired their mentees at the conclusion of the one-year program.

ICABC peer review and regulatory oversight

Hundreds of members from all over the province have volunteered time, energy, and expertise each year to assist the ICABC in carrying out its mandate. In particular, many have provided dedicated service on peer review and regulatory committees, helping the ICABC meet its regulatory responsibilities, which include maintaining admission, licensing, and mandatory continuing education requirements; conducting reviews of public accounting firms; investigating complaints; and disciplining members, firms, and students.

In each of these areas, volunteer members have worked tirelessly with staff and public representatives to ensure that members, firms, and students meet professional standards, and to ensure that the ICABC's regulatory functions continue to evolve to meet the needs of the public and the membership.

Building on the strengths of the past

We recognize that there are many proud legacy traditions that have been extremely effective for decades. What we heard loud and clear from our memberships as we began the transition to a merged profession was that we should maintain, or expand on, these important traditions as we forge ahead with CPABC. To that end, much work and planning is taking place to merge processes and services wherever possible. And while unification may not be possible at this time for all activities relating to governance and regulation, work is under way to have these processes ready to go following the enactment of the new legislation.

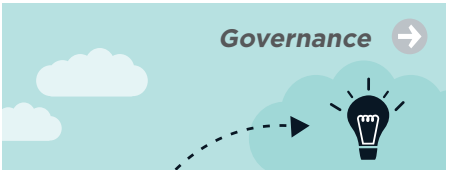
Chapters

Like the CGA-BC chapters, the CMABC chapters and BC CA associations have played a significant role in connecting members in regions throughout BC. Each has hosted professional development seminars and social events aimed at addressing the needs of local members. New CPABC chapters, set to launch in September 2014, will build on the strengths of these legacy groups. More information on the rollout of the new CPABC chapter program is provided on page 22.

Mentorship

The new CPA Professional Education Program (CPA PEP) will require members to act as mentors to CPA students who are completing their work experience requirements; consequently, CPABC will require a significant number of volunteers interested in becoming mentors (see page 24). The time commitment is limited: participation in a one- to two-hour mandatory webinar, and a minimum of two face-to-face meetings with mentees each year. More information will be released on the program shortly; in the meantime, members interested in becoming mentors are invited to fill out our online volunteer form at **http://bccpa.ca/volunteerform**. More information on mentorship requirements under CPA PEP is provided on pages 24-25.

In addition, we will be enlisting volunteers to serve as mentors at the post-secondary level—similar to the approach taken in the CMABC mentor program.



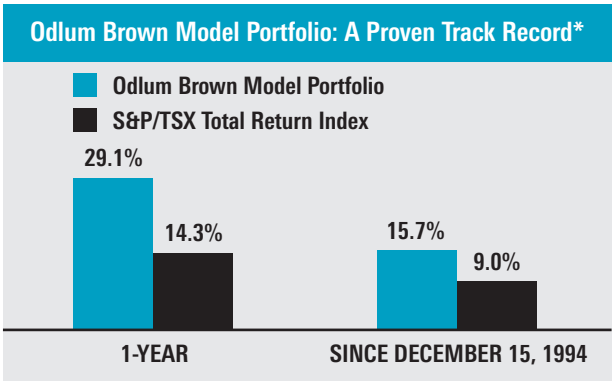
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* Compound annual growth rates are from inception December 15, 1994 to February 15, 2014. The Odlum Brown Model Portfolio is a hypothetical, all-equity portfolio that was established by the Odlum Brown Research Department in December 1994. Trades are made using the closing price on the day a change is announced. These are gross figures before fees. Past performance is not indicative of future performance. Member-Canadian Investor Protection Fund.

Governance

Until new legislation is passed in BC, the legacy bodies will continue to be governed under the three existing pieces of legislation. As explained in previous issues of *CPABC in Focus*, the three governing bodies—the CGA-BC Board, the CMABC Board, and the ICABC Council—agreed in the BC Merger Agreement to establish a Transitional Steering Committee (TSC) with equal representation from each of the unifying bodies. Each board has appointed three individuals to serve on the TSC, with a mandate to oversee the successful integration of the three unifying bodies through to "consolidation"—the point at which CPABC is established through new legislation, a new board is in place, and the TSC is dissolved.

Given that the existing governing bodies need to continue to operate until new legislation is in place, volunteers are still being sought. Accordingly, a call for ICABC Council members went out in the February/March 2014 issue of *CPABC in Focus* (page 9), as there are seven vacant positions to be filled; newly elected Council members will be announced at the ICABC AGM in June. For CMABC, the nominations process for the provincial Board will be distributed to members in May, with the new Board announced at the AGM on June 25. For CGA-BC, regularly scheduled Board elections will be held in August, followed by the CGA-BC AGM in September. Members who are interested in seeking election should contact their legacy body.

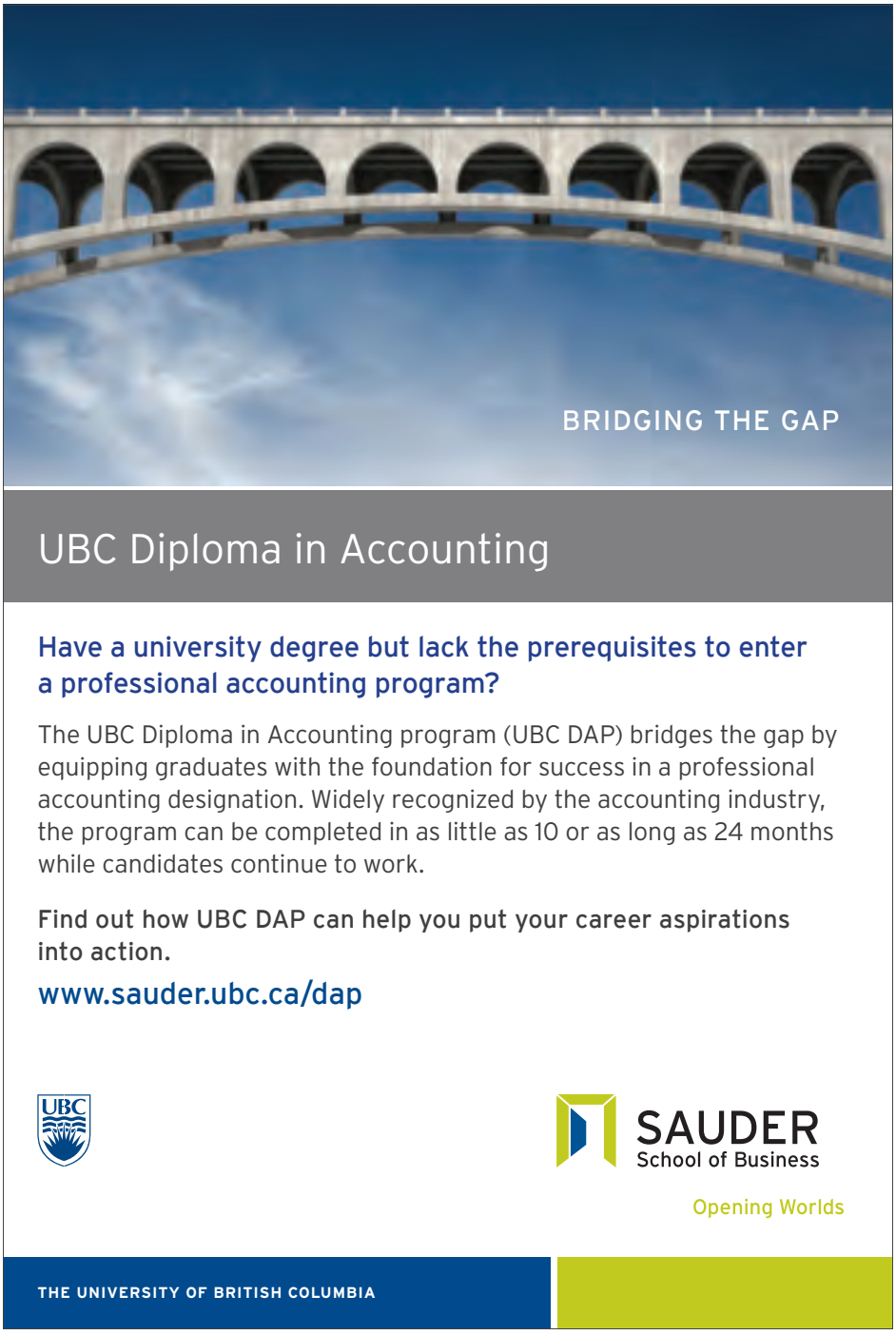


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Regulatory processes

The Regulatory Working Group, which includes regulatory staff from all three legacy bodies, is currently developing recommendations for a CPABC regulatory committee structure, as part of its overarching mandate to develop recommendations for all CPABC regulatory processes. The group will present these recommendations to CPABC leadership later this year for approval. Note, however, that the implementation of a new regulatory committee structure will likely have to wait until CPABC legislation has been enacted.

The expectation is that the positions on the initial CPABC regulatory committees will be filled by members who currently serve on the legacy regulatory committees. For this reason, there is currently not a call for volunteers in the regulatory area.





Charitable entities

As with regulatory and governance processes, the charitable arms of the three legacy bodies—the CGA Educational Foundation, the Chartered Accountants Education Foundation, and the CMA Scholarship Fund—will continue to operate separately until CPABC legislation is enacted. (Please note, all existing volunteer positions are filled at this time.)

Getting involved

While many processes and functions are still being developed and/or await legislation, there are several ways CPA members can volunteer and participate in CPABC activities.

In addition to joining a CPABC chapter in your local region (see page 22) and volunteering as a CPA mentor (see page 24), you can also volunteer on a professional development (PD) advisory group. The PD Audit & Accounting Program Advisory Group, the PD Members in Industry Program Advisory Group, and the PD Taxation Program Advisory Group are responsible for CPABC's PD program in their respective topic areas. Advisory group members will assist staff in identifying curricula and selecting courses, as well as recommending course location, frequency, format, and individual course offerings. As well, members of the PD program advisory groups will perform quality reviews of PD offerings in their respective topic areas, and network with members to determine PD needs and satisfaction with the existing program.

You can also get involved by joining one of our forums, which bring members together to discuss topical issues based on common interests and areas of practice. Forums may also be asked to provide feedback to staff on policy matters. The following forums are currently available (note, however, that some are restricted to members from a specific industry or specialty):

- Executives Forum
- Exposure Draft Forum
- Government Organizations' Accounting & Auditing Forum
- Management Forum
- Mid-Sized Firm Forum
- Mining Sector Forum
- Public Company Forum
- Sole Practitioners' Forum
- Small Firms Forum
- Taxation Forum
- Young Professionals Forum

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Another way in which you can get involved is by volunteering to join the CPABC media directory. Professional accountants are frequently called on by media to provide commentary on a variety of finance and business-related topics. Once your name is added to the directory, CPABC might refer to you when a reporter calls the offices looking for a CPA contact. After submitting the general volunteer form, you will receive a more detailed form that asks for information about your area(s) of interest/expertise.

You can also volunteer to represent the profession at recruiting events. Members, candidates, and students may be asked to help with recruitment by speaking at high schools, attending networking events at post-secondary institutions, serving as keynote speakers or panellists at student events, adjudicating case competitions, or volunteering in a number of other capacities. To get involved, submit the general form—your name will be placed on CPABC's member volunteer list, and we may contact you with details on upcoming events for which you can volunteer.

If you're interested in any of these opportunities to get involved with CPABC, please fill out the online form at **http://bccpa.ca/volunteerform**. The deadline to submit your expression of interest to serve on a chapter board or committee is April 30, 2014. The main deadline for other opportunities is June 30, 2014; however, volunteer forms will be considered throughout the year. ■

Join CPA Canada's Community Connect Program

Another way to get involved in the profession is by joining CPA Canada's Community Connect Program, which aims to improve the financial literacy of Canadians of all ages. Through this initiative, CPAs are able to volunteer and provide leadership in their communities by providing free coaching on financial literacy to schoolchildren, adults, and small business owners. Resources developed by CPA Canada are available to support this effort. Additional information can be found at **www.financialdecisionsmatter.ca**. To get involved, please complete the volunteer form at **www.cica.ca/focus-on-practice-areas** under the Financial Literacy tab (scroll down to register).



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CPABC Chapters—

Connecting and Engaging Members, Candidates, and Students across BC

Over the last several months, many CA, CGA, and CMA members, candidates, and students have gathered at PD and networking events organized by CGA and CMA chapters and CA associations across British Columbia.

Recognizing that these chapters and associations are part of a rich history of member involvement for all three legacy bodies, we have been working with member volunteers to create a unified chapter model for CPABC—one that incorporates best practices from current chapters and associations.

We're pleased to announce that 15 newly organized CPABC chapters will be launched throughout the province in September 2014. Like their predecessors, the new chapters will serve as an important link between the professional body and its members, candidates, and students across BC, providing numerous opportunities for them to get involved in the profession. All members, candidates, and students will be welcome to participate—whether by attending chapter-hosted events or volunteering on chapter boards or committees.

The 15 CPABC chapters will provide, among other things, local opportunities for networking, professional/personal development, community involvement, and mentorship. The boundaries of the new chapters have been set in such a way as to maximize proximity for members, candidates, and students.

Initially, each member, candidate, and student will belong to a "home chapter" as determined by their preferred mailing address; in the future, we expect that further integration and enhancement of the membership databases will enable each individual to select their "preferred" home chapter. Regardless of their home chapter status, everyone will be welcome to attend the events of all CPABC chapters.

To enable the new chapters to launch by September 2014, CPABC staff are working with current CGA and CMA chapter boards to transition legacy chapter operations and begin constituting new CPABC chapter boards. Officer positions for each CPABC chapter—including chair, co-chair (or vice-chair), treasurer, and secretary—have already been filled, mostly by board members of the existing CGA and CMA chapters and CA associations; this will help to preserve continuity. The names of and contact information for these chapter officers are now posted online at **bccpa.ca** under the Members tab.

The remaining board and committee positions for the chapters' key portfolios (such as communications, education, professional development, and social events) will require additional member volunteers. Members, candidates, and students who are interested in becoming involved with the new CPABC chapters should fill out the volunteer form at **http://bccpa.ca/volunteerform**. CPABC staff will review these online forms with each chapter's officers, who will then contact volunteers over the coming months. ***Note:*** The deadline to submit your expression of interest is April 30, 2014.

Furthermore, members, candidates, and students who are interested in any non-regulatory provincial volunteer role with CPABC (such as serving on PD advisory groups and member forums, or volunteering in such areas as media relations, recruitment, and mentorship) can also fill out the online interest form mentioned above. While the main deadline for these other opportunities is June 30, 2014, volunteer forms will be considered throughout the year. ■

CPA CHARTERED PROFESSIONAL ACCOUNTANTS CANADA



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*You must be registered to the program to access our Community Connect portal. The program is open only to members, excluding students.

ONLINE TRAINING CURRENTLY AVAILABLE!

Visit cpacanada.ca/webinars to view the Financial Literacy webinars to learn more about the program and receive training.

EMAIL communityconnect@cpacanada.ca

Financial Decisions Matter

A Call to Action:

Become a mentor for the next generation of CPAs

By Kerri Wilcox

As part of the new CPA Certification Program, future CPA candidates will have to complete a mandatory period of qualifying, relevant, and progressive practical experience, approved by the profession. All candidates, regardless of where they work, will need to secure a CPA mentor. The practical experience standards for CPA certification, including those related to mentorship, will be specified in the CPA practical experience requirements (CPA PER). We anticipate that the CPA PER for CPA certification will be released this spring, and will take effect September 1, 2014.

Becoming a CPA mentor

All members of the ICABC, CGA-BC, and CMABC in good standing are eligible to become CPA mentors.

Members who become CPA mentors will have the opportunity to give back and invest in the future of the profession, creating a legacy with lasting impact. By sharing their unique perspectives and providing advice, CPA mentors will support future CPAs in developing the level of proficiency expected of professional accountants, with a focus on developing the following competencies: self-management, communication, problem-solving and decision-making, professional and ethical behaviour, and teamwork and leadership.



Lara Greguric, MA, CPA, CA, the director of CA training offices and student standards at the CA School of Business,* is involved in the development of the mentoring program as part of the national CPA Practical Experience Working Group.

"When embarking on the CPA Certification Program, candidates will be joining a professional community with established ethics, values, and attitudes," says Greguric. "We want to ensure that all candidates are exposed to the norms and behaviours of the profession, and that they're supported in their development of these competencies during their practical experience terms."

Two training routes are available for candidates to complete their practical experience requirements, both of which will require appropriate supervision and mentoring:

1. ***Pre-Approved Program:*** Candidates will work at organizations that offer pre-defined positions approved by the profession in advance. These candidates will be assigned mentors within their organizations.
2. ***Experience Verification:*** Candidates will work at an employer of choice and have their experience assessed by the profession as it is acquired. These candidates will need to find their own mentors to ensure a good fit.

As Greguric points out, candidates will not be the only ones in need of support.

"We recognize that if we want this program to be successful, we have to create resources and tools that enable CPA mentors to carry out their roles effectively," she says.

In addition to the personal growth and leadership development that comes from mentoring others, CPA mentors will be able

* Lara Greguric authored the article, "Hiring a CPA Student or Candidate? What employers need to know about the CPA Certification Program" for the January 2014 issue of *CPABC in Focus*.

Public Accounting Requirements

Requirements for the right to practise public accounting are under development, and a revised version of the CPA PER (including public practice registration requirements) will be published when those requirements are finalized.

Legacy Practical Experience Requirements

CPA candidates who start employment and register with CASB, CGA-BC, or CMABC before September 1, 2014 will be able to complete the practical experience requirements under their legacy systems. Transition information, including the specific date by which all legacy candidates will be required to meet the CPA PER, will be included in the practical experience requirement document to be released soon.

to benefit from the experience by gaining exclusive access to free CPD-eligible webinars designed to support them throughout their involvement in the mentorship program. These webinars will focus on topics such as how to be an effective mentor, how to establish a mentorship relationship, and the essentials of coaching. The profession is also committed to developing additional supporting materials based on feedback from candidates and mentors as they progress through the program.

CPA candidates will be required to meet with their mentors at least semi-annually; however, the number of actual meetings needed per year and the duration of each meeting will vary across specific mentoring relationships. A greater investment of time will likely be needed early on, and this need will eventually taper off after the mentorship relationship has been established. On average, the total time commitment from mentors is expected to be less than 15 hours per year. We believe that the benefits to CPA mentors will far outweigh this time commitment.

To qualify as a CPA mentor, members will be required to register and complete an orientation program for mentorship, which is currently under development. Mentors who work at an organization that has a pre-approved program may be exempt from this orientation if their existing training is found to be substantially equivalent to the training that is being developed nationally.

Matching mentors and mentees through the mentorship pool

While CPA candidates who choose the Experience Verification model will be required to find their own mentors in order to increase the likelihood of a good match, CPABC will provide resources, tips, and strategies to guide these mentees in finding a mentor. We expect this information to be available later this year.

While we expect that most CPA candidates in the Experience Verification model will be successful in finding mentors, we recognize that there may be those who have difficulty making a suitable connection; CPABC will work with these mentees and help to match them with qualified CPA mentors. In order to do so, CPABC will create a mentorship pool. To that end, we are currently working to raise awareness and interest in the mentorship program.

How members can get involved

Again, all members of the ICABC, CGA-BC, and CMABC in good standing are eligible to become CPA mentors. Members can get involved by:

- Participating in their organization's Pre-Approved Program, if applicable;
- Volunteering to join the CPA Mentorship Pool; or
- Accepting a mentorship request from a CPA candidate.

All three options will require registration and the successful completion of an orientation webinar. Stay tuned for more information over the coming months. In the meantime, members interested in being mentors are invited to fill out our online volunteer form at **http://bccpa.ca/volunteerform**. ■

Kerri Wilcox is the director of external affairs for the Institute of Chartered Accountants of BC.



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CPA Legislative Update

By Richard Rees, CPA, FCA

I was appointed the CEO of the CPABC Joint Venture in December 2013. This is my first communication to the combined membership, and I would like to thank those of you who have been kind enough to contact me and congratulate me. I appreciate your best wishes as I begin working with my team to fully establish the new organization.

Throughout the transition to CPABC, I have been speaking to members across the province. Many remark on how busy we must be with the implementation of unification, and then pose two questions:

1. "When will we achieve economies of scale, and will that mean lower provincial fees?" and
2. "When will we be fully merged?"

The answers to these questions are intertwined. As you have likely observed, we have forged ahead with the CPABC Joint Venture, but there is still much to do. In addition to integrating our legacy activities and organizations, we are working to establish the new CPA brand with employers, post-secondary institutions, and potential candidates. In addition, the CPA PREP, PEP, and mid-tier programs are currently under development and being delivered on a "just in time" basis. All of these initiatives require significant resources.

While many of our activities can be integrated immediately, it is an unfortunate reality that as long as the legacy legislation exists we have to operate many processes separately in order to meet our respective legislative mandates and privacy obligations. This creates duplication and puts off achieving economies of scale in our operations for the time being. For example, we have to operate three membership databases, which equates to maintaining three separate IT platforms. We also have to regulate our members under three different rule books. These significant red tape and public interest issues can only be addressed when CPA legislation is proclaimed.

So where are we with respect to CPA legislation in BC? In July and October of last year, we held meetings with the minister and deputy minister of advanced education, both of whom indicated their support for our initiative and our minimalist approach to legislative change.* We were told that the major barrier would be whether or not the cabinet saw CPA legislation as a priority when determining its legislative calendar. To that end, we endeavoured to build support at the political level, and we were successful in doing so.

We have since learned that the government is taking a two-step approach: 1) Minor legislative amendments were introduced in the spring session to add the designation "Chartered Professional Accountant" within each existing legacy act; and 2) CPA legislation will be drafted over the coming months with an aim to have it introduced this fall. We have also received an invitation from staff in the Ministry of Advanced Education to work with their legislative drafters, and we are hopeful that a timetable for action will be established over the coming weeks.

We are committed to working with the government to facilitate a smooth transition to the new profession. Throughout this process, we have been collaborative and transparent with ministry staff, and we look forward to the ministry furthering our initiative over the coming weeks and months.

Be assured that the CPABC team is working hard to move the unification project ahead on all fronts. We are determined to build a great CPA profession in BC—one that delivers exceptional programs to our members and students, and serves the public interest with excellence in regulation and education. We understand that our colleagues in other provinces have had fruitful and active discourse with their legislators regarding CPA legislation—the development and passage of which is well in hand in most other jurisdictions. Should things move forward in BC this fall, we will be in line with legislative developments across Canada.

In the meantime, should you find yourself at events with MLAs or cabinet ministers, I encourage you to let them know how important CPA legislation is to you.

Onwards and upwards! ■

Richard Rees, CPA, FCA, is the CEO of the CPABC Joint Venture and the Institute of Chartered Accountants of BC.

* Recognizing that government resources are stretched, we worked with legal counsel to develop a simple, minimalist approach to our legislation. Given that there are no concerns regarding existing accounting legislation in BC, we adapted the most up-to-date accounting act of the three legacy bodies, drafted the *Accountants (Chartered Professional) Act*, and effected consolidation based on precedents in other legislation.

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CPA Canada Compensation Study Results

of professional accountants across the country surveyed for the 2013 study: **21,147**

Average compensation in 2012: **$141,000**

Top 3 overall compensation rates by title:

Senior VP
Business Owner/Partner
President/CEO

$300,000+ on average

OWNER ADVANTAGE:

- On average, entrepreneurial professional accountants (12% of profession) earned more in 2012 than non-business owners.
- Owners of non-accounting businesses had the highest average compensation rate of just over $300,000.
- Owners of accounting firms made an average of $185,000.

Work/life balance:

42% of survey respondents agreed that they had chosen lower compensation to allow for balance; 36% disagreed.



Average compensation rates by age:

Members residing in Canada

COMPENSATION RATES: TOP 3 AVERAGES

by province:

1. AB: $177,000
2. ON: $145,000
3. BC: $142,000

by practice area:

1. Professional services (consulting): $177,000
2. Auditing/tax services: $134,000
3. Not-for-profit sector: $118,000

by industry:

1. Holding and conglomerate: $259,000
2. Oil & gas: $203,000
3. Mining: $194,000

Members working internationally

COMPENSATION RATES: TOP 3 AVERAGES

by location:

1. Hong Kong: $364,000
2. Switzerland: $307,000
3. United States: $294,000

Data source: Chartered Professional Accountants of Canada, 2013 CPA Profession Compensation Study Report, prepared by QRI International, December 2013.

The *Canada Not-for-profit Corporations Act* replaces Part II of the *Canada Corporations Act*. Are you ready?

From Corporations Canada

Note to readers: If you work for or serve on the board of a federally incorporated not-for-profit corporation, the following update from Corporations Canada is a must-read. Every *federally* incorporated not-for-profit corporation will have to complete the transition to the new *Canada Not-for-profit Corporations Act* by October 17, 2014 to remain in good standing with Corporations Canada and the Canada Revenue Agency. Failure to meet this deadline could have significant consequences. The clock is ticking!

The new *Canada Not-for-profit Corporations Act* (NFP Act) presents a more modern, flexible, and relevant legal framework for federally incorporated not-for-profit corporations. The transition deadline of October 17, 2014 may seem far off, but corporations should be taking action now in order to meet the transition date.

To make the change to the new Act, not-for-profit corporations must replace their letters patent, supplementary letters patent (if any), and bylaws. Once this is complete, Corporations Canada can issue a Certificate of Continuance, which confirms that a corporation may "continue" as an incorporated entity under the new NFP Act.

Transitioning to the NFP Act is not as overwhelming as many people think. But it isn't quick either. The five-step process does take time, as it involves preparing new articles and bylaws, and having them approved by members in accordance with the corporation's existing bylaws. Put simply: You need to start now.

The five steps to transition

1. Review your corporation's letters patent, supplementary letters patent (if applicable), and bylaws.
2. Draft the articles of the corporation.
3. Create bylaws.
4. Obtain members' approval.
5. Submit the required documentation to Corporations Canada.



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In addition to his CBV and CPA / CGA designations, Rick has also completed the 3-Year In-Depth Tax Program of the CICA and other specialized courses, and can assist with various planning matters.

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Understanding the new Act is key to a smooth transition. Corporations Canada has posted detailed information on its website at **www.corporationscanada.ic.gc.ca** and also offers a step-by-step Transition Guide to assist not-for-profit corporations through the process. Corporations may want to seek legal advice if they have concerns about the transition.

What you may not know

- The NFP Act does not apply automatically to not-for-profit corporations. Every existing federally incorporated not-for-profit corporation must take the five aforementioned steps to make the transition to the new Act. To see if a corporation is federally incorporated, you can do a search on the Corporations Canada website.
- Corporations cannot simply reuse all of the provisions of their letters patent and supplementary letters patent in the articles and use the same bylaws. The rules under the NFP Act are different, which means that the necessary articles and bylaws set out under the Continuance must be different as well.
- Obtaining members' approval can be a lengthy step. Not-for-profit corporations need to call a members' meeting and seek approval as per their current bylaws. If your members' meeting takes place only once a year, this can significantly delay your progress in completing this essential step.
- If a not-for-profit corporation doesn't make the transition to the new Act by October 17, 2014, Corporations Canada will issue a "Pending Dissolution Notice" indicating its intent to dissolve the corporation.
- A further consequence after dissolution may be the loss of a not-for-profit corporation's registered charity status, if applicable. This could make it difficult for corporations to obtain and maintain financial support through charitable grants and donations, and it could also mean paying a revocation tax equal to 100% of the value of the corporation's remaining assets.

Change is good

The new *Canada Not-for-profit Corporations Act* replaces Part II of the *Canada Corporations Act*, which governed federal corporations for nearly 100 years. The new rules are clearer, more modern, and more flexible, and much better suited to the needs of today's not-for-profit corporations. Not-for-profit corporations can better organize their activities and experience less red tape with the NFP Act's simplified processes.

Enhanced member rights, simplified procedures for adopting or amending bylaws, and a legal framework more closely aligned with the *Business Corporations Act* are additional benefits of transitioning to the new NFP Act.

Set things in motion

Remember, the steps to transition a not-for-profit corporation to the new Act can take several months, and the clock is ticking. Avoid the significant and serious consequences of missing the transition deadline by beginning your transition activities today. ■

How to reach Corporations Canada:
Toll-free (in Canada): 1-866-333-5556
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Peter Greenwood is a partner with KPMG in Vancouver, where he leads the accounting advisory group. He specializes in complex issue resolution, GAAP conversion change, and change management initiatives. He also leads KPMG teams for regulatory reporting and economic impact assessments for entities within the public sector.



Alastair Nimmons is a partner with KPMG in Vancouver and leader of the financial management practice in BC. He specializes in finance strategy and transformation, and has worked with the finance functions of many public sector organizations—most recently on initiatives related to fiscal sustainability through core reviews, value-for-money assessments, and long-term financial planning.

What Finance Teams Need to Consider When Restructuring or Reorganizing

By Peter Greenwood, CPA, CA, Alastair Nimmons, CPA, CA, CMC, and Archie G. Johnston, CPA, FCA, CIA

Organizations across the public sector are being asked to do more with less, while at the same time maintaining the high standards of transparency and accountability we Canadians have come to expect. Accordingly, governments at federal, provincial, and local levels across the country continue to take proactive measures to manage spending, with a focus on providing services efficiently and effectively.

In our experience, this type of efficiency-led change in the public sector often results in the reorganization and restructuring of finance functions.

This is just one of various drivers of change for finance teams in the public sector. Another is the evolving nature of accounting standards. The days of having one handbook of consistent standards are long gone, as today's iteration of the *Canadian Handbook* features separate rules for Public Sector Accountability Board (PSAB) reporters.

Public sector finance teams must work hard to add value to the changing business environment. While historic reporting of past-period events remains a cornerstone of any finance function, demands on finance to drive insight and help organizations make better-informed decisions—ones based on the right information and delivered at the right time—are becoming commonplace. In fact, according to KPMG's 2013 global CFO research,[1] 56% of finance executives expect finance teams to expand their roles in developing and executing business strategy in the next five years.

Enabling change in the finance team through restructuring or reorganization is no small task, especially when layered on top of day-to-day reporting. It often means embedding "intelligent" finance concepts such as:

- Strengthening strategy alignment, business planning, information reporting, and analytical capabilities;
- Employing the latest business intelligence tools and innovative data analytic techniques; and
- Investing in both resources and systems for transforming data into insightful reports that help decision-making across all business functions.

In short, it can mean undertaking an enterprise-wide transformation project, combining finance and technology skills to create a finance function that delivers value.

[1] KPMG surveyed approximately 440 CFOs and senior finance executives in 15 countries covering all major industry sectors. Respondents shared their opinions on how finance functions are adapting to emerging business challenges. *Being the best: Inside the* intelligent *finance function – Insights from our latest global CFO research* is available at **www.kpmg.com/cforeport**.

Driving change – critical success factors

To help with this process, we've compiled the following list, which summarizes eight key steps organizations should take in order to transform their finance functions successfully:

1. **Establish clear objectives and a clear mandate, starting with the end goal in mind:** A well-defined project structure not only defines the future state of the finance function, but also offers a road map for everyone involved in the transformation. It focuses the attention on identifying the "line in the sand" before the project even starts, and articulates the objectives to all project participants.

2. **Engage broadly with partners across the business:** Before and during the transformation of your finance group, it is important to communicate with stakeholders across the company. This will align finance's strategic goals with those of the business as a whole, and will highlight how stakeholders will benefit. This, in turn, will win stakeholders' co-operation.

3. **Set realistic goals and timelines:** Ensure that your finance transformation is achievable by splitting its execution into manageable steps, with specific milestones and work streams. Essentially, allow reasonable time to complete these steps, and build flexibility into the plan so it can be adapted to address the changes that will inevitably occur in the business or its markets over the course of the project.



4. **Lead with a clear "tone from the top":** Obtain clear and strong commitment from the chief executive (or chief administrative) officer and CFO, backed by the board, as well as from the executives in charge of other business units that stand to benefit from the planned transformation. Business unit leaders often look forward to the more sophisticated analyses and strategic assistance that a forward-thinking or re-engaged finance function can offer them; however, they may need to be persuaded to adjust their traditional ways of understanding customers, defining business performance, and dealing with rapidly changing market conditions. Critically, setting a clear tone from the top also means naming the leaders of the project, thereby identifying them to the other business unit leaders and giving them the necessary profile to drive change forward.

5. **Develop a transparent governance framework:** Clear accountabilities and expectations need to be set in place to enable the finance transformation and to ensure that the change creates enduring value over the long term. Establish objective benchmarks and key performance indicators to monitor and measure the performance of your finance function before you start (setting a baseline), at pre-defined intervals, and after the project is complete. Empower a strong project management office with the authority to maintain the focus on transformation activities, manage execution, and report on progress and the quality of deliverables.

6. **Build and manage your project's "brand":** For multi-phase transformation projects, sustaining momentum over the project's life cycle can often be difficult. To keep up morale, maintain support, and foster co-operation among everyone who will be affected by the planned systems and operational changes, create a plan to broadcast the project's benefits regularly. This means developing detailed explanations of the changes to come and sharing them in advance with other functions. It also means highlighting any incremental progress made and sharing early successes. Use a multichannel approach to reinforce these messages—for example, through various avenues such as conferences, training programs, webcasts, and online portals.

7. **Manage talent during the transition—look after your people:** To implement the transformation program while maintaining core finance services, finance teams need to have the right number of finance professionals and the right mix of skills and experience at every step of the transformation process. Finance groups often have difficult internal decisions to make as they work to match staff skill sets with an expanded mandate. This includes whether to retrain present staff, recruit from within the organization, or look outside. As the conversion proceeds, consider alternative sourcing strategies to provide the optimal combination of internal and external resources.

8. **Look to gain efficiencies from others who have been there before:** Finally, as you look to drive change and bring new ideas into the finance function, consider accessing the change management skills and experience of the right external adviser. The field experience of an external adviser can equip your project with the detailed knowledge and practical experience of tools and methodologies needed to plan and run complex transformation projects.

Finance reorganization and restructuring within the public sector is not easy. While our experience has reinforced the belief that every organization's transformation journey is unique, we know that a number of common elements and enablers must be balanced in order to successfully transform the finance function. We hope the points noted in this article help provide a guide for those finance functions embarking on their own transformation journeys. ■



Archie G. Johnston is the Canadian national industry leader of KPMG's public sector and not-for-profit practice group, which addresses the specific issues, risks, and service requirements of not-for-profit and public sector organizations in British Columbia and beyond.

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DeWayne Osborn is the general manager, chief compliance officer, and in-house expert on charitable and planned giving with Lawton Partners in Winnipeg, Manitoba.

Legislation and Philanthropy: What Every High-Net-Worth Donor Should Know Before Launching a Private Foundation

By DeWayne Osborn, CGA, CFP

Since the release of the federal budget of March 19, 2007, three significant pieces of legislation have had a dramatic impact on the philanthropic sector in Canada, and on high-net-worth (HNW) donors in particular. The purpose of this article is to review the legislation that is currently in force. (A fourth piece of legislation proposed in the 2014 federal budget, which should have a similar impact if ratified, is a topic for future discussion.)

Before getting into the legislation, it's worth mentioning a general trend that Canadian charities are being forced to deal with as the population ages. Today's donors are demanding more accountability and more control over their donations to (or "investments in") charities, and are becoming less and less tolerant of public charities not allocating their funds as they'd like. Seeking more flexibility and control over the disbursement of funds, many donors have turned to the idea of creating private foundations. So much so that the number of private foundations in Canada has increased by 10% in the last five years, while the number of *public* foundations has increased by only 0.92%. In fact, for the first time in my 14 years working in this sector, private foundations outnumber public foundations (5,334 vs. 5,024, respectively[1]).

Legislative changes – the good and the bad

Extending the zero capital gains inclusion rate

Prior to 2007, donors were severely limited in the types of property they could put into their newly created private foundations. These restrictions were relaxed somewhat in the 2007 federal budget, when the Department of Finance (Finance) extended the zero capital gains inclusion rate for gifts of listed securities to private foundations (prior to that date, the provision only applied to gifts of listed securities to public charities). This means that gifts of securities defined as stocks, bonds, warrants, and rights listed on prescribed stock exchanges; mutual funds; and segregated funds made to private foundations no longer generate a capital gain inclusion to the donor. This provision applies to gifts from corporations and individuals; hence, if the gift is made from the donor's personal corporation, 100% of the capital gain can be credited to the capital dividend account and paid out as a tax-free capital dividend. In short, donors now have more flexibility in the types of property they can gift to their new private foundations.

Simplifying the disbursement quota

The second piece of significant legislation that affected HNW donors positively was proposed in the March 4, 2010 federal budget. Finance dramatically simplified the administration of charities by simplifying the amount charities have to spend each year on

[1] http://www.cra-arc.gc.ca/chrts-gvng/lstngs/menu-eng.html.



charitable activities—this amount is referred to as the "disbursement quota."[2]

Prior to March 4, 2010, foundations had to calculate their disbursement quotas based on two amounts: 80% of the previous year's tax-receipted gifts, and 3.5% of the 24-month average fair market value of all property owned by the foundation but not used for charitable activities and/or administration. Using a simple example, if a foundation issued tax receipts of $500,000 in 2008 and had 24-month average investments not used for charitable activities of $1 million, its 2009 disbursement quota would be $435,000 (80% × $500,000 + 3.5% × $1 million).

For fiscal year-ends after March 4, 2010, however, that same foundation would have to spend $35,000 on its charitable activities. Thus, HNW donors have increased flexibility in determining the amount and timing of their gifts and the disbursements for their activities.

Targeting the ownership of privately held shares

Unfortunately, not all of the legislative changes affecting HNW donors who are considering launching their own private foundations have been positive. In the March 19, 2007 federal budget, Finance also introduced the Excess Corporate Holdings Regime for Private Foundations,[3] a piece of legislation singularly targeted at private foundations and their ownership of shares—in particular, privately held shares.[4]

A word of caution: *Finance will not tolerate any strategy, tactic, series of transactions, or any other action it deems to be an attempt to avoid this legislation. Therefore, unless there is a specific and immediate plan to redeem the shares caught by this legislation, I strongly suggest that donors not use this type of property in private foundations.*

If at any time during its fiscal period, a private foundation (registered after March 19, 2007) owns 2% or less of the issued and outstanding shares of any share class, there are no concerns, as the legislation refers to this level of ownership as "Safe Harbour." However, once the foundation owns *more* than 2% of any share class of a corporation, other provisions of the legislation are triggered.

For example, if a private foundation owns more than 2% of the listed and outstanding shares at any time during the fiscal period, it must report to the CRA the percentage of shares that it and any relevant person with material interests hold. Generally speaking, a "relevant" person is someone not at arm's length with the foundation (for example, the donor and his or her family). "Material interest" is defined as ownership of more than 0.5% of the shares of the class or ownership of shares that have a fair market value in excess of $100,000.

Provided the foundation and all relevant persons together own less than 20% of the corporation's share class, the legislation refers to this level of ownership as "Monitoring." In the Monitoring range, the foundation is required to report annually to the CRA the percentage of shares that it and any relevant person with material interests hold, as well as its own and any relevant person's material transactions for each share class. A material transaction (or series of transactions) is one that exceeds the lesser of $100,000 or 0.5% of the total fair market value of all the issued and outstanding shares of the class.

If, at the foundation's fiscal year-end, the foundation and all relevant persons considered together own more than 20% of any share class of a corporation, the foundation is considered to be in the "Divestment range." In this range, the foundation is required to reduce its divestment obligation to 20% or less within specific time frames or it will face substantial penalties and/or revocation of its charitable

continued on page 41

[2] The failure of a private foundation to meet its disbursement quota obligations can lead to the revocation of charitable status.

[3] Refer to the Canada Revenue Agency publication *T2082 - Excess Corporate Holdings Regime for Private Foundations* or Section 149.2 in the *Income Tax Act of Canada*.

[4] It is highly unlikely that a person would donate sufficient levels of publicly listed securities to cause a problem; however, if they did do so, these securities would be caught under the legislation.

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HIGHLIGHTS FOR MAY & JUNE 2014 – ICABC/CMABC PD PROGRAM

Our spring/summer 2014 PD schedule is now ready! Some of our May and early June titles are listed below—many more titles are available online. Visit **www.icabc-pd.com** or email the PD department at **pdreg@ica.bc.ca**. Don't forget to register early for our popular conferences coming up in June.

PD CONFERENCES

The conference format includes keynote presentations as well as a selection of breakout sessions. All three conferences listed below are PD Passport-valid. For more information on the individual sessions, please visit our website at **www.icabc-pd.com/conferences**.

Information Technology Conference 2014
June 16 & 17, 2014
Vancouver Convention Ctr, West Building

Victoria Professional Development Day
June 24, 2014
Westin Bear Mountain, Victoria

Members in Business & Industry PD Day
June 26, 2014
Vancouver Convention Ctr, West Building

Accounting & Assurance | Finance

ASPE: Real Estate Industry
This seminar will explore the ASPE standards that are applicable to the real estate industry and will make a link to REALpac in a practical manner. The seminar will also cover the disclosure requirements of ASPE and other issues specific to the real estate industry.
May 28, 9am-5pm, Vancouver

Corporate Treasury Management
The treasury function has evolved from cash management and insurance to include funding strategies, complex risk management techniques, and oversight over many aspects of corporate risk management and loss reduction. This seminar will provide participants with the tools necessary to add value to the treasury function in their organizations.
June 9, 9am-5pm, Vancouver

NFPO – A Survey of the Standards under Part III of the Handbook
This seminar will provide an overview of the accounting standards for non-government-controlled not-for-profit organizations (NFPOs) under Part III of the *CPA Canada Handbook*. It will review the application of GAAP with an emphasis on the areas where choices have to be made in the preparation of financial statements.
May 27, 9am-5pm, Vancouver

Wealth Management

Wealth Management Tools and Practices
This seminar will give professional advisers valuable tools they can use to help themselves and/or their clients develop personal financial plans, participate with other professional financial advisers, and integrate personal financial planning into corporate and family affairs.
May 28, 9am-12:30pm, Vancouver

Taxation

Creative Use of Partnerships in Tax Planning
This seminar will focus on the use of partnerships in creative tax planning, and will review some of the more common issues and pitfalls encountered by practitioners.
May 29, 9am-12:30pm, Vancouver

Income Tax Planning Refresher for Personal Tax
This is a refresher course for those participants who want to refresh their knowledge about personal tax, trusts, and partnerships. At the end of the two-day course, participants should have an up-to-date understanding of the tax rules and of some planning opportunities relating to individuals, partnerships, and trusts.
May 26-27, 9am-5pm, Vancouver

Mgmt & Personal Development

Communicating under Pressure
This workshop will provide the knowledge and tools needed to communicate effectively in difficult and uncomfortable situations.
May 27, 9am-5pm, Vancouver

Communicating with Difficult People
People working in the accounting field get challenged by more difficult behaviours than we may want to admit. At this seminar, led by an acclaimed national presenter, you will learn proven strategies to mitigate the impact of difficult people and increase the likelihood of getting desired results.
May 30, 9am-5pm, Vancouver

Documenting Your Organization's Financial Processes
Maintaining a current and comprehensive manual of essential operational procedures helps ensure that an organization's processes meet required standards. This seminar is designed to teach participants how to document their financial work processes and prepare detailed, task-based procedural manuals.
May 29, 9am-5pm, Vancouver

Employment Standards Overview
This seminar will provide an overview introduction to key provisions of the *BC Employment Standards Act*, with an emphasis on commonly misunderstood requirements.
May 28, 9am-12:30pm, Vancouver

The Leadership Challenge: Skill sets and Mindsets for Leading People
Whether or not you believe that you possess the qualities of a great leader, this workshop will put you in touch with the core capacities of leadership and invite you to take your own next step as a leader.
May 29, 9am-5pm, Vancouver

HIGHLIGHTS FROM CGA-BC's SPRING 2014 PD SERIES

All seminars described below will be taking place in the Lower Mainland unless otherwise noted. To register or to access CGA-BC's complete PD program, visit **www.cga-bc.org/pd** or contact Allyson Hayward at 604.637.6801 or **ahayward@cga-bc.org**.

Business Management

Essentials of Controllership

This program is based on the Planning & Reporting and Control volumes of the *Carswell Controllership Guide*. It is designed for existing controllers who want to share their professional experiences and update their skills, and for individuals who are anticipating moving into the controllership position. By covering topics that apply to both the public and private sectors, this program will give participants from different types of organizations an ideal opportunity to share ideas and concepts.

Benefits of Attending

- Discover leading practices in planning and budgeting, financial reporting, risk management, performance measurement and management, cash management, inventory, and tax administration;
- Learn how to apply effective operational and quality management approaches to key accounting processes; and
- Receive two reference manuals (Planning & Reporting and Control) from the *Carswell Controllership Guide*.

April 24-26, 8am-(end times vary)

Costing and Decision-Making for Controllers

This program has been designed to complement the three-day Essentials of Controllership Program (see above), and will cover topics in the Costing and Technology & Systems volumes of the *Carswell Controllership Guide*. The program will provide an overview of the controller's role, as well as a brief review of strategic financial management and basic cost and reporting topics. It will then build on these topics by reviewing more advanced issues.

Benefits of Attending

- Receive best-practice lists for areas such as outsourcing;
- Learn to identify and report to management on the key ways in which businesses waste resources;
- Discuss the challenges faced by today's managers;
- Receive a controller's "toolkit" that covers such topics as quality costs, process management, activity-based management, activity-based costing, and resource-consumption accounting; and
- Receive two reference manuals (Costing and Technology & Systems) from the *Carswell Controllership Guide*.

May 9-10, 9am-4:30pm

Excel

Excel – Budgeting and Techniques*

This seminar will help you use Excel's many advanced features more effectively for budget development and monitoring. Many organizations, large and small, use Excel as their primary tool for creating and monitoring budgets. Gain hands-on experience working with Excel's many features, such as data consolidation for budgets, securing workbooks, and forecasting and charting techniques for budget presentations.

***Lab:* April 11, 9am-4:30pm**
***Bring your own laptop – Coquitlam:* May 2, 9am-4:30pm**
***Bring your own laptop – Kelowna:* May 23, 9am-4:30pm**

Excel – Financial Models and Analysis

This seminar will provide you with hands-on practice using Excel for financial management and decision-making purposes. Gain valuable skills and practical experience creating working financial models for reporting and analysis with Excel.

***Lab:* May 16, 9am-4:30pm**

Excel – Pivot Tables

This seminar will show you how Excel's pivot tables can help you quickly turn a mass of data into meaningful information to help you manage your business. It will give you valuable hands-on experience manipulating, analyzing, and reporting data using Excel's advanced "Pivot Table and Charts" feature. We'll start with the theory behind pivot tables and the best practices for creating them. You will learn how to group data, create calculated fields, update data, and extract data from your accounting systems. You will also learn to create "drill downs" in pivot tables. We will also explain how pivot tables have a unique ability to consolidate data across multiple worksheets, and will show you how to create charts and dashboards generated from pivot tables.

***Lab:* June 13, 9am-4:30pm**

Excel – Macros

This seminar will show you how to extend Excel's capabilities by creating macros to automate those weekly or monthly tasks that would otherwise take hours to complete, and by applying macros to financial models, lists, and pivot tables. It will give you hands-on experience creating a toolbox of macros for day-to-day use. In addition, you will learn how to navigate the macro developer tool; record, edit, and create useful everyday macros; review formulas and functions; create Excel forms for data input; and create interactive dashboards.

***Lab:* June 27, 9am-4:30pm**

*Qualifies for the Certificate of Achievement in Excel

Giving Back to the Community through Volunteerism

While our cover story focuses on the importance of volunteerism in the profession, we know that many of our members are dedicated contributors to their communities, giving generously of their time and expertise throughout the various stages of their professional lives. We asked three of these members to share a few thoughts on community service.



Mark Kennedy, CPA, FCMA, is the owner of Blackfish Accounting Services Ltd., and he lives and works in Burnaby. In addition to his volunteer work in the community, Mark has given back to the accounting profession through past and current service on CMABC's board of directors and several CMABC committees, and through ongoing service on CMA Canada's Public Practice Exam Committee. Mark has twice received CMABC's Volunteer of the Year Award (2007 and 2008).

Kelvin Lum, CPA, CA, was born and raised in Vancouver, which he continues to call home. He is the CFO of White Spot Limited, and has worked with the company for seven years. In 2013, Kelvin received the ICABC's Community Service Award.





Wynne Powell, CPA, FCGA, recently retired as the president and CEO of both London Drugs Limited and TLD Computers, and continues to serve as president and CEO of London Air Services Limited and Sonora Resort. Throughout his career, Wynne has donated his leadership to countless charities, NPOs, and professional organizations—service that has garnered him numerous awards, including the Queen Elizabeth II Golden Jubilee Medal and the R.W. Caulfield Award for Leadership. In 2008, CGA-Canada selected Wynne as one of its "Top 100 CGAs" for his outstanding contributions to the designation and the community.

What's a major area of focus for your volunteerism, and why?

Mark: I'm currently involved with three charities. For my church [Church of the Nazarene Vancouver First and Canada Pacific District (BC & Yukon)], I serve as the board secretary, a member of the Stewardship Committee, and chair of the Properties Committee; I also serve on the provincial church board and chair the Finance Committee. For the Mission Possible Compassionate Ministries Society, I serve as director and member of the Finance Committee. For Scouts Canada, I volunteer as group scouter with 4th SW Burnaby at the Willingdon Church, group commissioner at the 12th Nazarene Vancouver East, and part of the Pacific Coast Council Training Team. I chose these roles to help youth develop self-esteem and leadership skills, and to inspire them to help others. Just last summer, for example, I was part of a team that assisted in the construction of a school in Kawangware, one of the poorest areas in Nairobi, Kenya.

Kelvin: I am a volunteer director and treasurer of the Take a Hike Youth at Risk Foundation and have been involved with the Foundation since its inception in 2001. The Foundation supports an alternative education program that operates out of John Oliver Secondary School, which is the high school I attended. When my good friend and fellow alumnus who created this Foundation asked me to be involved, I welcomed the opportunity to give back to the community I grew up in. Our goal is to empower at-risk youth by strengthening their self-esteem and teaching them life skills that will benefit them in the future. We were able to expand the program to the West Kootenays in 2013 and can now support 50 at-risk youth, but we're hoping to expand our reach even further.

Wynne: I have served as chair of BC's Provincial Health Services Authority (PHSA) for the past 13 years, and I chose this field as I wished to help make the government health system sustainable and of the best quality. I have also served as the chair of chairs for all of the BC health authorities for almost 13 years—this group works to improve the co-ordination, communication, and sharing of ideas on how to improve BC health outcomes. In addition, I chair BC Emergency Health Services, a part of the PHSA but another distinct board that governs all emergency responses. And last year, I joined the newly formed Presidents Group, an advisory committee for the Ministry of Social Development and Social Innovation. Part of our mandate is to work with the business community to improve employment opportunities for people with disabilities.

What have you found most rewarding about your volunteerism?

Mark: Just taking a little time each week to do something… the effect is cumulative. I see the impact of volunteers' involvement in the lives of youth. I have several adults I work with in scouting who were youth in the program decades ago and who now provide the much-needed leadership and role models necessary for the scouting program today. My work at Mission Possible has been an opportunity to meet and chat with several residents of Vancouver's downtown eastside—some there by choice, some there by addiction, and others there by circumstance. Those looking to break the cycle of poverty need help getting back to being employable. Part of what Mission Possible does is help to break that cycle. Helping others and youth has always been my focus.

Kelvin: The most rewarding aspects of my volunteerism have been meeting all the students who have benefited from the program and achieving the Foundation's purpose of enabling at-risk youth to change their lives for the better. It has been gratifying to see the program come to the attention of people such as Canadian Olympic athlete Clara Hughes and the Governor General of Canada, David Johnston, both of whom have spent time with our students. I have also enjoyed building relationships with the many dedicated people who are willing to invest their time and money to help youth get their lives back on track, and my involvement has been a great way for me to connect with and learn from professionals from a variety of other industries—they have broadened my experiences.

Wynne: My experience is that your contribution is always complemented by the expansion of your own knowledge on many subjects. I have been very successful in my career and wanted to give back in a way that was more than just financial. My current roles consume four to five days a month, so the commitment does create workload issues, but I find I get a deep satisfaction from helping the public.

Why do you think it's important for professionals to give back to the community?

Mark: Most charities are in need of individuals who know about strategic planning, leadership, and financial management. These are the greatest needs for charities today, because without having board members who possess these skill sets, charities are likely to see their scope remain small and localized, and their impact remain small. Our profession is one of the few that can provide all three of the skills I mentioned. The impact is amazing and can be significant.

Kelvin: I believe it's important for professionals to give back to the community because there is such need for our knowledge, judgment, and decision-making skills, and professionals can offer so much in giving back to the community where they live, work, and play. Professionals are usually people who've received tremendous support throughout their careers, and it is logical that we should return that support to others in some way.

Wynne: I think giving back to our communities in any service is one of the privileges we have as professionals, as we can help make a difference. It helps build a positive opinion for our profession that is important. With our special training, we can help in so many unique and important ways. ■

In the next issue of *CPABC in Focus*, look for profiles of the ICABC's 2014 Community Service Award winners.

"With our special training, we can help in so many unique and important ways."

Kudos!



Don Furney, CPA, CA, recently joined DMCL Chartered Accountants as a partner in the tax group. Don has over 30 years of experience in Canadian and international tax for public and privately held companies and their shareholders. He specializes in numerous industries, including real estate, technology and digital media, consumer and industrial products, and shipping.



Mark Mawhinney, CPA, CMA, has been re-elected as chair of the Victoria Dragon Boat Festival Society. He also chairs the board of the Fairway Gorge Paddling Club Society, and has been appointed to the board of Strathcona Investments Corp., which acquires successful BC-based operating businesses.



Barbara Oberleitner, CPA, CA, has been appointed VP of tax for WSP Global Inc. Barbara brings 20 years of experience to the position, having worked at a senior executive level in large corporate settings, including Yellow Media Inc. and Quebecor World Inc. Barbara will hold overall global responsibility for taxation, ensuring tax planning and compliance.



Gabor Palos, CPA, CGA, recently joined D&H Group LLP Chartered Accountants as tax director, practising in the area of personal and corporate income taxation. Gabor is advising clients on a wide range of domestic and cross-border income tax matters, with a focus on corporate reorganizations and business succession.



Alex Wong, CPA, CA, a senior manager with Smythe Ratcliffe Valuation & Advisory Services, won the 2013 George Ovens Award from the Canadian Institute of Chartered Business Valuators (CICBV) for achieving the highest mark in Canada on the CICBV's final membership qualification exam. The award was presented in January 2014 at a ceremony in Toronto.

Jim Zaffino, CPA, CGA, has been appointed chief administrative officer for the District of West Kelowna. Jim has 39 years of experience in municipal government, and in 2011 he was awarded a Professional Service Award for Leadership from his peers at the Local Government Management Association of BC.



Bob Skene, CPA, FCA, has been chosen by the Greater Victoria Chamber of Commerce to receive its 2014 Governors' Lifetime Achievement Award. Now retired, Bob is a veteran of the high-tech industry who has given back to the Victoria community in many ways for more than 30 years, including through his involvement with Royal Roads University, the Vancouver Island Advanced Technology Council (which he co-founded), the Victoria Airport Authority, the Greater Victoria Hospital Society, and the Greater Victoria Chamber of Commerce.

Do you have an announcement you'd like to share in an upcoming issue of CPABC in Focus? *Email us at:* ***info@bccpa.ca***

RRSP and tax tips 2013 – A thank-you to our volunteers!

We would like to thank the following volunteers for their involvement in coordinating, updating, and reviewing the RRSP and tax tips for 2013:

- D&H Group: Arthur Azana, CPA, CA; and Jessica Chou, CA.
- KPMG: Harry Hoff, CPA, CA; Marie Parayno, CPA, CA; Rosanna Lau, CPA, CA; and Jacqueline Wong, CPA, CA.
- BDO Canada: David Mueller, CPA, CA; Robert Mah, CPA, CA; and Perry Yuen, CPA, CA.
- EY: Larry Bell, CPA, CA.
- Grant Thornton: Darren Bank, CPA, CA; Connie Leung, CPA, CA; CPA student James Painter; and Mark Gunther, CPA, CA.
- Smythe Ratcliffe: Tom Morton, CPA, CA; and Aliya Rawji, CPA, CA.
- Deloitte: Derek Bennett, CPA, CGA.
- PricewaterhouseCoopers: Danielle Desjardin, CPA, CA.

FCA Dinner 2014

On February 6, the ICABC held its annual FCA dinner at the Vancouver Club. This event provides an opportunity for the Fellowship to celebrate the achievements of its newest members, and to recognize the FCAs who have recently received awards for Lifetime Achievement. At this year's event, Shelley Brown, FCPA, FCA, chair of the board of directors of CPA Canada, was on hand to offer greetings and congratulations.



The newest members of the ICABC Fellowship – Standing (l to r): Praveen Vohora, CPA, FCA; Kyman Chan, CPA, FCA; Jamie Midgley, CPA, FCA; Jim Pickles, CPA, FCA; Tom Ferries, CPA, FCA; Pete Blake, CPA, FCA; Chuck Burkett, CPA, FCA; Mike Lam, CPA, FCA; Brian Bentz, CPA, FCA; Kin Lo, CPA, FCA, Ph.D.; Jack Arnold, CPA, FCA; Don Thomson, CPA, FCA. Seated (l to r): Ali Pejman, CPA, FCA; Betty Ann Shiels, CPA, FCA; and Cowan McKinney, CPA, FCA. Not photographed: Ken Galbraith, CPA, FCA. Photo by Kent Kallberg Studios Ltd.

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TAX

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status.[5] Time frames range from the same fiscal period for shares purchased by the foundation to two years for shares gifted inter vivos, to five years for shares gifted via a bequest.

HNW donors who are considering forming private foundations should be advised of the issues of using private company shares very early in the discussion process. And while the administration of private foundations has ne-ver been easier, donors must also be reminded that once property is donated, it cannot be retrieved. Furthermore, donors should be advised that regulations governing the operation of private foundations prohibit many of the activities they may be accustomed to doing on a regular basis (such as moving money in and out of a foundation for purposes other than charitable activities).

[5] A first-offence penalty equals 5% of the fair market value of the share class multiplied by the foundation's divestment obligation. This penalty increases to 10% for a second occurrence within five years. Finally, a penalty equal to 10% of fair market value of the share class multiplied by the foundation's divestment obligation is imposed if the foundation fails to file the report to the CRA properly.

Final thoughts

For charitably inclined HNW individuals, the private foundation offers the maximum level of flexibility and control over philanthropic activities. With the exception of privately held shares, virtually any property can now be gifted into a private foundation in a tax-effective manner. Once the property is in the foundation, the HNW individual and/or their family then have the flexibility to pick and choose the projects they wish to fund thanks to the dramatically relaxed disbursement quota. All it takes is some careful planning to stay onside with the evolving legislation. ■



MEMBER PROFILE

William (Bill) Rempel CPA, CGA

VP and General Manager, Blackwood Partners Management Corp.

Profile by Patrick Schryburt
Photo by Ron Sangha Productions

Late in the afternoon of August 3, 1987, a young man attempting to help his father dislodge the family's houseboat from a dock in St. Ives on Shuswap Lake fell into the water. Though the lake was only about 12-feet deep, the man didn't know how to swim. Nor did the few bystanders—among them a nurse—who'd witnessed this seemingly innocuous sequence of events. The man's parents, too, were unable to help, as neither were strong swimmers and both suffered from serious heart problems. All anyone could do was stand by helplessly and watch as the man started to drown.

At a nearby cottage a short distance away, Bill Rempel noticed the commotion. He immediately ran out onto his dock, dived into the lake, and swam over to help the drowning man. After he managed to pull the victim to the surface, bystanders helped haul the man's blue, lifeless body out of the water and began administering cardiopulmonary resuscitation. Soon after, the man began to cough and gasp for air.

The following year, Bill's heroic plunge into the Shuswap earned him a Royal Life Saving Society Rescue Commendation.

"Getting him to the surface took a significant physical and mental effort," Bill says. "There have been times since then that I have been faced with daunting challenges, both personally and professionally, and I have been able to look back on this incident and find an inner strength to accomplish the 'challenge of the day.' This experience also reinforced my belief in teamwork—I was so relieved there was a nurse on the dock that day who was able to revive the victim."

Bill's act of heroism is part of a life spent helping others and giving back.

"I have always found volunteering to be a very rewarding and growing experience," he says. "It is a great opportunity to meet many amazing individuals and to better understand other points of view. Seldom are there only two sides of a coin when dealing with complex issues."

Bill has been particularly dedicated at the civic level, where his many contributions include serving for more than eight years on the board of directors of the Downtown Vancouver Business Improvement Association, serving for four years on the Downtown Surrey Business Improvement Association, and volunteering for four years on behalf of the Vancouver Fair Tax Coalition. He has also served as president of the Burnaby Chamber of Commerce and of both the Vancouver and Surrey business improvement associations (BIAs).

"For the most part, businesses are not able to vote," he says. "It's important that civic leaders hear the voice of business and understand the vital role that commerce plays in our communities. BIAs, boards of trade, and the Fair Tax Coalition are great venues to communicate this role and help build stronger communities."

For his many contributions, Bill received CGA-BC's Community Service Award in 2012, and was named Surrey's "Business Person of the Year" in 2013.

Today, as vice-president and general manager of Blackwood Partners Management Corporation, he spends much of his professional life helping to develop Surrey's growing presence as a leading centre for business.

"The Lower Mainland's future growth will be concentrated 'South of the Fraser,' and Surrey's emerging downtown core will become the economic engine of this region," Bill says. "It is truly a great opportunity to be part of this evolution." ■

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